

*Leave of Absence*

*Friday, December 11, 1992*

**HOUSE OF REPRESENTATIVES**

*Friday, December 11, 1992*

The House met at 1.45 p.m.

**PRAYERS**

[MADAM SPEAKER *in the Chair*]

**LEAVE OF ABSENCE**

**Madam Speaker:** Hon. Members, I have granted leave of absence to the Member for Tobago East, (Mr. A. N. R. Robinson), to be absent from today's sitting.

**PAPERS LAID**

1. US \$100 million Eurobond Issue. [*The Minister of Finance (Hon. W. Mottley)*]
2. Report of the Auditor General on the Accounts of Telecommunications Services of Trinidad and Tobago Limited for the period ended March 31, 1992. [*Hon W. Mottley*]
3. Report of the Auditor General on the Accounts of Trinidad and Tobago (BWIA International) Airways Corporation for the year ended December 31, 1990. [*Hon. W. Mottley*]
4. Report of the Auditor General on the Accounts of Trinidad and Tobago (BWIA International) Airways Corporation for the year ended December 31, 1991. [*Hon. W. Mottley*]

*Papers 2 to 4 to be referred to the Public Accounts (Enterprises) Committee*

**ORAL ANSWERS TO QUESTIONS**

**The Minister of Local Government (Hon. K. Valley:** Madam Speaker, we want to ask for a deferral of some of the questions on the Order Paper to the next sitting of the House, simply because the research is still continuing. [*Interruption*] I am not withdrawing the statement made last week. We waived the Standing Orders to allow a number of questions to be answered.

The questions we are asking to be deferred are 60, 66, 73, 74, 75, 76, 78, 79, 81, 83, 84, 85.

**Madam Speaker:** We shall deal with them as we reach to them.

**Retired Judges  
(Appointment of)**

**49. Mr. Ramesh Maharaj** (*Couva South*) asked the Attorney General and Minister of Legal Affairs:

- (a) Would the Attorney General and Minister of Legal Affairs give the names of the retired judges (giving the period of their appointments) who were appointed by the President under the Constitution (Amdt) Act 1988 to perform the functions of temporary judges under section 2(2) (ii) of the said Act?
- (b) Would the Minister state the names of the judges who have attained the age of 65 years since the passing of Act No. 2 of 1988 on February 12, 1988?
- (c) Would the Minister state whether there exists or existed any criteria or guidelines which would qualify a retired judge for selection as a temporary judge under section 2(2) (ii) of the said Act. If there exists or existed any criteria or guidelines, please give particulars of same.

**The Attorney General and Minister of Legal Affairs (Hon. Keith Sobion):**  
Madam Speaker, the names and period of appointments of the retired judges appointed by the President under the Constitution (Amdt) Act 1988 to perform the functions of temporary judges under section 2(2) (ii) of the said Act are as follows:

The Hon. Mr. Justice Alcalde Warner	1.1.89—31.12.91; 1.2.91—31.7.91
The Hon. Mr. Justice Conrad Douglin	13.1.90—12.1.92; 13.1.92—12.1.94
The Hon. Mr. Justice Lennox Deyalsingh	23.8.90—22.8.92; 23.8.92—22.8.94
The Hon. Mr. Justice Harold Koylass	12.9.90—11.9.92; 12.9.92—11.9.94
The Hon. Mr. Justice Ivol Blackman	25.4.91—24.4.93;
The Hon. Mr. Justice Kester McMillan	1.1.93—31.12.94

With respect to part (b) of the question, the names of the judges who have attained the age of 65 since the passing of Act No. 2 of 1988 are as follows:

The Hon. Mr. Justice Alcalde Warner	—	Justice of Appeal
The Hon. Mr. Justice Lloyd Des Isles	—	Justice of Appeal
The Hon. Mr. Justice Kester McMillan	—	Justice of Appeal

*Oral Answers To Questions*

*Friday, December 11, 1992*

The Hon. Mr. Justice George Edoo	—	Justice of Appeal
The Hon. Mr. Justice James Davis	—	Justice of Appeal
The Hon. Mr. Justice Conrad Douglin		
The Hon. Mr. Justice Lennox Deyalsingh		
The Hon. Mr. Justice Ivol Blackman		
The Hon. Mr. Justice Harold Koylass		

With respect to part (c) of the question, there do exist criteria which would qualify a retired judge for selection as a temporary judge under the said Act. The general guidelines are as follows:

The Judicial and Legal Service Commission may appoint a person, who has held office as a judge to be temporarily a puisne judge, either if the office of a judge is vacant, or a judge is, for any reason, unable to perform the functions of his office;

Or, any judge is acting as Chief Justice or Puisne Judge or as Justice of Appeal

Or, the state of business of the Court of Appeal or High Court so requires.

In this regard, the necessity for any particular judge is assessed in relation to the particular area of the court's operations which requires the use of a judge in that area, for example, civil, criminal or matrimonial. In addition, the former judge must be over the age of 65 and of sound health.

**Mr. Maharaj:** Madam Speaker, that being the case, could the hon. Attorney General give the court any explanation why Justice Jim Davis was not appointed?

**Mr. Sobion:** No, Madam Speaker.

### **Telephone Tapping**

**50. Mr. Ramesh Maharaj** (*Couva South*) asked the Minister of National Security:

- (a) Would the Minister of National Security state whether the Government of Trinidad and/or any state-owned and/or controlled companies and/or authorities in Trinidad and Tobago authorize, cause or facilitate the tapping in Trinidad and Tobago of private telephone conversations of individuals?

- (b) If the answer is in the affirmative, would the Minister state under what law and/or other authority such action is permitted?

**The Minister of National Security (Sen. The Hon. Russell Huggins):** Madam Speaker, neither the Government of Trinidad and Tobago, nor any state-owned or controlled company causes or facilitates the tapping in Trinidad and Tobago of private telephone conversations of individuals.

There is no legislative provision on the statute books of Trinidad and Tobago which facilitates or authorizes the tapping of private conversations of individuals.

**1.55 p.m.**

**Siparia Residents  
(Inadequate Water Supply)**

**53. Mr. Sahid Hosein** (*Siparia*) asked the Minister of Public Utilities:

- (a) Is the Minister aware that residents of Siparia constituency are experiencing severe hardships because of the lack of an adequate water supply?
- (b) Can the Minister indicate what steps are being taken by WASA to resolve this crisis?

**The Minister of Public Utilities (Hon. Morris Marshall):** Madam Speaker, the Siparia constituency requires approximately 15,516 cubic metres of water daily. The current supply level amounts to 9,359 cubic metres of water daily.

At present, the area is served by five water supply systems:

- (1) Caroni Arena Waterworks,
- (2) Navet Waterworks,
- (3) Penal Waterworks,
- (4) Siparia Waterworks,
- (5) local well sources.

Despite the number of supply systems, the area is affected by two main problems:

- (1) the undersize and encrustation of the old cast iron mains.
- (2) the fact that some of the water generated within the constituency from the local well sources is sent to areas outside the constituency.

As a result of (1) and (ii) just mentioned, water is supplied on a schedule to different areas of the constituency and, depending on the location of the consumers, the supply could vary from one to four days per week.

Additionally, I have been advised that extensive water trucking is being carried out from the facilities at the Penal Waterworks to supplement the existing service, and the cost for January to July, 1992, is \$84,476.

There are two major projects being undertaken by the Water and Sewage Authority at the present time which will have a positive impact on the water supply to this constituency. These are the St. Patrick Water Supply Project and the Point Fortin Water Supply Project.

Other steps being undertaken include the rehabilitation and equipping of well sources at Clarke Road and Barrackpore and the drilling of two wells in the area of Morne Diablo and Penal, one of which is complete while the other of which will be completed by the end of this month.

The longer-term measures include the following:

- drilling and equipping of three additional wells at Morne Diablo and Penal;
- upgrading of the transmission system within Penal--refurbishing of the Daisey transmission main;
- construction of a new treatment plant at Penal.

Additional water to be derived over the long term is approximately 6,943 cubic metres daily. WASA is at present assessing the cost of the said work.

I may add that I spoke with the Member for Siparia yesterday, I think it was, and he has drawn to my attention some additional problems—this is after my receipt of the information I have here. I have since spoken to WASA and I have instructed the Technical Director to look into the problems that the Representative has brought to my attention. Some action is being taken with respect to those matters as well.

**Penal Rock Road  
(Repairs to)**

**55. Mr. Sahid Hosein** (*Siparia*) asked the Minister of Works and Transport:

Will the Minister indicate to this House when his ministry intends to effect repairs to Penal Rock Road between the 5mm and 8mm?

**The Minister of Works and Transport (Hon. Colm Imbert):** Madam Speaker, I wish to advise that the repairs have been identified as necessary to the area of the road in question comprise:

- (a) the restoration of roadway at the eight mile mark which was damaged by a landslip;
- (b) the installation of sub-soil drains;
- (c) the repair of depressions and potholes on the roadway between the five mile mark and the eight mile mark.

Repair work is in progress on all of these areas at the moment, but the rate of progress is dependant on available funding. As additional funds are available, repair work will be accelerated with a view to early completion.

To date, 18 metres of landslip and 1,870 square metres of depressions have been repaired.

**Mr. Hosein:** Can the Minister please identify for me exactly where on this piece of road repairs are being undertaken at the moment?

**Mr. Imbert:** Madam Speaker, as indicated in part (c) of my response, the repair of depressions and potholes is being undertaken on the roadway between the five mile mark and the eight mile mark.

### **Debe Post Office**

*The following question stood on the Order Paper in the name of Mr. Trevor Sudama (Oropouche):*

**60.** Could the Minister of Public Utilities state:

- (a) The Total expenditure to date on the Debe Post Office?
- (b) The labour component of total expenditure?
- (c) The amount spent on watchmen of the total expenditure on labour?
- (d) The period of construction and the number of man-hours worked on this project?

(e) Which agency is responsible for the construction?

**The Minister of Local Government (Hon. Kenneth Valley):** Madam Speaker, I request that this question be deferred, as I stated earlier.

**Mr. Sudama:** Madam Speaker, I should like to find out from the Members of the Government why my question, No. 60, has been deferred so often. It is a very simple question. We are now on the third day of deferral of this question the question merely asks for total expenditure on a post office: The labour component, the amount spent on watchmen and the period of construction.

I should have thought that in the ongoing process of keeping records, this Government would have had these records at hand. It is over a month now since this question was filed. It is just not good enough for the Member for Diego Martin Central to come to this House and, as a matter of course, ask for a deferral of a very simple question.

And this whole question of accountability to Parliament is open to abuse, despite the protestations of the Member for St. Ann's East in his budget speech. In fact, there is no explanation, there is no reason given why this question should be deferred.

**Madam Speaker:** I think what the Member is saying is that no reason has been given and maybe out of courtesy—

**Mr. Valley:** Madam Speaker, I said in opening that research is being undertaken on the questions we have asked to defer. Quite simply, the research is not completed.

**Madam Speaker:** I apologize.

**Mr. Sudama:** Have you looked at the question?

**Mr. Valley:** I am saying that research is continuing.

Madam Speaker, there is a procedure; the research has to be done, the Cabinet has got to approve.

*Question, by leave, deferred.*

**Carlsen Field  
(State Lands)**

**65.** Mr. Raymond Palackdharrysingh (Caroni Central) asked the Minister of Agriculture, Land and Marine Resources:

- (a) Would the Minister state whether he is aware that some farmers have been occupying state lands at Carlsen Field in the vicinity of Yaraba Road and Xeres Road for more than 20 years?
- (b) Is the Minister also aware that the said lands were surveyed for regularization in 1986?
- (c) If the answer to (b) is in the affirmative, would the Minister state why the said lands have not been leased to the farmers?
- (d) Would the Minister state what steps he intends to take to regularize the occupancy of farmers on the said lands?

**The Minister of Agriculture, Land and Marine Resources (Dr. The Hon. Keith Rowley):** Madam Speaker, I cannot hear. There is noise in here, noise outside.

**Mr. Mohammed:** The noise that came from Tobago, that is why you cannot hear.

**Madam Speaker:** The Minister is about to answer the question.

**Dr. Rowley:** I cannot hear my ears, Madam Speaker.

Madam Speaker, the Minister is aware that most of the farmers who now occupy state lands in the vicinity of Yoaruaba Road and Xeres Road have applied for these lands for quite some time.

The said lands were surveyed for regularization in 1986. In 1987, a directive was issued by the Ministry to hold the processing of all new allocations of state land pending a new land distribution policy.

The regularization of farmers' tenure on these lands will be addressed when the new land policy referred to becomes effective very shortly.

**Mr. Palackdharrysing:** Would the Minister state when that new land regularization policy will be ready?



**Dr. Rowley:** During 1992, this work was completed under the supervision of a subcommittee of Cabinet. The matter has been before Cabinet and should be made available in Parliament in a matter of weeks.

**Sangre Grande Police Station  
(Rebuilding of)**

*The following question stood on the Order Paper in the name of Mr. Krish P. Jurai (Nariva):*

- 66.** In the light of the statement made by the hon. Minister of National Security in Parliament on Friday, October 16, 1992, that he has funds available for rebuilding the Sangre Grande Police Station but that he cannot find a suitable site, would the Minister state the following:
- (a) Whether the existing site is unsuitable for rebuilding the said police station?
  - (b) If the said site is not suitable, would he give reasons as to why it is not a proper site?
  - (c) Whether he has plans for renting any private premises for housing the police station whilst rebuilding is taking place?
  - (d) If the answer to (c) is in the affirmative, would the Minister state what would be the length of the rent contractual period and what would be the rent per month?
  - (e) Whether any cost would be incurred in the preparation of any private property for housing the temporary police station. If the answer is in the affirmative, what would be the cost involved?
  - (f) Whether he has considered erecting a pre-fab building whilst construction of the new Police Station would be taking place in order to save cost?

**The Minister of National Security (Sen. The Hon. Russell Huggins):** Madam Speaker, I request that this question be deferred, as stated earlier.

**Mr. Jurai:** Madam Speaker, I should like some clarification from the Minister from Diego Martin Central who said that research—

**Mr. Valley:** There is no Minister for Diego Martin Central, I am the Member for Diego Martin Central.

**Mr. Jurai:** The Member for Diego Martin Central has indicated that research has to be undertaken with respect to answering this question. This question does not call for any deep research and the Minister of National Security has made a statement in this House. I thought he would have had this information at his finger tips. Why does he not answer it?

*Question, by leave, deferred.*

### **Farmers' Problems (Penal)**

**68. Mr. Sahid Hosein** asked the Minister of Agriculture, Land and Marine Resources:

Will the Minister indicate to this House what his ministry is doing to alleviate the problems of the farmers of Seebalack Trace, Rochard Road, Penal? Those problems have been outlined to him in letters dated 22.7.92 and 14.10.92.

**The Minister of Agriculture, Land and Marine Resources (Dr. The Hon. Keith Rowley):** Madam Speaker, these problems relate to the damage to crops and threats to the safety of persons by untethered animals owned by an individual in the vicinity.

Complaints were made to the police and in 1989 the Assistant Commissioner of Police (South) reminded the complainants that they were previously advised by the police that the problem had its roots in the civil law and, therefore, private court action should be taken.

Complaints were also made to the Ministry, who advised the complainants in 1991 that the ministry did not possess the statutory authority to deal with the matter and recommended that the farmers, as a group, should follow the advice of the Commissioner of Police.

### **Road Repairs**

**69. Mr. Sahid Hosein** (*Siparia*) asked the Minister of Works and Transport:

Will the Minister indicate to this House:

- (a) How soon his ministry intends to repair the following areas:
1. The roadway between Old Clarke Road and Platanite Trace?
  2. The severe depression on Platanite Trace (adjacent to the cemetery)?

## 3. Rochard Road between Clarke Road and Rampersad Trace?

**The Minister of Works and Transport (Hon. Colm Imbert):** Madam Speaker, the answer to part (1) of the question: Lack of proper roadside drainage, brought about mainly by the indiscriminate blockage of the drains by persons in the area, is the main reason for the unsatisfactory road condition which exists. Extensive drainage works are now being undertaken along Clarke Road, and by the end of 1992, the drainage problem should be resolved, barring unforeseen circumstances. The availability of funds for road material may prevent permanent road works being done this year. Temporary restoration works will, however, be completed by the end of 1992.

Answer to part (2): This road falls within the purview of the Penal/Debe Regional Corporation and, as such, the matter has been referred to the Corporation for its attention.

Answer to part (3): Rochard Road between Clarke Road and Rampersad Trace is at present being repaired. Repair works are expected to be completed by the end of 1992.

**Mr. Hosein:** Madam Speaker, can the hon. Minister indicate where in this area described in this question these remedial works are being done with respect to drainage?

**Madam Speaker:** I think that was answered.

**Mr. Hosein:** If any has been done, I am unaware of it.

**Madam Speaker:** Having regard to the answer of the hon. Minister, maybe the hon. Member can look into the matter further and point out whether this is, in fact, so or not. But you cannot beat the question, because there is no further answer to that.

**Mr. Sudama:** Madam Speaker, would the Minister tell this House which authority is responsible for roadside drains and to see that they are not or clogged up?

**Mr. Imbert:** Madam Speaker, I merely wish to point out that is a completely different question. The Member should file it and I would answer it in due course.

**Madam Speaker:** Unfortunately, Member for Oropouche, that was not included in the answer to No. 69, the attention to repair. I do not recall the Minister mentioning that.

**Scotts Road  
(Repairs to)**

**70.** Mr. Sahid Hosein asked the Minister of Works and Transport:

Can the Minister indicate:

- (a) The length of Scotts Road that needs to be repaired?
- (b) What works have been undertaken so far?
- (c) What is the reason for the delays?
- (d) When his ministry intends to complete this job?

**The Minister of Works and Transport (Hon. Colm Imbert):** Madam Speaker, approximately 990 metres of Scotts Road between the two mile mark and the 3.36 mile mark, which represents the section damaged by WASA during their pipe laying exercises, needs to be repaired.

The following works have been undertaken along Scotts Road so far: 469 metres of surface repair works were carried out between the zero and the two mile marks during the third quarter of 1992 using blue limestone metal and RC-250 as a sealer. A total of 815 square metres of road repair works were completed between the two and the 3.36 mile marks. Routine maintenance along the entire road, which entailed opening 1,860 metres of drains and 19,002 square metres of cutlassing were also done.

With respect to (c) of the question, road repair works along Scotts Road commenced on August 21, 1992, immediately after an initial release of \$129,000 from the Water and Sewage Authority. Unavailability of further funds for the repair work from WASA, inclement weather and the unavailability of RC-250 from Trintoc during the recent industrial dispute, are the main reasons for delays on this project.

Answer to part (d): completion of permanent restoration works for Scotts Road will depend on the receipt of the balance of funds for the project from WASA. Available funding will allow only temporary restoration of work in 1992.

**Freeport Police Station**

**71.** Mr. Raymond Palackdharrysingh asked the Minister of National Security:

- (a) Is the Minister aware of the increase of crimes in the Freeport/Arena area of the constituency of Caroni Central and the inability of the police to respond?
- (b) Would the Minister state how many officers and vehicles are deployed at the Freeport Police Station to service the area and whether such resources are adequate?
- (c) If the resources are not adequate, would the Minister state what steps he intends to take to deal with the matter?

**The Minister of National Security (Sen. The Hon. Russell Huggins):** Madam Speaker, official statistics from the Freeport Police Station indicate a decrease in the number of reported crimes in that district for the period January 1, 1992 to November 18, 1992, in comparison with the same period in 1991.

The figures also indicate that more offences are now being detected by the officers of the Freeport Police Station. At present, 30 officers are deployed at the Freeport Police Station, comprising two sergeants, five corporals and 23 constables. One vehicle has been assigned to that station.

The Ministry of National Security is examining the problem of physical mobility of the police service. In that context, consideration will be given to the Freeport Police Station.

#### **Regional Corporations (Scavenging Contracts)**

**72.** Mr. Sahid Hosein (*Siparia*) asked the Minister of Local Government:

Will the Minister indicate to this House:

- (a) The expenditure for scavenging contracts of the regional corporations up to the end of October, 1992?
- (b) The projected expenditure for scavenging for the regional corporations up to December 31, 1992?

**The Minister of Local Government (Hon. Kenneth Valley):** Madam Speaker, the total expenditure on scavenging contracts for the regional corporations up to the end of October 1992, is \$25,187,121.

The total projected expenditure for the period November 1, 1992 to December 31, 1992 for scavenging for the regional corporations is \$6,092,172.

**Mr. Hosein:** Madam Speaker, is the hon. Minister prepared to give the figures for the individual corporations?

**Madam Speaker:** Well, this is not part of the question. If the hon. Member desires that, I am sure the answers can be supplied.

**Morichal Reservoir  
(Destruction of)**

*The following questions stood on the Order Paper:*

- 73.** (a) Is the Minister of Public Utilities aware that the Morichal Reservoir, in the Guaracara district, is being slowly destroyed by quarrying operations by the Ministry of Works?
- (b) If the answer is in the affirmative, could the Minister state what measures are being put in place:
- (i) to stop further destruction of the said reservoir; and
- (ii) to rehabilitate the watershed? *[Dr. C. Singh]*

**Firearms Licences**

- 74.** Could the Minister of National Security state for the period January 1, 1990 to September 30, 1992, how many:
- (a) Applications are pending for the issuance of firearms licences;
- (b) Firearms licences have been issued; and
- (c) Firearms licences have been revoked and firearms taken away from licensed users? *[Dr. C. Singh]*

**Import Licences  
(Apples and Grapes)**

- 75.** (a) Would the Minister of Trade, Industry and Tourism give to this honourable House the number of applications received by him from

importers of apples and grapes for the period September 1, 1992 to October 23, 1992?

- (b) Would the Minister give the names of persons or companies or firms who were, during this period, given approval for their applications, giving the names and dates of approval and the quantities approved?
- (c) Would the Minister give the criteria used for the granting to persons, licences to import grapes and apples?

**Supreme Court San Fernando  
(Construction Cost)**

- 76.** (a) Would the Minister of Works and Transport state to this honourable House the initial contracted price for building the Supreme Court in San Fernando?
- (b) Would the Minister also give the final cost of construction?
- (c) Would the Minister state the time which elapsed from the date of the start of construction to the date of completion?
- (d) Would the Minister also state the original estimated length of time for the completion of the project?
- (e) Would the Minister, if there was any delay, state the reason for the delay of the completion of the project?
- (f) Would the Minister, if there was an overrun, state what was the reason for the overrun?
- (g) Would the Minister state whether the contractor who was engaged in the construction of the Supreme Court building has any other building contract with the government of Trinidad and Tobago? If he has, please state the contracts and state what guarantees, if any, the taxpayer has to ensure that there would not be any overrun on those contracts. [*Mr. R. Maharaj*]

*Question, by leave, deferred.*

**San Fernando General Hospital  
(Building Contract)**

**77. Mr. Ramesh Lawrence Maharaj** (*Couva South*) asked the Minister of Works and Transport:

- (a) Could the Minister state the reason for the Government of Trinidad and Tobago awarding the contract for building the extension of the San Fernando General Hospital to Wimpy in the light of the fact that the said company in its contract to build the deep water harbour in Tobago had an overrun of several million dollars?
- (b) Could the Minister also give the amount of the overrun on the contract to build the deep water harbour in Tobago?

**The Minister of Works and Transport (Hon. Colm Imbert):** Madam Speaker, the reasons for awarding the contract for the San Fernando General Hospital extension to George Wimpy (Caribbean) Limited are as follows:

- (1) The company was among those short-listed as a result of a prequalification exercise that was completed prior to the invitation for tenders. It should be noted that the exercise was conducted by a multi-disciplinary team of construction professionals that included members of the public and the private sector. The recommendations of the team were endorsed by the project financiers and approved by the former Prime Minister and the Central Tenders Board.

The prequalification exercise did not penalize the contractor for the cost overrun involved in the construction of the deep water harbour in Scarborough, as the reasons for the cost overrun on that project were not established at that time.

- (2) The lowest tenderer had withdrawn their offer due to their increased commitments since completion of the prequalification exercise. The contract was, therefore, awarded by the Central Tenders Board to the second lowest tenderer, George Wimpy (Caribbean) Limited.

With regard to (b), the increase in cost on the contract for the construction of the Scarborough Deep Water Harbour is now estimated to be in excess of \$50 million. The increased cost of this project is currently being examined by an independent professional engineer.

### **Consultancy Contracts**

*The following questions stood on the Order Paper:*



**78.** Could the Minister of Works and Transport state whether any firm of consultants has been given the consulting contracts for the construction works in respect of the following projects which are to be undertaken by the Government of Trinidad and Tobago:

- (a) The airport terminal at Piarco?
- (b) The extension of harbour facilities at Port-of-Spain harbour?
- (c) The upgrading of Health Centres in Trinidad and Tobago?  
[*Mr. R. Maharaj*]

**Trintoplan  
(Services)**

**79.** Could the Minister of Works and Transport state whether the Government of Trinidad and Tobago has employed, contracted and/or retained the services of Trintoplan or any person, firm or other company associated in any way with Trintoplan for any projects undertaken by it or any state corporation, statutory authority or other state body since it assumed Office in December 1991. If it did, would he indicate the names of the projects and the estimated fees paid or to be paid to Trintoplan or connected persons or bodies as mentioned above in respect of each of the projects? [*Mr. R. Maharaj*]

**John O'Halloran Lawsuit  
(Use of Receipts)**

**81.** Could the Minister state whether the moneys which the Government received from its lawsuit in respect of the John O'Halloran's corrupt dealings whilst he was a Minister of Government were utilized to provide any facilities for the people of Trinidad and Tobago. If they were, could the Minister state:

- (a) The facilities which were so provided?
- (b) Whether any of these projects stopped and if they were stopped, could he give the reasons for the project or projects being stopped and could he state the position with respect to the funds. If they were re-directed, please state where they were re-directed? [*Mr. R. Maharaj*]

**Central Regional Stadium**

- 83.** Would the Minister of Sport and Youth Affairs state:
- (a) How much money has been spent on the proposed Central Regional Stadium at Helen Street, Lange Park, Chaguanas?
  - (b) What is the present status of the project?
  - (c) When would the project be restarted?
  - (d) The facilities that would be provided?
  - (e) The completion date of the project? [*Mr. R. Palackdharrysingh*]

**School Feeding Programme**

- 84.** Would the Minister state what is the status of the School Feeding programme in Trinidad and Tobago?

**Airport Attendants  
(Gratuity Payments)**

- 85.** (a) Would the Minister of Works and Transport indicate whether he is aware that several workers who were employed with the Airport Attendants' Section in the former Civil Aviation Department have not received their full gratuity payments to date?
- (b) If the answer is in the affirmative, would the Minister state what steps he intends to undertake to deal with the situation? [*Miss H. Bhaggan*]

*Question, by leave, deferred.*

**Chaguanas Agricultural Access Roads  
(Disrepair of)**

- 86.** **Miss Hulsie Bhaggan** (*Chaguanas*) asked the Minister of Agriculture, Land and Marine Resources:
- (a) Would the Minister indicate whether he is aware that agricultural access roads in the constituency of Chaguanas are in a state of total disrepair.
  - (b) If the answer is in the affirmative:
    - (i) Would the Minister indicate whether he intends to undertake improvement works so as to provide relief to farmers and agriculturalists? and

(ii) Would the Minister give details of the intended works?

**The Minister of Agriculture, Land and Marine Resources (Dr. The Hon. Keith Rowley):** Madam Speaker, the Minister is aware that there are access roads in the Constituency of Chaguanas and indeed throughout the country which are in need of repair.

The Minister recognizes the need to have agricultural access roads repaired. Some major agricultural access roads in county Caroni have been included in the National Agricultural Access Roads Programme to be funded through the Inter-American Development Bank loan commencing in 1993.

In the programme referred to, 41 access roads, or a total of 88.4 kilometres in county Caroni, are earmarked for upgrading and maintenance. These activities will include resurfacing of roads, redecking of wooden bridges, clearing of bridge channels, cleaning and repair of culverts, erosion and vegetation control.

**ADJOURNMENT MOTION  
(LEAVE)**

**Mr. Basdeo Panday (Couva North):** Madam Speaker, earlier today I sent you by fax a note—and I apologize for that. Because I was in San Fernando, I could not deliver it by hand.

**Madam Speaker:** I later received the original.

**Mr. B. Panday:** I understand that you have received it I later indicated to you that I proposed to seek leave of this House to raise as a definite matter of urgent public importance the contemptuous conduct of the Government in dealing with the issue of back pay for the sugar workers so causing a dangerous deterioration in the industrial relations climate of the country and threatening the peace and security of the nation.

This matter is definite because it involves the payment of a debt which has been specified and acknowledged by the Government to be in the region of approximately \$130 million to workers of Caroni (1975) Limited, a state enterprise. It is definite, also, because it is probably the only state enterprise in the country in which the workers have been treated with such contempt, discrimination and arrogance by the Government. So that it is not a matter that is in the air, it is not pending before the courts.

There is no question as to its definitiveness. It is a definite matter of a debt being owed, and it is a debt being owed for ten years. I do not believe that anywhere else in this country workers have been subjected to that kind of dilatory and discriminatory action. So that makes the matter absolutely definite.

The matter is urgent, because, as a result of the contemptuous and arrogant behaviour of the Government, thousands of workers on Tuesday—some four days ago—went on strike and are now outside this Parliament. That makes it very urgent indeed.

**Mr. Valley:** Legally? Are you the President of that union?

**Mr. Maharaj:** You want to arrest them?

**Mr. B. Panday:** You must arrest them if it is illegally.

**Mr. Maharaj:** Why did you not arrest WASA or the vendors? I have to go and fight for them now—the vendors and WASA and we always win you.

**Mr. B. Panday:** The matter is urgent and I am sure that you are hearing their voices inside this House, although they are outside.

Madam Speaker, the matter is urgent because if it is not amicably resolved, and resolved urgently, the future of the 1993 sugar crop would be in jeopardy. This matter is urgent, also, because when you frustrate people for too long, they find ways and means of resolving their problems. They started at Caroni (1975) Limited and they are now in Port-of-Spain, and if this matter cannot be in this House, they may find themselves in this Minister's office or some other place.

The matter is of public importance because what is taking place at the moment is likely to lead to a serious deterioration in the industrial relations climate of this country. I do not believe that there is a single person in this country who would deny the fact that the industrial relations climate in this country is important to its survival and to attracting investors and so on, having regard to the economic downturn in the country.

The matter is of public importance, Madam, because if nothing is done to arrest this deteriorating situation, then it would be added to the already chaotic and frustrating situation in this country which is more than likely to result in a threat to the peace and security of this nation.

It is for those reasons, Madam Speaker, that I submit, respectfully and humbly, that this matter qualifies as a definite matter of urgent public importance, and I seek leave of the House to raise this matter as such.

Thank you, Madam Speaker.

**Mr. Valley:** Madam Speaker, before you rule, I wonder whether the Member would inform us whether the strike to which he referred, is one within the provisions of the Industrial Relations Act.

**Mr. Mohammed:** All work stoppages are not strikes. I rule you out of order.

**Mr. B. Panday:** All work stoppages are not strikes. Everybody knows that. I can call it what I want, what does that make it? There is a work stoppage, and if the Minister feels that some law is being broken, he must do what he must do.

**Madam Speaker:** I think the issue here, certainly having regard to what the hon. Member has said, is that of the payment of back pay. I cannot see this matter as one falling within the ambit of Standing Order No. 12. I think the hon. Member is experienced enough to know that it can be raised under No. 11.

Therefore, in the circumstances, I rule that this matter does not the requirements.

**Mr. B. Panday:** Thank you kindly, Madam. I shall now join the workers outside to relay your ruling to them and I ask my colleagues to stay and carry on the debate. I shall speak to them, instead.

**2.25 p.m.**

#### INCOME TAX (AMDT.) BILL

*Order for second reading read.*

**The Minister of Finance (Hon. Wendell Mottley):** Madam Speaker, I beg to move,

That a bill to amend the Income Tax (Amdt.) Act, Chap. 75:01 be now read a second time.

We have set ourselves the task to collect a number of taxes owed—back taxes—and generally to tighten on the administration of the collection of taxes in Trinidad and Tobago, through administrative means, also through changes in

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legislation. It is in this context that the present Income Tax (Amdt) Bill 1992 is before this House.

The bill has five objectives. The first objective is to amend the Income Tax Act to provide for the deduction under section 21 thereof, of donations to charity to be limited to 15 per cent of total income.

The second objective is to amend the provisions relating to the taxation of interest on savings and other accounts to include interest payable on loans secured by bonds or other similar securities, so that such interest would be subject to tax by deduction at source at the same rate of 15 per cent.

The third objective is to introduce income tax exemptions related to premiums and rents in respect of residential, industrial and commercial properties which were proposed by this Minister in the budget presentation delivered to this honourable House on November 20, 1992.

The fourth objective is to amend the provisions relating to the payment of income tax by quarterly instalments in order to correct the formulation which provides for a margin of error in computing the estimate of tax payable.

The fifth objective is to amend the provisions relating to the treatment of expenses and allowances to directors and other employees in order to introduce conditions under which contributions by employers to a fund or under a contract to provide retirement benefits for employees will not be considered taxable benefits to employees.

With that general introduction as to the purposes of the bill, I therefore now propose to get into the details.

Clause 1: With the exception of section 7, this proposed Act shall come into operation on January 1, 1993. Section 7 should have come into operation on January 1, 1992 and relates to the payment of taxes by quarterly instalments. It principally affects the fourth quarter which is due December 31, 1992.

Madam Speaker, I wish to make it abundantly clear that section 7 does not seek to impose any additional burden of taxation. It merely seeks to correct the formulation for the calculation of quarterly instalments payable in respect of a person's tax liability.

Clause 3 seeks to amend section 21. This provision was introduced by the Finance Act, 1991 and provided for donations to charitable bodies under a one-

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year deed of covenant to be tax deductible. Prior to this amendment, one had to make donations for two or more years under section 74 which deals with settlements. However, section 21 provided no limit to the amount deductible for tax purposes, whereas section 74 provided a limit of 15 per cent of total income. This was inconsistent and appears to have been an oversight. Clause 3 therefore seeks to rationalize these provisions so that deductions in respect of contributions under section 21 or under section 74, or under both these sections, would be limited to 15 per cent of total income.

Proposed section 21(3)(a) introduces a provision requiring the payment of withholding tax where payment is made to a non-resident under section 50. This is a provision which is applicable to settlements under section 74 and will now be also applicable to section 21.

Proposed section 21(3)(b) requires the deed of covenant to be duly stamped by December 31 of the year in which it was executed. This is necessary to prevent persons from backdating these deeds of Covenant to previous years and seeking claims for those years. I have been informed by the Board of Inland Revenue that there is a serious problem in this area.

A similar provision was also introduced under section 74 in relation to the settlements, by clause 6 of the bill.

I now turn to clause 4 which seeks to amend section 34A. to provide that interest payable on loans secured by bonds or other similar investment instruments would be subject to tax by deduction at the rate of 15 per cent. This provision, in effect, reduces the tax payable on interest arising from bonds and other investment instruments which are presently subject to tax at scale rate which goes up to 40 per cent. It would also simplify the administration of these taxes.

Clause 5 introduces what will be a new section 45A which exempts from personal and corporation tax all rental income and gains or profits derived from the initial sale of residential, industrial and commercial properties, the construction of which begins after January 1, 1993 and is completed by December 31, 1994.

You will remember, Madam Speaker, that this incentive was proposed in the Budget Speech which was read only a few weeks ago. This measure is intended to stimulate construction activity and thereby to create employment opportunities.

In order to take advantage of these incentives, approval must be granted by the Minister with responsibility for housing in the case of residential property, and the

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Minister with responsibility for industry in the case of industrial and commercial properties. Proposed section 45A. (1) sets this out.

It should be noted that residential property has been defined to include flats and apartments under section 2 of the Housing Act and that the tax exemption being introduced by this clause applies to houses that do not already qualify—I repeat, 'do not already qualify'—for tax relief under the existing provisions; that is, sections 42 to 46 of the Income Tax Act; those properties where the construction cost is \$250,000. This exemption will apply to premiums and rents from, and profits on, the initial sale of qualifying buildings up to, and including, the year 2000. It will also extend to dividends paid out of exempt profits.

**Hon. Member:** Farrell House.

**Mr. Mottley:** Clause 6. As indicated earlier, seeks to introduce in relation to settlements, a provision similar to that introduced by clause 3 in relation to one-year Deeds of Covenant, in that it seeks to prevent a person claiming a benefit in respect of a settlement unless that settlement was duly stamped in the year in which it was executed. As was explained before, this provision is being introduced to limit the incidence of abuse that we have been finding in this area.

Clause 7 proposes an amendment to correct an existing anomaly in the provisions relating to quarterly instalments.

Prior to the year of income 1988, a person other than a person earning emolument income, was required to make quarterly instalments in respect of his current year's tax liability based on his declared liability of the previous year.

In 1988, an amendment was introduced which required a person whose chargeable income for the current year was likely to exceed that of the previous year to pay instalments on the basis of his estimate of the current year's liability. However, the amendment allowed such a person a margin of error by providing that he would only be liable to pay interest if his quarterly instalments for the year amounted, in aggregate, to less than 80 per cent of his tax liability for the year as reported in his return.

**2.35 p.m.**

This provision, in effect, contained a mischief in that it allowed the payment of only 80 per cent of the person's estimated tax liability and allowed him to defer payment of the other 20 per cent until April 30 of the following year, thereby having the potential to affect the Government's cash flow. Madam Speaker, the



Board of Inland Revenue assures me that, in certain circumstances this provision may allow a taxpayer whose chargeable income for the current year exceeds that of the previous year, to pay less in quarterly instalments than he otherwise might have.

To give you an example. If chargeable income for the previous year is \$90.00, and that for the current year is \$100.00, the new provision allows the taxpayer to pay in quarterly instalments, \$80.00. This was clearly not the intention of the 1988 amendment. Clause 7, therefore seeks to correct this problem by requiring a taxpayer whose estimated chargeable income for the current year is higher than that for the previous year, to pay quarterly instalments amounting to the total of the previous year's liability plus 80 per cent of the increased liability. Using the example given, the amount payable would then be \$90.00 plus \$8.00, that is to say \$98.00 instead of \$80.00 in the example that we gave earlier.

I now turn, finally Madam Speaker, to clause 8. This clause seeks to prevent tax avoidance whereby employers and certain of their employees may collaborate to create benefits for these employees which, by virtue of section 134 (6) it is being contended, are not taxable in the hands of employees. Let me explain. It appears that employers at present are paying the employees in question less than they otherwise would pay them, using the retained money to purchase deferred annuities or retirement funds from which the employees are allowed to take loans which are not usually repaid. The benefits which are intended to be available to the employees at retirement are, under this guise, made available to them now, and it is being contended that these benefits are not taxable.

Clause 8 therefore seeks to reduce the incidence of this tax avoidance in this form by providing that contributions made by the employer towards the creation of a retirement benefit of this kind, would be deemed to be a benefit in the hands of the employee and therefore taxable, unless prior approval is obtained from the Board of Inland Revenue. Clause 8, therefore, introduces a proposed subsection (6A) which sets out the conditions under which these arrangements will be approved. This, therefore, tidies up and, hopefully, blocks this avoidance mechanism.

We bring these measures to you, therefore, Madam Speaker, as part of the ongoing process of simplifying and clarifying the tax administration and it is all part of a wider agenda to simplify and collect taxes that are due, rather than raise rates of taxation. I therefore ask that the House consider these measures in this light. I beg to move.

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*Question proposed.*

**Mr. Trevor Sudama** (*Oropouche*): Madam Speaker, if this is a bill to simplify and clarify I am still awaiting another bill to simplify and clarify the current one.

We cannot discuss this question of the amendment to the Income Tax Bill before us without first looking at the question of what has been happening to taxes on income and profits. I am amazed at the variability of this in the light of the changing rules and regulations with which taxpayers have had to contend. A very complex changing of rules and regulations. What the Minister has said here this evening has in no way simplified, to the average member of the public, what in fact he has to put up with in respect of rules and regulations. I am glad that the Minister has said—although they have a way of saying one thing and doing another—that the Government have given a commitment that they are not going to raise taxes.

Of course, it is the same Government that raised corporation tax from 45 to 50 per cent in the last budget and raised taxes on individual's incomes in certain categories above \$20,000 which, in fact, increased the tax liability of corporations and individuals in the 1992 Budget.

Now the Minister is telling us that he is giving a commitment that these taxes will not be raised and I trust that the Government keep to their commitment. But when we look at what was happening to taxes on individuals and corporations, what we notice from 1991 and 1992 is that for oil companies, taxes on their income and profit have been reduced by the phenomenal amount of \$730 million, whereas taxes on non-oil companies have been increased by about \$17 million and of course, in view of the taxation imposed in the 1992 budget, the taxes on individuals have increased to the tune of \$200 million during the course of 1992.

We are talking about the period comparing the years 1991 and 1992 so that it seems to me, and I made the point previously, that the oil companies are a rather favoured group in this country and Amoco which is the main contributor to the revenues of this country is, in fact, a law unto itself. I made reference to that in the budget. It is they who control and influence this Government with respect to corporate taxation and petroleum taxation. Amoco is one of the major influences behind the Government of Trinidad and Tobago. This is why we see where the oil companies are given this huge, favourable treatment and the taxes of the ordinary man have been increased. The oil companies pay \$730 million less in 1992.

**2.45 p.m.**

The taxation on non-oil companies has increased and the taxation on individuals has increased. The rationale they will come to tell us here is that the oil companies are investing in exploration and so on. Whose money are they investing? It is the taxpayers' money of Trinidad and Tobago which they retained due to the benevolence of the Government, is what they are investing. They are not bringing money from outside to invest—Amoco and the other oil companies, Texaco who are in operation here. Nor do the local state enterprises have access to outside funds. It is what the Government allows them. But it allows them to do so at the expense of non-oil corporations and at the expense of individuals in Trinidad and Tobago. I just want to establish that very important point with respect to the fiscal policy of this Government, as to who really are the beneficiaries through the taxation policy of the Government.

Before I get into the discussion of the proposals which the Minister has before this House today, there are one or two things I should like him to, perhaps, inform the House and the public. The Minister did mention that the measures he has brought to here are designed to tighten up on the administration of the collection of taxes. Perhaps he may have cared to tell this House the arrears of taxation owed—virtually uncollectible taxes—in defiance of the laws. If you want to tighten up on the administration in these few areas, what would be the overall effect on revenue collection?

But what is the problem with the other areas where arrears are known? You have millions and millions of dollars of arrears. There are individuals in this country—when the time comes, I will be calling names—who do not even file tax returns and who earn huge sums of money as income, let alone have the assessment of their taxable incomes done. As I said, I will pursue this matter at another time.

If you want to tighten up on the administration of taxes in these few matters before this House, what are the larger issues? How many millions in arrears do you have? What machinery do you have in place in order to collect those arrears? Madam Speaker, they go after the little man, the fellow who may owe, perhaps, \$1,000 or \$2,000, but the ones who owe hundreds of thousands of dollars, are the ones whom the Inland Revenue do not seem to be able to bring within their tax net.

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I asked a question here in this Parliament with respect to arrears owing and the volumes and so on, and I got a response which showed that there were—I cannot recall the figure now—sizeable amounts of money, ranging in the millions and the hundreds of millions, owed as tax arrears to the Government over quite a period. I am not sure what is being done. If you want to tighten up on the administration in these few areas, what is done with respect to the larger picture?

I come now to this first clause in the bill. This is one which has to deal with the reduction in the amount that can be claimed for income tax purposes where you give moneys to charitable organizations and institutions. If I recall correctly, it was in the 1989 Budget that that provision was made where—if I recall correctly—donations, deeds of covenant made in favour of non-charitable organizations, were excluded. You could have done that but it would not count as a deduction for tax purposes. The 1989 Budget made the provision that you will restrict for tax deductible purposes, only donations made to charitable organizations. In fact, the amount was reduced from 25 per cent of one's total income to 15 per cent. Presumably, the Minister of Finance was referring to the amendment to section 74 of the Act which implemented this.

But if section 4 was amended and section 21—or whatever section was not amended—and there was this inconsistency in the Act, I want to find out from him, what the Board of Inland Revenue was doing between 1989 and 1992? How were they applying the provisions? If the Act has an inconsistency where under section 21 the amount which could have been claimed for tax purposes was without limit, but there was a limitation under section 74, and therefore, there was an inconsistency in the Act, my question to him is: How was his department, the Inland Revenue, dealing with that situation? Therefore, if there were instances in which the Inland Revenue was not applying this 15 per cent rule—there was inconsistency and that rule was not being applied—what exactly was taking place?

Because I should have thought that this amendment would have come to us in 1989, since it was part of the 1989 Budget provision. If you are bringing it now and you are telling this House that there is uncertainty in the law—there is a matter of inconsistency between sections 21 and 74—then you ought also to tell us how this Act was being administered by the Inland Revenue Department. What rule was being followed? We have had no such elaboration of that situation as to what actually occurred in the Inland Revenue Department since 1989 to the present day.

The limitation for tax deduction purposes to 15 per cent of total income of the individual, donations to charities, would have had the effect, and would continue to have the effect, of limiting the amount of moneys that are given to non-governmental organizations to do charitable work—My colleague the Member for Chaguanas, I am sure, will elaborate on this point—and context where the Government's subventions to these organizations have been reducing.

**2.55 p.m.**

The Government claim they do not have money. You are reducing your direct subventions to these bodies, that and these bodies survive only on the donations that they receive from organizations and individuals in the country in order to carry out their work, which is in greater need with every passing year of PNM rule. There is greater need for charitable, social service relief work with all the ills that have been imposed on this society by the policies of the PNM Government.

Madam Speaker, the argument that they on the other side will advance is that that reduction was necessary to stem abuse, that people were, in fact, using these means of giving moneys to charitable organizations to avoid tax. But is that for the tax administration: to see if amounts that people claimed were given if to certain charities were, in fact, actually given. So rather than reducing the amount which is deductible for tax purposes. I should have thought that would have been a way to deal with that problem if, in fact, the answer is that it was an abuse of the facility by our citizens. I just make that point on the first issue of the amount which can be claimed for tax purposes in respect of moneys going to charitable body, non-proprietary, sporting club or association and so on. As I said, this matter will be elaborated upon, I am sure, in the course of this debate.

I want to come to the next question of tax deduction at source in respect of loans which are secured by bonds and other instruments. I am not sure, in my own mind, to whom this applies. I am not sure that it applies to the banks. Because, if the banks give loans which are secured by bonds to individuals, and they receive the interest on those loans, that will become part of the banks' taxable income. I do not know if the banks are involved in this. I do not know how many individuals are caught up in this net where they give loans to other people and those loans are secured by bonds and other instruments.

If the intention was that since the loans are secured by bonds, the persons who give the loans are also entitled to the interest from the bonds and the other securities, and they are also entitled to the interest from the loans they have given,

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then one can see, perhaps, a little rationale in bringing this measure into place. It seems to me that if someone has to pay interest, and he gives another person a loan which is secured by a bond or other instrument, then that interest which he receives becomes part of his total income which will be taxable in a certain way.

Am I to understand that when a person receives interest in this manner, 15 per cent which is deducted at source, is the only taxable amount with respect to this income. I am not quite sure whether that was intended. Where such an income is received—interest on a loan which is being paid—the person who is apparently paying the interest withholds 15 per cent, and hands it over to the Inland Revenue Department and that is all this taxpayer is liable for with respect to that portion of his total income. Is that what is intended? If that is not what is intended then, perhaps, the Minister could explain to this House in simple terms exactly what is intended.

As I mentioned, the income tax laws and their administration are one of the most complex areas that one can ever deal with in Trinidad and Tobago. The legal system is itself a complexity. Added to, and compounding that complexity are all these rules and regulations made with respect to the taxation of incomes. I am happy for any kind of simplification that this Government can bring to bear on this problem. I am happy for it, and the citizens of Trinidad and Tobago would be happy two.

Madam Speaker, I read this bill but, I am not sure what is intended, and how this deduction at source is going to benefit whom; whether it is for the benefit of the Inland Revenue Department in getting their taxes more readily available to them, whether it is a benefit to the person paying the tax; whether it is a benefit to the recipient of the interest. To whom is this provision beneficial? I am not quite sure.

Before I leave this issue, there is a point which I have made in the past, and I think it bears mention at this point. We have a provision in place where the interest on savings of individuals who have their moneys at commercial banks and other financial institutions, is taxed at source at the rate of 15 per cent. In other words, the banks deduct 15 per cent of the interest payable, and hand it over to the Inland Revenue Department.

We have said in this House, and elsewhere, that that measure is a disincentive to savings. Furthermore, it brings great pressure to bear on the low income savers who put aside a certain amount of money, which they have earned the hard way, for the rainy day in order to look after their needs, perhaps in old age, or in times

of uncertainty. The little interest they may get on those savings—and the banks do not pay a great deal of interest anyway—15 per cent of that is taken and handed over to the Government from the income of these average poor low income people, who may have a little something in a commercial bank.

**3.05 p.m.**

We have asked in the past that this measure be relinquished. If you want to tax interest on those savings then that taxation should be levelled at very high of savings, at a level of savings which does not penalize the small saver, the man with, maybe, a \$1,000 to \$5,000 in commercial banks who adds by his thrift, to the larger saving potential of the country. On the one hand we have the Government saying it wants to encourage savings, that the savings ratio is too low. We have had exhortations from Central Bank governors, from Ministers of Finance, but while they are doing this they tax the little interest on savings of ordinary, average earners and at the penal rate of 15 per cent.

While I am on this point I first want to make an observation. The Deputy Governor of the Central Bank has made the point very cogently that savings are a mere matter of one's consumption pattern, style of living and style of consumption. If you want to set the example for the rest of the society to save you do not go and spend \$4 million on a gym and a kitchen—that is consumption expenditure. You do not set that kind of example if you want the society to save what then would be available for investment. That is the real engine of growth for this economy. Any country which has really progressed and grown economically, has done so as a result, by and large, of their own savings and investment efforts. Whatever has come from outside has been marginal to that effort of growth and development.

Here we have a society, and here we have a government which is encouraging consumption and saying that we must have a higher savings ratio. On top of all this, it is taxing poor people's interest on savings in the commercial banks. What people then therefore say, if the Government is going to take away 15 per cent of the little interest they earn is: I am going to use my money otherwise and not save in the way that the Government could trap those savings". That is the conclusion people come to because of the attitude of the Government in this regard.

I move on to the other point which the Minister in his budget speech called, giving the construction industry a kick-start. The kick that is intended for the construction industry, I hope and trust, is in the right place. He is going to kick-start it and all he could come up with is to exempt the premiums and the rents on residential, industrial and commercial properties of a value in excess of \$250,000.

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The first question is: What effect is this relief going to have with respect to the total construction effort, and is it going to achieve the objective of kick-starting the construction industry by these exemptions that are given here? We have our doubts. The construction industry has its doubts that what is being afforded here is, in fact, going to make any serious dent; that it will cause the construction industry to make additional efforts in the building of homes, factories and commercial buildings. The reason for that is that the money for investment is just not there. So even if you get relief but you do not have the initial capital to invest what is the use of this relief in the end? The money is just not there. There are those who may have money but I am not sure they are interested in investing in residential, industrial and commercial properties. I am sure the Minister of Finance speaks from the experience on his own side as to investment undertaken overseas by Trinidad and Tobago nationals.

This relief is limited to construction within two years—1993 and 1994 and they are hoping that with this hoped for construction industry Boom in Trinidad and Tobago 1995 will be the run-up to 1996 election and therefore in a year perhaps, two years this measure would have created sufficient construction, sufficient incentives, and an addition to the employment opportunities available for them, in fact, to have smooth sailing in 1996 or even before.

Of course, we know, all these calculations can come to nought as they calculated in Tobago, how many seats they were egoing to win [*Interruption*] As I said, with all these plans for the construction industry, employment generation growth and timing it for just prior to the next election, you could make plans but the people dispose of those plans in the final analysis.

The second point I make, and which has been made by people in the construction industry, is with respect to getting the benefit of these reliefs, the bureaucracy involved. If you are going to get the benefit of the relief for residential construction you have to get a certificate from the Minister with the responsibility for Housing. Do you know who is the Minister with the responsibility for Housing, and do you have an idea of how long it may take him to issue a certificate? Because most of the time he is in his house; he is not aware of what is going on. He is either asleep in his house.

That is the Minister whom I have asked to visit my constituency to look at a housing development project there—since February. Up to today, he claims he has not received the letter. We are asking that ministry to issue a certificate to people



who construct residential properties in 1993 and 1994 in order for them to get relief under the Income Tax Act.

**3.15 p.m.**

My own view on this is that we shall have to wait until the year 2,000 and beyond before that Ministry puts itself in a position where it would give the relevant certificates to the people involved. That is the way it approaches its task, given my own experience with the Ministry of Housing and Settlement, and the Minister of Housing and Settlement, who is totally inert, inactive and unaware of what is happening, in the ministry he heads. If I were to have any inclination to build a residential property for the purposes of rent or whatever it is, I would have second thoughts when I know that I have to get a certificate from that Minister of Housing and Settlement.

For example, I want to tell you that people who borrow money from NHA, at the end of the year are supposed to get a mortgage interest statement of the amount of interest on their loan which is to be attached to the income tax return. The Ministry of Housing and Settlement is so lax that sometimes it is way past April, that you get this mortgage interest statement to attach to your tax return.

The Minister of Finance has imposed numerous penalties for delay in the submission of tax returns, when in fact, it may be to no fault of the taxpayer himself, but the fault of a government ministry, such as the Ministry of Housing and Settlement or some other governmental agency.

Then we are told that if you construct industrial or commercial buildings you must get a certificate from the Minister of Trade, Industry and Tourism—but he cannot give it directly. He must then consult the Industrial Development Corporation, and when the IDC gives the recommendation or whatever, then the Minister can act on that recommendation and give such a certificate.

I would just wait and see how this measure is actually implemented, when the certificates are finally received and the taxpayers, get that taxation relief. If you are going to institute laws and regulations which are dependent on a streamlined bureaucracy, public servants and ministers acting in a very inefficient manner, then you have to deal with the whole question of efficiency in the public service.

There is a lot of talk in the newspapers from the Minister responsible for the public service, but we are still to see any action as a result of this talk. If you go to

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any post office in Trinidad and Tobago, you would see how customers treated; the average citizen can understand what is happening with respect to the operation of the public service and the bureaucracy in this country.

Here they are saying that you are going to get relief, but that relief will depend on the issue of a certificate. When you look at the qualifications—and perhaps for those people who are inclined or have any intention to get into this kind of construction—you will see what is involved. Proposed section 45A (4) states:

"The income tax exemption given under subsection (2) shall not be granted—

- (a) in respect of a residential property unless the cost of construction, exclusive of the cost or value of the land, in the opinion of the relevant authority, having regard to normal building costs prevailing at the time of construction in respect of that property exceeds two hundred and fifty thousand dollars."

Look at the qualification. They have to make an assessment of normal building will cost prevailing at the time of construction and then, exclusive of cost of land, make an assessment of whether that building costs over \$250,000. That is one of the conditions for the issue of this certificate.

Proposed section 45A(5) states:

"The certificate referred to in subsection (4) (b) shall certify—

- (a) the date of commencement of construction;
- (b) the date of completion of construction;
- (c) that the property is eligible for an income tax exemption under this section; and
- (d) the date of the initial sale of the property."

If someone wants to avail himself or herself of the benefit under this law, that person has to keep very accurate records and then in the final analysis the relevant authority, whether it is the Ministry of Housing and Settlement or the Ministry of Trade, Industry and Tourism must exercise a judgment with respect to the issue of that certificate.

Proposed section 45B states:

"A company that is in receipt of income or profits that are exempt from income tax under section 45A may, provided separate accounts are kept of such income or profits—

(a) within eight years after the date of completion or construction of the property, if the premiums and rents would be exempt from tax under the said section; or

(b) within two years after the date of sale of the property, if the gains or profits would be exempt from income tax under the said section,

distribute sums not exceeding in the aggregate the exempt income or profits to the members of the company and those sums when so distributed are exempt from income tax in the hands of the members of the company."

Again, if you are going to avail yourself of the benefit, you have to do a specialized kind of bookkeeping. The question that we really have to ask is whether, in fact, all these rules and regulations which we are establishing in order to give incentive to the construction industry will achieve that objective. That is the point I wish to make and give my own conclusion I do not think that the way this is structured you will have the maximum benefit from the exemptions granted.

When it comes to the persons who pay tax by quarterly instalments, I must confess that I am rather confused. I believe that they too would be similarly confused by this regulation. It seeks to plug a loophole, but in doing so loophole, I believe it makes the regulations rather complex. All that these things do is create more work for accountants, lawyers and all these professional people. In the end I do not know how much benefit the Inland Revenue gets from all these rules and regulations. When I read it, and the Minister attempted to explain it here, I was a bit confused. I am suggesting to him that if the Inland Revenue writes a little booklet and distributes it, even to Members of this House, we might be in a clearer position.

**Madam Speaker:** The speaking time of the hon. Member has expired.

*Motion made,* That the hon. Member's speaking time be extended by 30 minutes. [*Mr. R. Palackdharrysingh*]

*Question put and agreed to.*

**3.25 p.m.**

**Mr. Sudama:** Madam Speaker, the Minister attempted an explanation that I am not sure I understand. I consider myself a man of average intelligence—a bit

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above the Member for La Brea—but still of average intelligence. If I am having a little difficulty with this amendment to the Income Tax Act, I am sure that the thousands of people who pay tax by quarterly instalment will have a similar difficulty. I read here:

"Where a person to whom subsection (3A) applies, had paid quarterly instalments which amount to less than the tax liability disclosed in the return of the year of income, such person shall, with effect from 1st January, 1992, pay interest under section 103 on the difference between—

- (a) the tax liability on the chargeable income of the previous year of income, plus 80 per cent of the increase in the tax liability of the current year, on the previous year of income; and
- (b) the total amount paid by the end of the fourth quarter."

The first question I want to ask is, if a person pays quarterly income tax, does he have to submit an annual return? I would imagine so. I do not know. Have you changed the rules now in the Ministry of Finance? If you pay tax by the quarter you have to submit an annual return to determine your tax liability for that year. If you have paid more tax on a quarterly basis, you get a refund, and if you have paid less tax, you are liable for the deficit. Is that not the rule in operation right now? The person who pays less under the system of quarterly instalment payment is liable for that tax. Why are you not collecting that tax?

When you owe the taxpayer a refund, do you have a similar penalty in your department? If the funds are not paid by a certain date, are there penalties involved? How is it that when the taxpayer owes you there is one rule, and another when you owe the taxpayer? Why do you not streamline your system to pay the taxpayer what you owe him quickly and, if need be, pay him interest, rather than bringing these complicated rules to the House in an attempt, as you say, to streamline the system.

What the Government wants, Madam Speaker, is to have everything in its favour. The rules and regulations of the Income Tax Department impose a liability on persons who are paying quarterly income tax, but you want him to pay it right away. What this is doing is imposing an obligation on such a person to pay it in the quarter immediately after the end of the financial year for which he has been paying income tax.

You are basing this regulation vis-a-vis what is due in the current year, but income tax in a current year is merely an estimate. At the end of the year you will know finally what your tax liability is. What you do at the beginning of the year is make an estimate. And once people see this regulation in place and note that in computing their tax liability in the current year they have to pay what was paid in the past year, plus 80 per cent of the increase of the tax liability of the current year, they are not going to estimate an increase in their tax liability for the current year in order to get around making these calculations and complying with these regulations. This is what I believe people are likely to do.

I am not sure, therefore, if the intent of the regulation is to streamline the system and get this tax paid more quickly that in fact you are going to succeed in that objective. But whether or not you succeed in the objective, it is my view that you should simplify these with examples as you have given to this House, and distribute them widely to the tax-paying public.

In fact, I am proposing that the Government set up a task force—it is in the habit of setting up task forces for many things—to simplify the taxation system to make it more understandable to the average citizen of this country. The Government and the population will benefit as a result of this.

The final loophole that they want to plug is one where employers, I am told, contribute to a fund which is really a fund to pay retirement and death benefits. What happens is that those benefits, by reason of agreement, are made available to the employee, tax free, before retirement, through the procedure of loans. In fact, the manner in which they are getting the income ought to be taxable.

I should like to know what the incidence of this is? Is this a widespread thing? When did the Board of Inland Revenue discover that this regulation was being circumvented and that tax free benefits are being paid to people who should not avail themselves of them? When did they find this out? Yesterday? Since the PNM came into power? Was this there before 1986? How many employers were taking advantage of this loophole, and how is it that it is only today they come with this discovery that employers are taking advantage of this provision and giving to the employees, tax free, benefits which ought to be taxed ?

Perhaps the Minister would care to explain to us what classes of companies are involved in this—whether or not they are supportive of the regime. How many are involved? How much money is estimated to be lost as a result of this provision being circumvented? We do not know. We do not know, and we just come to this

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House to be told only that this is a loophole and the Government is going to plug it.

**3.35 p.m.**

As we come to the end of 1992 and are preparing for 1993, this Government has presented this House with a budget—and these amendments, of course, are consequential on the statements, the provisions, the undertakings in that budget—what can we look forward to in 1993. What kind of economic situation, what kind of fiscal stringency can we look forward to? From what I can see on the horizon, it is more sacrifice, more belt-tightening, more pressure and hardship on the ordinary man and woman, simply because this Government has not got a clue as to how to deal with the fundamental problems affecting the economy of the country.

The budget of 1993 was a complete and total abdication of Government's responsibility to complete the framework and put the measures in place to get growth in the economy, and to create employment opportunities. The budget was only a series of revenue-raising measures, revenues to be raised by hook or by crook, more pressure on the citizens of Trinidad and Tobago. While the Government says it has not raised too many direct taxes and so on, the indirect revenues and levies to be collected from the citizens in the payment of increased rates for WASA, electricity, lands and buildings taxes and the whole range of taxes—do not talk about marriage and birth certificates at all.

This plethora of taxes is what the citizens of Trinidad and Tobago can expect under the PNM regime in 1993, a regime that cannot offer any hope to the serious and colossal problems which confront this country, a regime completely without ideas, bankrupt of any kind of vision or forward thinking in order to pull this society out of the morass in which it finds itself after 30 years of PNM rule. Now we are going into the 31st year of PNM rule, a most critical factor in the situation in which Trinidad and Tobago finds itself today.

So these little measures of the Income Tax (Amdt.) Bill and the measures in the Provisional Collection of Taxes Order and the budget measures are not going to make any difference, to “the price of cocoa”. We are going to regard 1993 as a year in which this country and society, the citizens of Trinidad and Tobago, if they do not buckle under the pressure, are very likely to explode under it.

Thank you very much.

**Miss Hulsie Bhaggan** (*Chaguanas*): Madam Speaker, in rising to speak on this bill, I should like to refer specifically to the reduction regarding donations to charity which previously were at 25 per cent of total income and at this point is being reduced to 15 per cent.

It is very important that we in this House become concerned with that proposed reduction, because basically these donations are going to charitable, non-governmental organizations and this reduction will affect the core of their funding. In fact, it is a disincentive to those potential donors; indeed it is also a backward step. More importantly, it demonstrates to this country that this Government is not really aware of or prepared to evaluate the impact of its economic policies on the population at large in this country.

If the Government had done so, it would have ensured that whatever changes or amendments it was bringing to the tax laws and regulations of this country would have been so done that the NGOs would not have been affected. Especially, as in this House from time to time we have been hearing that this particular Government is now going to reduce its intervention in terms of running the economy and the state.

This Government has come to this House and—in fact, the Member for Diego Martin East once stood in this House and said that the Government was going to dismantle the welfare state.

**Mr. Imbert:** Will the Member give way? Madam Speaker, I said no such thing. I wish to deny that.

**Miss Bhaggan:** Madam Speaker, I am prepared to bring the eader *Hansard* record to show the Member for Diego Martin East where he said so.

Madam Speaker, thirdly, in the budget debate recently, the hon. Member for San Fernando West made some sweeping comments which refer to how this Government thinks, and how it intends to act with respect to conducting the affairs of state.

We on this side usually tend to say that the Government is introducing what we call the neo-liberal model of development; the Member said, that is an old hackneyed phrase. Interestingly, ‘neo’ means new. When that was being said, 32 leaders from throughout the Caribbean were holding a one-week four-language conference at the Valley Vue Hotel dealing with the question of neo-liberalism.

Madam Speaker, the hon. Member went on to say:

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"The fact of the matter is, Madam Speaker, to talk about an economic ideology in the PNM is not to understand the PNM at all. We have never followed any economic ideology, neither left nor right. Our approach has always been, and will always be, based on one philosophy and that is the very simple principle of pragmatism."

The point I am making here, is that if they are talking about reducing the role of the state, they are talking about dismantling the welfare state; and now they are are a pragmatic government without any ideology, it is very clear—

**Mr. Manning:** Madam Speaker, I thank the hon. Member for giving way. Just two weeks ago, at a convention of the People's National Movement, the ruling party, I outlined to the convention and for the benefit of the national community a new vision for the dispensation of social services in the country.

It is not true to say that the Government is dismantling the welfare system, nor, is the hon. Member's prognosis of the PNM's position in the economy a correct one. Essentially, it is an adjusted role where the Government is seen both as a facilitator and as an investor but with greater accent on the facilitative role, recognizing that the public sector alone cannot generate the economic activity and create the jobs that the country requires.

**Miss Bhaggan:** Madam Speaker, I would really appreciate it very much if the hon. Member for San Fernando East would therefore hold a seminar with the Members on the other side and explain to them the position of his party and the Government. Because it is quite clear, based on the pronouncements in this House, the Members on the other side, senior Ministers, do not understand the policy of his party nor his Government.

Madam Speaker, I was not present at any PNM convention, so I do not know what his policy on social services is. I would hope that it would come from the Minister in charge of that area and a little later on I shall reply with respect to some of the views expressed by the hon Minister in her budget contribution—the question of how this is relevant to the bill here. It is relevant because we are cutting or discouraging donations to charitable organizations with respect to this particular amendment.

So, Madam Speaker, if I may go back to my original point, I am saying here that if the state, therefore, is reducing its role—I was not at the PNM convention,



and unless that document is brought here, I have to assume it does not exist, in the same way as the energy policy which is in somebody's brief-case up to this point.

Madam Speaker, I am saying that based on the --

**Mr. Manning:** I am sorry, I really do not want to disturb the hon. Member, so I thank her sincerely for giving way again.

Just yesterday I had conversations with the Leader of the Opposition on the energy policy, and just a few minutes ago I spoke with the hon. Member for Couva South. The Government's energy policy paper will be laid in the other place on Tuesday next and the hon. Minister of Energy, in laying the document, will make the appropriate statement. The document will be up for public comment for a period and consultations will begin as between Government and Opposition with a view to depoliticizing the energy policy in accordance to the PNM's manifesto. It was discussed yesterday with the Leader of the Opposition. I can understand if the Member is not yet seised of the information.

**Miss Bhaggan:** Well, thank you, Member for San Fernando East. Of course, we would have appreciated it very much if a statement could have been made earlier in the House this afternoon.

**Mr. Manning:** But I spoke to your leader.

**Miss Bhaggan:** Madam Speaker, as I was saying, it means also a cut in subventions with respect to the social services. It is quite clear that the role of the NGOs becomes more important.

Secondly, we are in heavy debt. It means that our debt repayments will take precedence over other internal domestic payments and subventions. That, again, gives rise to the contention that the NGOs ought to have a greater role and as such ought to be supported.

**Mr. Manning:** We agree with that.

**Miss Bhaggan:** The Member agrees with it and yet this amendment comes to the House. I do not understand how they could agree with that and yet bring this amendment.

Madam Speaker, when I looked at the contribution of the Member for Barataria/San Juan—before I say this, I wish to make something clear in this House. On the last occasion when I stood here and spoke, I said very clearly that my remarks were not a personal attack on anybody. Based on the response of the

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Member, I went through my copy of *Hansard* to see what I said; I was supposed to have attacked the Member's character. There was nothing in my speech to suggest that I attacked anybody's character.

I support women in politics. I believe women have a role to play in politics. It is a man's world, but I believe that when we enter politics, we ought to be strong. We ought to be able to take criticism, we have to be able to stand up like a man and take criticism. I believe we ought not to take criticism personally because the idea was to strengthen the role of women in politics.

I am very disappointed at the way the Member responded to my sincere wish that women who are given ministries ought to be given more power. As far as I am concerned, I did not perceive that to be so and so I expressed my view. Madam Speaker, I am not in any way going to be deterred.

**Dr. Baboolal:** Madam Speaker, on a point of order. I think what the Member for Chaguanas said about being able to take criticism constructively also applies in this case, because obviously she is misinterpreting whatever it was that she has taken as criticism in what I said.

**Miss Bhaggan:** Madam Speaker, I think we need to clear this in this House. According to the *Hansard* record, the hon. Member commented on my contribution and then she said

“she joined her leaders in casting aspersions and attacking the character of

I attacked nobody's character. She went on to say—

“As a matter of fact, it is not where you sit that matter.”

I agree with that. But then.

"But when you sit close to someone who has slept with the devil and slept with the devil's wife, then maybe you have to be careful."

**Mr. Valley:** Madam Speaker, one would hope that this is not a continuation of the budget debate. We concluded the budget debate about two weeks ago.

**Madam Speaker:** I think the hon. Member was just trying to clear up something up and I think she is within her rights so to do.

**Dr. Baboolal:** Madam Speaker, it is on her leader's own admission that he slept with the devil and the devil's wife that I made that comment.

**Madam Speaker:** Please, hon. Members, I would urge that the debate not be degraded to devils and devil's wives. If the hon. Member was making a point to clear up a certain aspect of a matter, fair enough.

**Miss Bhaggan:** Madam Speaker, when I examined the contribution -- and that is why I made the comment a while ago—I was looking at the contribution in the context of that ministry, given the situation in this country with respect to social problems.

What I saw, ten things being done and out of these ten, nine were committees. I want to explain what they are. First, a strategic plan from 1992 to 1997 is being developed. That is very good. I believe all ministries ought to have a strategic plan. But what I am concerned about is the number of committees which have been set, while committees are doing their work, which is important, the point is, the problems are there and so work ought to be done. Who does that work, Madam Speaker? The NGOs, they are the ones that do that work when the Government in power cannot really function properly, given their lack of resources.

The committees basically are:

- a national committee on social rehabilitation, looking at the question of homelessness;
- one doing a survey on poverty;
- another study of root causes of vagrancy;
- a committee for the establishment of day care centres;
- a working group to review the draft policy statement of people with disabilities—the Ministry intends to conduct a national census on people with disabilities;
- the Family Services Division is conducting a situational analysis of children;
- there is an interministerial committee with respect to juvenile delinquency looking at that whole problem; and
- there is also a social legislative committee which is reviewing social legislation.

Now, it is important to provide these kinds of statistics and to recommend programmes—but it is very clear that the Government does not have the funding

to implement many of these programmes. So, what we ought to do, as a country, not only in the Government but NGOs and everybody on our side here, is to ensure that whatever programmes are put in place, must be done in such a manner that the recipients.

So the NGOs, over the years, have been playing a very important role. In fact, the Minister accepted the fact that if the NGOs were not performing, her ministry would have had to function 24 hours a day and I quite agree with her.

The point I am making is, why are we putting this amendment and thereby limiting these organizations? It does not make sense. We ought to have left this as it was and, as the Member for Oropouche said, if there was a problem of people using the facilities, there ought to be some administrative procedure put in place to ensure that kind of abuse does not take place, or at least is minimized.

What I want to say is that the Government ought to put in place the measures which will support the development of NGOs, which will encourage those who have not registered to register themselves and to benefit not only from Government subventions and technical assistance, but also from overseas funding. As a matter of fact, there are many development agencies through the embassies and other places which offer projects and financing. I see you, Madam Speaker, have been doing work for women and other projects.

Government has got to offer some kind of support service because what you find, Madam Speaker, is that many NGOs come into being but because there is no funding there is no support or infrastructure, many of them cease to function. For how often are you going to beg for donations and have charities and conduct raffles and have barbecues to raise funding? One sure way of raising funds is to be able to have these organizations registered properly, and have these deeds of covenant made out to them to ensure a regular source of income.

We saw recently Servol's problem, where a cut was made in their allocations. In the Senate there was a problem with respect to the budget and these provisions being passed. Simply, there were objections to those cuts in Servol. And Servol is only one of the organizations in this country having problems.

On that note, Madam Speaker, there are other areas where that Ministry ought to work with other ministries, for example, on the question of seeking international aid. Right now an NGO has 12 industrial sewing machines sitting on the docks; they

have been there for at least four months. This NGO is going to have to pay rent. It was to get a duty-free concession but the run around it is getting is atrocious. It is being moved from one ministry to another and department to department. The NGO is not getting help.

Containers full of equipment, medical equipment, dental equipment, pharmaceuticals and so on, are there in containers on the docks, accruing rent and nobody is assisting these NGOs to clear these things. It is a long bureaucratic run around to get those things cleared.

Many NGOs are discouraged from accessing international aid and assistance simply because of the bureaucracy when they land on our docks—of the paperwork they have to go through. I am not saying that we have to cut through these things just like that, and breach the rules and regulations, but I do believe the ministry ought to work with other ministries, Finance and Trade and so on to create some kind of system where they cut through this red tape.

In fact, in the business circle, I know there used to be talk about one stop shop and so on; the same type of machinery ought to be put in place for the NGOs. From my own experience, I can assure you, Madam Speaker, there are agencies abroad with millions of dollars willing to donate to Third-World countries. They are not giving to us, simply because we do not have the infrastructure locally to support it. Another thing the ministry could do is to provide technical assistance with project preparation and execution so that these NGOs could be supported.

What we ought to do is, firstly, look back at this question of this amendment. Secondly, if we cannot give more money to these NGOs, we ought to find ways to support them, so that the Government could reduce their role but at the same time a parallel system would be established where the NGOs are taking responsibility for dealing with some of these social problems.

I am sure that when the various studies are completed by the Minister of Consumer Affairs and Social Services, it would be quite clear that poverty levels have increased astronomically, homelessness has become a major problem, domestic violence has become a problem, especially with respect to women who have nowhere to stay between when a matter is heard in court and when they would have left their homes. I was very happy to see day care centres being established for senior citizens; I think that is good. Malnutrition and juvenile delinquency are other problems which are becoming critical in our country.

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On the question of alcohol and drug abuse, there is no way, institutionally, that the Government can deal with the problem of drugs and alcohol. What we ought to do is assist those organizations which are already involved in drug prevention and rehabilitation exercises and give them subventions or other assistance where they can tackle the problem. Because the institutional approach is very expensive, but many of those persons who work in the NGOs do so voluntarily. Whatever little assistance we give them ought to be in such a way that they would be able to access Government facilities, as well as other kinds of technical assistance.

Madam Speaker, my contribution is basically on that point and I am making an appeal to the Government, therefore, to avoid taking a straight institutional and bureaucratic approach towards NGOs; do not look at people abusing the charitable organizations, but rather see how we can make them increase their donations, because the NGOs do need. This has to be in the context that the Government cannot afford to increase its subventions or to increase the number of institutions it ought to bring within its purview. That is something that ought to be looked at very carefully because one has to be played against the other.

Madam Speaker, that is basically my contribution. I hope the Government would listen and perhaps do something about improving the situation. Thank you.

**The Prime Minister (Hon. Patrick Manning):** Madam Speaker, I want to thank the hon. Member for Chaguanas for her contribution. I had not, myself, intended to intervene in this debate, but it has become necessary in light of her contribution providing, as she has, an opportunity for me to elucidate a little some aspects of Government's policies in the economic and social spheres for the benefit of hon. Members and the national community.

I wish to remind hon. Members that neither a government nor a country exists in isolation. But we are products of our history and especially when one is enunciating policies by which a country will be governed, one is well advised to take into account the historical antecedents.

I have made the point on many occasions that the experience of the last government—which was not a PNM Government—constitutes the experiences of Trinidad and Tobago as, indeed, the experiences of the PNM between 1956 and 1986 to now, are really the experiences of the country from which we all must draw and from which we all must be educated.

I think that hon. Members should recall the fact that when in 1956 the PNM was elected to office we met a situation where the economy was controlled by

foreign companies and there was a perception, correct or incorrect, that the foreign companies were conducting business in this country on the basis of the requirements not of the people of Trinidad and Tobago, but of the requirements of the countries from which they had come.

I can give one simple example. It is as late as 1975. The company involved is Caroni (1975) Limited; Tate & Lyle ran that company. They bought jeeps which they used to patrol the estates as part of the cultivation of sugar cane. They bought an English jeep, a Landrover, at a time when a more powerful jeep was available from the Japanese at a lower cost.

**Mr. Sudama:** They could have used horses—

**Mr. Manning:** The days for horses had by that time gone. But you understand the point I am making, that some of these companies operated in a manner which served the requirements of the country from which they had come rather than taking sufficiently into account the economic realities of the countries in which they were hosted. That was the thinking of multilateral organizations at that time.

It is now history that the PNM Government of the day sought, in terms that were used at the time, to gain control of the commanding heights of the economy, so that after there was a strike in the telephone service some time in 1964 or somewhere around that time, the then PNM Government responded by acquiring the assets of the company; to save jobs in BWIA the Government responded by taking over the company from a foreign company at the time.

I want to remind hon. Members that this also was the time, 1960, when that nationalistic sentiment which was sweeping the entire world was one that was particularly evident in the energy sector, and that is where it was given, in my view, its greatest manifestation. The actions taken by some of the countries that were in a position to do so, led to a significant shift in the course of world history. It is not as simple a matter as the hon. Member for Chaguanas has been trying to make out.

Madam Speaker, in 1974, shortly after the events of 1973—and, again, in 1979 and 1980—three sets of events: oil price shock in 1973; the events in Iran, in 1979; and the war between Iraq and Iran in 1980—led to significant increases in oil prices and put countries like Trinidad and Tobago in a position where we were beginning to accrue financial resources at a level that was both unprecedented and unanticipated.

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Those events put countries like ours in a position, for the first time, to gain control of those commanding heights of the economy, as the term was at that time articulated. We did, and in circumstances which we never thought would have been the case. For a country like Trinidad and Tobago, we were in a much better position to do that than many others who were spouting the rhetoric of the Eastern countries, which we did not consider to be of any relevance to Trinidad and Tobago. The economic upshot of all of that was that there was a very significant involvement of the state but, as the country progresses and, as we move from phase to phase in the economic progression of our country, we learn from what we have done. We have done some things right; we have done some things wrong.

**Hon. Member:** Many things wrong.

**Mr. Manning:** Of course, we have done things wrong. I can assure you, Madam Speaker, that in the future while we would do some things wrong, we would also do many things right.. The country is run by human beings, and we have never made it out, either to hon. Members of this House or to the national community, that we are infallible.

We are human beings and we are subject to all that that means. We make errors. What we seek to do, is to ensure that the errors which had been made in the past are not repeated; in other words, that the country is not made to pay twice for our experiences that we gather along the way. *[Interruption]* Whatever you may call it, it is fine; whatever you may say. If you feel that it was too much and if the population felt so—we went into Opposition in 1986 and we have no animosity whatsoever against anybody.

What we are saying is that we are learning as we go along, that the country is learning as we go along, and that we are seeking to conduct our affairs in such a manner as to give this country the best government of which the country is capable. That is our aim. Even when politicians are irresponsible in the conduct of the country's affairs, the PNM tries its best to distance itself from the irresponsibility of those who should know better. I do not want to get involved in that this afternoon; that is a side issue.

**Hon. Member:** That is the speech he made in Tobago.

**Mr. Manning:** In coming back, therefore, to the progression, which would move to several stages, one of the implications of an enhanced involvement of the



state in economic activity was the fact that it took place at a time when we were pursuing certain policies in education and, therefore, we were also increasing, the cadre of personnel available to Trinidad and Tobago who would have been in a position to benefit from whatever the country's experiences might have been. So, in the effluxion of time, we began to learn how multi national corporations conduct their business.

**Mr. Sudama:** You did a course in history.

**Mr. Manning:** Yes. We began to learn about the operations of business, the strengths, the weaknesses of the involvement of the state.

More than that, we became confident enough to be able to operate with multinational corporations on a more equal footing—most important.

I can remember—and it is an example that I may not have given in this House before but it is an example that I gave in a certain place on the occasion of a seminar in 1989. The place was Cambridge. It was a symposium of the Energy Research Group involving a small group of people from the energy sector who were discussing matters of this nature.

There was a time when the Government of Trinidad and Tobago was short of money and it needed additional revenues and decided that the way to get it was off the oil companies. A particular oil company—which I shall not name—was duly approached and a team from Trinidad and Tobago visited the headquarters of that oil company and tried a mechanism by which we could increase the financial take to Trinidad and Tobago. It was, to say the least, an amateur approach. The story goes that the oil company involved asked the leader of the team what was the particular problem. The answer that the oil company was given was that the Government was short of a certain amount of money. The company involved said, okay, we will send a team to Trinidad within a day or two, and a few days later a team came here and showed the Government of Trinidad and Tobago what adjustments could have been made to the tax structure to get the amount of money that the Government required at the time. That is what we did not know, and multinational corporations were in a position to make rings around developing countries like Trinidad and Tobago.

**Hon. Member:** Still do not know.

**Mr. Manning:** Today, it is very different. Today, we are far more experienced as a country than we were and we are experienced enough to the point where we are confident of our ability to deal with these corporations.

Recently, I was part of some discussions—and the matter was debated in this honourable House—on an adjustment to the petroleum tax structure. I was very impressed, and I want to compliment the public servants who were involved in that exercise. I was very impressed indeed with the way the leader of the particular team was able to justify to the Ministers who were present, the approach the team took, and the particular conclusions to which the team had come.

Times have changed. So, today, after all of those experiences, after we have gone through industrialization by invitation, and after we have gone through all kinds of things, we come to the conclusion that the state alone is in no position, purely on the basis of its own effort, to create enough economic activity that will provide the jobs that a country like Trinidad and Tobago desperately requires. That is the conclusion to which we have come.

**Mr. Sudama:** You had the wrong concept, in the first place.

**Mr. Manning:** The hon. Member for Oropouche says it was the wrong concept. It may well have been.

All I am saying is that those were the steps along the way through which we necessarily have had to go to be able to come to the conclusion to which we have come today. I have absolutely no doubt that 15 or 20 years from today we would have to make adjustments again.

What I am saying is that in our judgment the position adopted by the Government of Trinidad and Tobago today is the best position, in our judgment, the one that gives us the best opportunity to achieve what we are seeking to achieve by way of economic activity, and, in particular, job creation.

Our experiences, therefore, cause us to conclude that there ought to be a new relationship between the state and the economy. Basically, that approach is one in which the state has a dual role—the role of investor on the one hand, and the role of facilitator on the other hand. In short, a joint approach between the public and the private sectors to stimulate economic activity and therefore to ensure that the jobs that the country requires are created.

Just as a matter of caution, another partner in all of this must be the trade union movement. If, as we seek to create the atmosphere that is required to attract

the foreign investment that is needed to create the jobs, that there is irresponsible action on the part of some—'some' Madam Speaker, I hasten to point out—trade union leaders, then one could only come to one's own conclusion as to what the intention is.

Just today, I read an advertisement in the *Trinidad Guardian*. It is a full page advertisement put out by Caroni (1975) Limited. I am sorry I do not have the newspaper here; I would show you what irresponsibility can be. I wonder if the hon. Member for Couva South would lend me his newspaper.

**Mr. Maharaj:** You want the *Mirror*? I have it. "Farrell House Deal Stinks".

**Mr. Manning:** Sorry, I do not want the newspaper that he has written, I want the one that—

**Mr. Maharaj:** I wrote that? Answer that!

**Mr. Manning:** A voice in the wilderness, Madam Speaker.

**Mr. Maharaj:** You cannot answer it. You know it is true. \$8 million.

**Mr. Sudama:** Madam Speaker, can we adjourn the House so that the Prime Minister could find the page?

**Mr. Maharaj:** Why you do not tell us that you want to privatize WASA and increase water rates?

**Mr. Manning:** Madam Speaker, permit me to just draw the attention of hon. Members to page 44 of the *Trinidad Guardian* of today. It reads:

"The issue of payment of arrears of \$30 million to the workers of Caroni (1975) Limited arose from the Report of the Tripartite Committee on Caroni (1975) Limited which was appointed by Cabinet in April of 1992 "to develop an agenda for action aimed at putting Caroni (1975) Limited on a viable footing over an agreed time-frame."

"This Report was submitted to the hon. Minister of Agriculture, Land and Marine Resources in July 1992, and debated in Parliament from September 18 to October 19, 1992."

Just for the record, Madam Speaker, I think there was general agreement on the provisions of the document. There was unanimous agreement in the Parliament.

"It contained the unanimous views of the parties who formed the Committee. The signatories to the Report were as follows:..."

**4.15 p.m.**

I am not going to read all of the signatories, but I want to draw your attention to a couple of them. One is R. Shah, Mr. Raffique Shah, NFWU, head of a particular union. The other to which I should like to draw the attention of hon. Members, is B. Panday.

**Dr. Rowley:** B?

**Mr. Manning:** Mr. Basdeo Panday, the hon. Member for Couva North, and Leader of the All Trinidad Sugar and General Workers' Trade Union. There is a third person to whom attention must be drawn—Mr. Sam Maharaj of the same union.

**Mr. Maharaj:** What point are you making?

**Mr. Manning:** I am talking about the irresponsibility of some leaders. That is the point I am making. The article continues:

"The achievement of this unanimity was rendered possible by an approach which accorded due weighting to the interest of the various stakeholders in the industry, that is, to the legitimate concerns of the Government as shareholder and as trustee of the national interest, and to those of the cane-farmers and the workers."

Very commendable approach and some people thought it was not possible. We sat down around a table—Government, labour, company and independent parties—and arrived at a comprehensive approach to the sugar industry which involved, among other things, some of the retroactive liabilities.

**Mr. Palackdharrysingh:** When are you paying the money?

**Mr. Manning:** I will just go to another section of it:

"In terms of discharging the arrears owing to workers against the background of a deadline, the agreed decision was..."

**Mr. Mohammed:** Madam Speaker, on a point of order. We appreciate it whenever the Member for San Fernando East and Prime Minister makes statements in the House because, obviously they will be on matters of importance. What is happening now is that the hon. Member for San Fernando East is now reading from the newspaper an issue on which the Chair has turned down a request a debate. I am submitting that all of that is irrelevant; and to date the contribution

of the hon. Member for San Fernando East is irrelevant up to now to the debate in which we are dealing with this amendment to the Income Tax Ordinance.

**Dr. Rowley:** What is the point of order?

**Mr. Manning:** Madam Speaker, I sympathize with the hon. Member for Caroni East, but as you know—

**Mr. Mohammed:** Madam Speaker, on a point of order. According to the Standing Orders and the rules that we are governed by, these rules do not recognize what we call the principle of *primus inter pares*—we are all equal to the rules. I made an objection based on the Standing Orders and I think I deserve the right of a reply from the Chair.

**Madam Speaker:** Could the Member please give me the Standing Order?

**Dr. Rowley:** Refer to the Standing Order. What number?

**Mr. Mohammed:** Madam Speaker, I am saying that the contribution, where the Member for San Fernando East is reading extracts of the back pay issue, is irrelevant to the amendment that we are discussing, the amendment to the Income Tax Act, based on the principle of relevancy.

**Madam Speaker:** As I understand it, the hon. Member was replying to a contribution by the Member for Chaguanas. It is in this context that the Member may continue.

**Mr. S. Panday:** Irrelevant! Totally irrelevant!

**Mr. Manning:** Madam Speaker, I thank you very sincerely.

The article continues:

"In terms of discharging the arrears owing to workers against the background of a deadline, the agreed decision was:

'A partial payment to current employees at a level calculated to settle this issue fully before the 1995 crop. The first tranche of this payment will not be less than \$30 million and will be paid before the start of the 1993 crop.'"

**Mr. S. Panday:** What is the date? *[Interruption]*

**Mr. Manning:** Do not rush the brush; you will get daubed.

"The Company is being assisted in the discharge of this commitment by the Ministry of Finance, from allocations in the 1993 Budget, which comes into

effect from January 1, 1993. Consequently, payment will be made on the first working day of 1993, which is January 4, 1993."

It is here! Madam Speaker, it is highly irresponsible, therefore, for trade union leaders who were a party to this agreement to now so conduct affairs in the country that they create, or seek to create, an atmosphere of instability at a time when the Government has embarked on major initiatives to attract investment to Trinidad and Tobago to create jobs; and I will say something else.

**Mr. Maharaj:** PNM created that and you are going to get more!

**Mr. Manning:** I notice the hon. Member for St. Augustine has gotten very quiet.

**Mr. Humphrey:** Madam Speaker, I want to ask the hon. Prime Minister whether, had he not announced a specific date for paying what was promised, he could not have saved our colleague, the Leader of the Opposition, a very tedious, long haul across the length and breadth of the nation; and whether had he announced the date specifically, as called for by the leader of that union, he would not have avoided all of the industrial action that we are now subjecting our country to?

**Mr. Manning:** Madam Speaker, that was the first step that constituted the irresponsible action on which the Leader of the Opposition and head of that union had embarked. I want to remind hon. Members, that this Government came to this Parliament with a proposal to adjust the financial year from January 1—December

**Mr. Maharaj:** Madam Speaker, I object. This Parliament, if we are going to have any respect for it, there must not be one rule for the Member for San Fernando East and one rule for us. There is no relevance. What we are going into now is a full-scale debate on the question as to the payment of back pay to sugar workers. If the Prime Minister should be the person to set the example. This has become totally irrelevant.

**Dr. Rowley:** He was answering the question.

**Madam Speaker:** What aspect is irrelevant?

**4.25 p.m.**

**Mr. Maharaj:** Madam Speaker, what the hon. Prime Minister is doing, is going into all aspects. As a matter of fact, he is going into the debate in respect of the amendment for the financial year.

**Madam Speaker:** The mention of the financial year is irrelevant?

**Mr. Maharaj:** He is dealing with the whole back pay issue, and you have ruled that that is not urgent. But it is totally irrelevant to the debate.

**Madam Speaker:** I was trying to get what aspect of the contribution. That is why I asked you whether it was the mention of the change of the financial year. Unfortunately, I did not hear what the contribution of the hon. Member was, so I could not make a ruling. Surely if the whole issue of the amendment is going to be gone into, then surely the Member would be irrelevant. So I had to wait to see exactly what the contribution was.

**Mr. Sudama:** Madam Speaker, the report of the tripartite committee about the back pay issue has already been debated at length in this House. For the Prime Minister to bring that issue as a subject of debate is not valid. It is flying in the face of the Standing Orders. Why is he raising this issue now? The Member for Chaguanas never spoke about back pay for Caroni workers. It cannot be in response to that.

**Madam Speaker:** What I would urge the hon. Member to do, if he is answering or responding to the contribution of the Member for Chaguanas, is to confine himself to the substance of what the Member for Chaguanas has said. The hon. Member said he is responding to the contribution of the Member for Chaguanas. I think he also knows that in a contribution, there are allusions to many other matters which are not—

**Mr. Maharaj:** Madam Speaker, I think the Prime Minister should sit when you rise.

**Madam Speaker:** The hon. Prime Minister may now continue his response.

**Mr. Manning:** At least, Madam Speaker, I have been able to wake up the hon. Member for Caroni East, who slept all through the contribution of his colleague the Member for Oropouche.

**Mr.S. Mohammed:** Madam Speaker, I have evidence here, which I drew to the attention to my colleague, of both the Member for San Fernando East and the

Member for Diego Martin West, sleeping away—and snoring too. I am fully alive to and au courant with what is going on.

**Mr. Manning:** Madam Speaker, I assure you and hon. Members, that it is not my intention at all to violate the Standing Orders of this House with which I am thoroughly familiar. I am merely responding to the contribution and making the point that irresponsibility could jeopardize what we are trying to achieve in Trinidad and Tobago in terms of the economic situation and the question of job creation. I just want to make the point.

They asked the question about an earlier date for the back-pay. Had hon. Members opposite agreed to an adjustment in the financial year, the back-pay to the Caroni workers would have been paid before Christmas. In fact, long before Christmas. What I am saying, therefore, is that the new role of the state  
*[Interruption]*

Madam Speaker, my hon. friend the Member for Naparima—

**Madam Speaker:** I find the Member for Naparima is becoming a bit vociferous. Why?

**Mr. S. Panday:** It is not only me. All the Members on the other side were vociferous. The Member for Diego Martin was snoring so loudly that he was disturbing the whole debate.

**Mr. Breaux:** Madam Speaker, I should like to wish Members of this honourable House a merry Christmas.

**4.30 p.m.:** *Sitting suspended.*

**5.00 p.m.:** *Sitting resumed.*

**Mr. Manning:** Madam Speaker, when we took the tea adjournment, I was making the point that irresponsible actions can sour the propitious investment climate that exists in Trinidad and Tobago, and thus prejudice the ability of the state to properly conduct its role, also prejudice the success of any policies in the economic sphere that the Government would have been pursuing as a consequence of its own perception of the role of the state arising out of a proper consideration of the historical antecedents.

The role of the state, therefore, as the PNM now sees it in the current world circumstances, is one in which the state is both a facilitator and an investor, representing as it does, a partnership between the Government and the private



sector. Experience has told us that the state alone cannot do it. Therefore, this new role as is now being pursued by the state under the Government of the PNM, is one that has been moulded in the crucible of time and the country's history of our country.

Madam Speaker, the state as a facilitator. We see the state having a responsibility to create the climate, to put the conditions in place. When I say “to put the conditions in place”, what essentially I mean is to have the minimum amount of impediments placed in the way of the proper conduct of business. An essential aspect of economic activities is an active and vibrant private sector, operating in a propitious environment one that is not only, in the first place, put in place by the Government of the day, but an environment that is kept under constant review to ensure that the right environment exists that will facilitate the achievement of the objectives that we, as a society, have set for ourselves.

Right now, there are major initiatives being taken by the Government to attract foreign investment. Without going into too much detail, suffice it to say that the Minister of Finance returned to Trinidad and Tobago yesterday; the Minister of Planning and Development on a similar mission is today in Washington and will return to the country tomorrow; the Minister of Energy and the Minister of Trade, Industry and Tourism both returned from Houston earlier this week.

Four Ministers going to the United States of America to be associated with the marketing of Trinidad and Tobago as it stands today, speaking, and being exposed as they have been, to an audience of investors in the private sector articulating to them the competitive advantage that Trinidad and Tobago has, as a consequence today, of among other things, the pursuit of part of its role which we see as the role of the state—that of a facilitator. Major new initiatives are on the way, and we will be reporting to the national community on these and the outcome of these initiatives in due course.

It is necessary for the state to be an investor also. This is stated PNM policy, and it has been articulated since 1988—I need hardly remind hon. Members that that policy was articulated to a convention of the PNM in that particular year—that the state will retain an interest in industries, among other things, that are considered to be of strategic importance. It deals with the initial perception of the need to ensure that whatever companies operate within our borders, they do so in critical areas of strategic importance that are not prejudicial to the interest of the state. The interest of some companies and the interest of the state are not

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necessarily synonymous. It is important to have state involvement in some of these issues.

**Mr. Sudama:** Is Amoco in that category?

**Mr. Manning:** Madam Speaker, had the hon. Member for Oropouche known the answer to that question, he may very well have lasted a little longer in the Government than he did.

We also believe that it is necessary for the state to maintain an interest in the public utilities. We believe that it is necessary for the state to invest in enterprises that would not normally come to the country unless investors are able to reduce the risk that would be involved in investing in a foreign country, by involving the state as an active partner. More than that, to ensure the balanced economic development of any state, the state itself has a role to play.

We have had primary products in this country for a long time. The primary products are ammonia, methanol, urea, iron and steel. We have those products here *[Interruption]* and sugar; and we have petroleum. As of now, no major downstream—some have, but not enough—industries have developed in the country as a consequence of the availability, domestically, of these primary products. Therefore, the state has an *[Interruption]*

Whoever fault it is—I am not here to ascribe blame. We take a different approach from the hon. Members opposite. A colleague of mine said that that they stand for nothing. They are professional opposers.

**5.10 p.m.**

**Mr. Sudama:** Madam Speaker, on a point of order. If we stand for nothing, what does he stand for?

**Mr. Manning:** We succeeded in doing precisely what we were trying to do.

For balanced development the state has a role to play. We have these primary products. Major downstream industries have not developed to a significant degree as a consequence of these. We have now concluded that to ensure that this takes place, the state has a role to play, not necessarily as an investor; we must now actively promote the advantages of Trinidad and Tobago and the availability of these products to ensure that the significant investment that the country made in these products in the years when we had some financial resources, is now translated into downstream activities and the jobs that the country requires. The

National Gas Company has been given a mandate to ensure this. I hope that I have been able to advise my hon. friend the Member for Chaguanas, and to make matters a little clearer to her and to hon. Members on this whole question of the role of the state in economic activity.

The second issue that was raised by my hon. friend was the question of the social services and an accusation that the Government is abandoning the social services in the country. I just wish to assure her, and I wish to assure hon. Members and the national community, that that is not so. Indeed, last year all PNM candidates were mandated to do a house to house campaign—that was 1991 in the general election. As a candidate myself embarking on that exercise it struck me in many of the homes to which I had gone that there were social problems of one kind or another that were not properly attended to, in particular, aged persons living alone and not being able to help themselves. Surely, the state has some kind of role to play in that.

I have been to homes where everything has been cleared out of the house. Why? Because in the home there is a drug addict who has sold out pot, pan, bed, table, chair to finance the habit at the expense of the rest of the family. A social problem, not being properly addressed and which is adversely affecting, as a consequence, the lives of the rest of the family and we can see it multiplied, not just in San Fernando East, but all over the country.

In those circumstances, no responsible government can adopt the stance that we take a hands off position in respect of the social services. The PNM, in fact, has done no such thing. The PNM's approach is that we must first be able to identify the problems. For that purpose, the PNM has articulated a new vision for the dispensation of social services in the country, one that recognizes the need to identify the services that have to be dispensed to needy persons and the persons who have to be the beneficiaries of those services.

In short, the PNM conceives that for administrative purposes and for the purposes of identifying the social problems of the country, that the country is divided up into a grid with the density of population or the size of the grid will be dictated by the population density, by the economic circumstances of the particular area, the entire country being involved in it. There is what I will describe, for the purposes of this discourse, as a generic social worker, somebody whose responsibility it is to be in touch with every household and with every individual all over the country. That way you are in a position to identify the problems of

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households and as the problems are identified, households and/or individuals, the generic social worker now goes to the specialist and brings that specialist in or in other ways, deals with the particular problem that is identified.

If for example, there is someone in a home with a psychiatric problem that is not being attended to, the generic social worker identifies that person and refers that person to the psychiatric social worker who has been specially trained to deal with a problem of that type. *[Interruption]* I am saying it is a vision and a system has to be built up. It is the new approach. They have no vision.

In 1957, had it not been for a vision of Eric Williams, a free secondary education for all, I, many on this side and many on that side would not have been able to have access to secondary education. Notwithstanding the best efforts of Eric Williams, some of them still squandered the opportunity that he presented them.

The generic social worker goes. The work of the generic social worker is to be in touch with every household and with every individual so that any social problem that requires attention could be identified and be attended to. How are these problems to be attended to?

Today the social system is a combination of non-governmental organizations and the direct involvement of the state. When you look at it and make comparisons between the two, with the greatest deference to a direct state involvement, the non-governmental organizations have a far greater track record of success than the operations that have been run directly by the state. I am not casting aspersions on anyone. I am saying that those are the facts. That is what we have been able to identify and since we have identified that, we have concluded, and quite properly so, that the non-governmental organizations will be in the best position to actually dispense the social services that the state requires.

*Motion made*, that the hon. Member's speaking time be extended by 30 minutes  
*[Mr. K. Valley]*

**5.20 p.m.**

**Mr. Manning:** I thank you, Madam Speaker and hon. members. I assure you all, that I will use only a very small fraction of that time.

The point I was making was that the non-governmental organizations have a track record that suggests that they are in a much better position to dispense social services, than the state dispensing these services directly. It is a fact. Therefore, the

policy of the government is going to be the fostering of the development of non-governmental organizations as part of the national system for the dispensation of social services.

There are those who will say it is going to take 1,000 years to come. All I am saying is that it is a vision.

**Mr. Sudama:** What is the time span?

**Mr. Manning:** It depends on how long you have to live, whether you will experience it or not.

I apologize Madam Speaker. I am sorry. I assure you that I did not mean to be discourteous to my hon. friend. In fact, he is my constituent.

**Mr. Sudama:** And one constituent whose vote he will never get.

**Mr. Manning:** The records will show that it does not matter.

We are now at the stage where we are beginning to examine, how to organize the dispensation of social services in the country. The division is there and we know the direction in which we wish to go. It is now for us to slowly put all of that in place.

We are convinced that arising out of that vision which I have just identified and articulated for hon. Members, Trinidad and Tobago is not simply on the road to a new system of social services; the social requirements of the people of Trinidad and Tobago will be far better served under that system than under the system which operates in our country today.

Thank you.

**Mr. Ramesh L. Maharaj** (*Couva South*): Madam Speaker, it is good to see that the Prime Minister recognizes the power of the Leader of the Opposition, in that the Leader of the Opposition merely has to walk out and join workers, and it causes the Prime Minister to come to Parliament to speak. That shows the power that the Leader of the Opposition and the United National Congress have in this country. I know you would deny that.

**Mr. Manning:** He is correct. It also shows the abuse of power.

**Mr. Maharaj:** What point are you on? It is not abuse of the Standing Orders. I am glad that he acknowledged that it is correct, that the Leader of the Opposition has that power, and he responded to it.

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The hon. Member for San Fernando East really has only a vision. He is still dreaming. The PNM is still dreaming. That will remain a vision because as has been seen in the Caribbean countries, in the countries whose governments have adopted the structural adjustment policy—He talks about, their economic policy this is no decision of the PNM Government. It is a decision which he had to accept. This vision which the hon. Member for San Fernando East had, is a vision which the PNM had, the People's Charter, talking about having workers to identify the problem. Since 1956, we knew what were the problems.

The People National Movement, the People's Charter—January 15, 1956 this is what they said the People's National Movement was about.

“Five years and four months have elapsed. How do the realities of January 1956 compare with the promises of September, 1950?”

"HIGHER WAGES? Ask the housewife plagued by the steep rise in the cost of living;

SOCIAL SECURITY? Ask the workers whose years of toil are rewarded in old age by a ticket to the Poor House;

BETTER HOUSING? Ask the inhabitants of John-John and Shanty-Town;

MORE AND BETTER SCHOOLS? Ask the parents of the thousands of children of school age who are not in school;

MORE AND BETTER ROADS?: Ask the peasants in the rural areas;

NEW INDUSTRIES? Ask the unemployed workers;

FULL EMPLOYMENT? Ask the sugar workers."

Every day the situation grows worse..."

That is why he said we needed the PNM.

I should like to direct the Prime Minister, with respect to the economic policy he is talking about, to page 10 of the Peoples Charter. He would see whose duty it is to provide social services. It is the duty of the state. The hon. Member for San Fernando East has admitted today in his contribution that he cannot provide solutions to the unemployment problem and the problems in this country.

This is what the PNM said in the People's Charter.

"The People of Trinidad and Tobago, like people the world over, aspire more and more to a better life and refuse to accept the intolerable conditions of living to which they had been subjected. But the employer class in Trinidad and Tobago has still to appreciate that while social services are, in the final analysis, determined by production and productivity and not merely by noble ideals increased production and higher productivity demand an educated, well-housed, well-fed, healthy population. The provision of social services as a matter of right and not of grace is a fundamental feature of progress in the modern world."

That is what the People's National Movement was committed to.

**Mr. Manning:** I acknowledge that that is a PNM document. I wonder if the hon. Member can direct me to the equivalent document of his own party.

**Mr. Maharaj:** I should have thought that the hon. Member would have read the manifesto of the United National Congress. Therefore, I do not want to use up my time today in reading that.

I want to read to him what the hon. Member for Diego Martin East said in this House on September 25, 1992 in relation to what I just read and in relation to the welfare state. He said:

"Times have changed. The welfare state concept is no longer valid. It has been proved to be a recipe for disaster. If we look at the Soviet Union at the present time, what has happened to them."

One would see that as a result of the vision which this Government has, there is and has been in this country, social disaster, and there will be more. And he must know that the prescription for structural adjustment which he has followed and his government has decided to adopt will not ease the situation. It will make things worse.

When he says that he is confident that the economic policy which the government has adopted would in effect prove to be for the betterment of Trinidad and Tobago, that cannot be true. I want to refer the hon. Member for San Fernando East to—he would know that he really is having a bad dream. It has been shown and proved that this policy has not worked in any part of the world.

As a matter of fact, I referred to an analysis of the situation in the Caribbean, in the book *Storm Signals*, in my budget contribution. I just want to read this

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passage to the hon. Member for San Fernando East. He was not here at the time. In that book, page 67 states:

"The IMF World Bank Prescription.

The devastation reeked upon the Caribbean peoples through economic policies whose true purpose is hidden from us, is crushing our hope for a better future. It is increasing poverty especially among women, breaking up families and deepening the cries and pain of children, even those yet to be born."

In another book which has analyzed the structural adjustment policies and the effect of it, *The Social Impact of Crisis and Adjustment* by Darum Guy, at page 5 it states:

"The new policies represent a significant break for those associated with the post war model. Economic planning has been all but abandoned by most countries."

When the Member for San Fernando East comes to this House and gives the impression that this is the policy of the PNM, it is not. The economic policy of Trinidad and Tobago is not the policy which the PNM has chosen; it has adopted that policy.

I continue:

"Price controls and subsidies are yielding place to price determination by supply and demand. Industrialisation is no longer being promoted by deliberate policy measures. Instead, greater incentives are being given to production of primary commodities. Likewise, the quest for a more integrated national economy has given way to efforts at export promotion. There is increasing liberalisation of foreign trade and payments. Greater national ownership and control of the economy are no longer priority objectives of development policy."

So, his divestment policy, his policy in which the state is the facilitator, is not his policy, it is a policy which he is copying—it is a copycat policy.

**5.30 p.m.**

I continue:

"The emphasis is instead on incentives to foreign investment and the privatization of state enterprises and their sale to foreign interests. There have



been cutbacks in social services and the tax burden has become more regressive in many countries."

Those are the effects, revealed in a survey of all the countries which have had structural adjustment policies. The effects of them have been, a reduction in the social services. So, I do not think it is accurate. I think that this Government is not levelling with the population, trying to tell it the effects of the policies. They are trying to misrepresent to the population that things are brighter—there is light at the end of the tunnel.

To continue:

"The new policies are likely to have far-reaching economic, social and political consequences. Some of these are already visible. In many countries the relative importance of industry has declined, with a corresponding rise in the share of agricultural mining or services. The formal sector is losing in importance to small-scale and micro-enterprises, there being significant changes in the level and share of income of different social groups. The urban working classes and sections of the middle classes have been impoverished. Certain groups of persons deriving their income from capital have prospered, while others have suffered losses. These changes have given rise to a wide variety of individual and collective strategies of survival.

The power and the reach of the state have declined in practically all countries affected by economic crisis and adjustment measures. There has been the transfer of economic decision-making from the state to foreign creditors."

So, the policy of the PNM Government is the policy of the foreign creditors of Trinidad and Tobago.

"The squeeze on state finances has compelled the governments to reduce public services, infrastructural investment, employment and wage levels in the public sector."

**Mr. Manning:** I do not mean to be discourteous, but I have to go.

**Mr. Maharaj:** I do not expect you to remain, you cannot stick this.

"The power of the state has been further weakened by the loss of qualified officials ..."

I am saying that it is the policy of the foreign creditors of Trinidad and Tobago—the policy which they have evolved and which the Government has

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adopted. One of the consequences of that policy is that the state, in effect, reduced its power on the economy and agreed to divest its shares in most of these enterprises.

So not come to this House and give the impression that there is a new vision. There is no vision at all. As a matter of fact, the PNM Government knows what the result of this will be. If the Government had functioned in the way in which, normally, Westminster governments function, one would have seen that if the party—the People's National Movement, which is the party that won the election—had to decide what was happening, we would not have had these policies.

What has been happening is that even within the PNM—the party which the Member for San Fernando East leads and on which basis he is the Prime Minister—very early in the game the party recognized that the executive was different to the party and was a different policy.

In the *T&T Mirror* dated February 14, 1992, "PNM Executive confronts Manning" and the article, "No Support for Leader's Shock move". The executive of the Government was not, in effect, carrying out the policy of the party. On January 10, 1992 "Top PNM Official queries Cabinet selections". The party itself was querying the direction of the Government. Events have shown—in what other country do you have this—that the fact that the governing party has rejected the leader's choice for a particular post in the party, having regard to the fact that Mr. Mitchell was fighting these moves early in the game, it shows that the party does not support the Government's policy. That is why the Government, when it got into power, did not have a consultation of interest groups, to get the whole country together, to get their views as to whether the Government should embark upon the policy of the NAR. And why did they not? Because the Government feared that if it had done that, it would have faced the wrath of the people.

In relation to what the hon. Member for San Fernando East has said, I think that it is quite clear that he cannot convince anyone. Certainly he did not convince the people of Tobago, and the people of Tobago must be congratulated on recognizing that the PNM was not to be believed.

**Mr. Manning:** I thank the hon. Member for Couva South for giving way. I just wanted to draw his attention to page 58 of the constitution of the People's National Movement, which establishes a policy committee comprised in a certain way, but with the following terms of reference:

"The terms of reference of the committee shall be:

- (a) To consider and report to the General Council on pending and/or contemplated and/or desirable legislation;
- (b) To prepare draft manifestos for elections for the consideration of the General Council;
- (c) To prepare draft statements of policy on appropriate matters for the consideration of the General Council; and
- (d) To review on an on-going basis existing policies of the movement and to focus on perspectives for the future in the light of changing circumstances."

I should like to advise my friend that the economic policy of the PNM as outlined in the convention address in 1988 was approved by the Policy Committee of the party, was approved by the General Council and was approved by a convention of the PNM.

**Mr. Maharaj:** And was approved by the IMF and the World Bank. If the Prime Minister wants to give us some information about the PNM party would he want to tell us why Mr. Mitchell was not in agreement with his policy? Does he want to tell us, or does he want to leave it for another day?

Another issue raised by the Prime Minister was this back pay issue. The Government seems to now have a stereotyped defence in this House. Everything is irresponsible. The Prime Minister mentioned the proposed change of the financial year, but he did not relate that the attitude of the Opposition then was, yes, we support your change, but we would only support it if you have accountability enshrined in your measures.

**5.40 p.m.**

The Prime Minister mentioned the debate on the Caroni plan and, he said that the Members on this side were in agreement with the recommendations in the plan. Yes, but he did not mention that the debate was one to take note, and we asked for an amendment to the "take note" part of the motion for a fixed date to be announced for the payment of the back pay, and the Government refused to accept that amendment. He did not mention that at all.

Madam Speaker, all these problems would not have occurred if the Government was prepared to level with the population and the workers. In that

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connection, I would want to say that the All Trinidad Sugar and General Workers' Trade Union had the benefit of seeing this. In relation to the reference made by the Prime Minister to the report, I should like to refer to page 19 of that report which says:

"Full payment to employees who retired or to the estates of those who have died during the period 1983 to 1992, a total sum of approximately \$25 million will be required for both daily-paid and staff amounting to some 2,447 persons falling into this category.

A partial payment to current employees at a level calculated to settle this issue fully before the 1995 crop. The first tranche of this payment will not be less than \$30 million and will be paid before the start of the 1993 crop."

The Government agreed to the payment of \$30 million as part of the back pay.

I do not think it is right for the other side to say that anybody on this side, or the Member for Couva North, is responsible for any work stoppage or any matter which caused the workers' protest.

Workers have the right and duty to protest injustice against a government. If a government is asked to give a date and it does not do so and workers distrust and do not believe the government—we do not believe them, much less the workers—they are entitled to demonstrate and march. Not only sugar workers have done that; my friend the Member for Laventille West knows that about a week ago other workers did that; WASA workers did that. They were not prepared to wait.

I do not think that it is right for political mileage to be sought on the basis that because the hon. Member of Couva North is the president of a union and the workers decide that they would, in effect, march against the Government that he is being irresponsible.

**Mr. Valley:** Madam Speaker, is the Member saying that the Member for Couva North has no control over the union, the same way he has no control over the Opposition?

**Mr. Maharaj:** Madam Speaker, what we say on this side is that the workers are entitled to march and, having regard to the conduct of this Government, they were justified in marching.

We say, the cause of the problem is the Government of Trinidad and Tobago, because it failed to discharge its duty in showing it bona fides in announcing a fixed date, because the Government has made promises to workers and has never

kept them. The fact that the Government has refused in a debate and since then to announce a fixed date, and having regard to their history—since 1956, they had vision—nobody should believe them. We on this side do not believe them.

Madam Speaker, I think the Government has forgotten that what separates it from us is a mere 6,000 votes. But the conduct of that side of the House has caused the people of this country to be motivated for a unification of all interest groups, all forces in order to ensure that the PNM does not have power again in Trinidad and Tobago.

There will be a unification of all groups. The Government has assaulted the rights of the people; it has shown arrogance and it is distrustful. They say that everything that we bring to this House is irresponsible; that is their defence because they do not have anything to say.

In respect of the Green Paper on Energy that the Prime Minister talked about, this afternoon he did say that there was a plan which was supposed to be introduced in this House—he had mentioned it to the Leader of the Opposition—but that it could not be introduced today and that he would have it introduced in the other House on Tuesday. So he asked me to apologize to the Leader of the Opposition. However, I did not see how relevant that was in relation to what the hon. Member for Chaguanas spoke about.

What has happened is that the other side has recognized that its policy is going to cause much trouble and, since I am on my legs, I would want the Prime Minister to say, or any one of them, whether as part of their economic policy that the hon. Prime Minister spoke about, it is not true that by March or some time next year they are going to privatize the Water and Sewage Authority, that they are going to increase water rates further and that they are going to start to dismiss workers from WASA. Tell us if that is not true, instead of telling us all about this big plan; tell us if that is not true.

So if that is part of the vision of Trinidad and Tobago, I want to say that the consultation the Prime Minister is talking about—this side of the House, when the Government was elected into office, extended our hands, the olive branch for consultation. Was it accepted? But now that the Government has found itself in difficulties, where the people of Tobago have rejected it—and it knows that the people of Trinidad and Tobago are going to reject it too—it thinks that it would come under the guise of consultation. We are quite prepared to consult, but consult on certain conditions so that it would be effective.

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As far as the Government is concerned, it has no commitment. If you look outside this House you see all their big cars. I have no new car. Go and look at all the big cars. There is a Minister of Government on that side who said that he has not taken a vow of poverty. There is a front-page article where people die from starvation, Minister of Social Security. Government Members are all committed to enjoying themselves. They are committed to themselves. *[Interruption]*

See how they want to hoodwink the people. Under clause 5, section 45 of the Income Tax Act is sought to be amended. What is the provision which this Government said is going to help to stimulate the construction activity and give jobs to people in the construction industry? For residential, industrial and commercial properties:

"... there shall be exempt from income tax until the year of income 2000—

- (a) subject to subsection (4) premiums and rents derived from the letting of any residential, industrial and commercial properties the construction of which begins after January 1st, 1993 and is completed by December 31st, 1994;
- (b) gains or profits derived from the initial sale of such properties."

We should first notice that these buildings must be completed within two years. One does not have to be a genius to know that in Trinidad and Tobago if you have to start from scratch to get a plan approved and then go through the bureaucracy how long it would take. As a matter of fact, I have done a survey through contractors and engineers and on the average it takes about a year and a half to get the plans approved and everything set in order to build any major project. So we have a situation where the infrastructure would, in effect, cost you a year and a half.

I want the Government to tell us why it chose two years. When it put this measure in place, did it already have people in mind? The Guardian Towers, down at Westmoorings, their plans are already approved, and construction has started. I want to know if that company would qualify. Did the Government have that company in mind?

In relation to this proposed section, let me continue:

- "(3) The income tax exemption given under subsection (2)(a) is granted to the owner of the property, whether such owner is the builder or a subsequent owner thereof.

- (4) The income tax exemption given under subsection (2) shall not be granted—
- (a) in respect of a residential property, unless the cost of construction, exclusive of the cost of value of the land, in the opinion of the relevant authority, having regard to normal building costs prevailing at the time of construction in respect of that property exceeds two hundred and fifty thousand dollars; and.
  - (b) Unless a certificate from the relevant authority is produced in support of the claim for exemption."

Madam Speaker, if one looks at 45(B), one sees the kinds of concessions being made to these people. Not only exemption from tax for the premiums and the rental:

- "45B. A company that is in receipt of income or profits that are exempt from income tax under section 45A may, provided separate accounts are kept of such income or profits—
- (a) within eight years after the completion of construction of the property, if the premiums and the rents would be exempt from tax under the said section; or
  - (b) within two years after the date of sale of the property, if the gains or profits would be exempt from income tax under the said section,

distribute sums not exceeding in the aggregate the exempt income or profits to the members of the company and those sums when so distributed are exempt from income tax in the hands of members of the company."

One sees, that members of these companies which are privileged to get the benefit of these measures, would not paying any tax at all—even the directors would not pay any tax.

I cannot support this measure for the reason that it is, to my mind, very discriminatory. It is put there for a selected few because it is quite clear that one: buildings would not be completed within the two years unless certain people already have them in train; and two, if you have to complete projects like these in two years, what you are going to have is a demand for imported products, pre-fab materials.

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So, in effect, what the Government is going to have is a further drain on our foreign reserves. How could we on this side support this measure?

This measure was to cover cases like Farrell House Hotel, is on about 18 acres of land. It is very significant that the Government in the middle of the budget debate agreed to go through with that deal. At the time when this budget was passed, whatever potential Farrell House Hotel had would have meant that the price of Farrell House would have increased, because any potential purchaser would have known that it would get the benefit of these measures. So Farrell House Hotel, contrary to them, was worth—whatever price they said it was worth—it was worth much more, as soon as this measure—

**Mr. Valley:** Madam Speaker, I want to know whether the hon. Member could explain to the House how Farrell House could benefit from that tax?

**Mr. Maharaj:** Madam Speaker, it does not take much foresight—I am sure the hon. Member for Diego Martin Central knows this—if you have Farrell House

**Mr. Valley:** But may I correct the Member first: Farrell House, as I understand from the information I have, is about 11 acres.

**Mr. Maharaj:** I am told from a report I have, 15 to 18. But I will accept what you say.

The hotel does not occupy more than two acres of land. It is a situation where there is land which has potential for the construction of apartments, condominiums and extension. So right away Farrell House is a potential beneficiary of these measures.

Madam Speaker, if there is the sale of a hotel with a potential to develop and which can be used to make additional rooms, then obviously it does not take an astute businessman to tell you that the value of that property would go up immediately.

Madam Speaker, it is public knowledge—it is not only my view; it is a view which has been published for the world to see. If I may refer to the TNT Mirror of December 4, 1992: "Farrell House giveaway", by Alana Dabreaux.

"Hotel industry experts claim that the sale of Farrell House Hotel was a steal of a deal. Financial experts are worried that other state companies, et cetera, would be sold in a similar manner..."

But this is the important part:



"According to experts in the hotel industry, Farrell House Hotel should have been sold for at least \$12 million."

**Mr. Valley:** Madam Speaker, as the Minister with responsibility for investment, let me say that the article in the *TNT Mirror* is really a mirror of a similar article of last week. I took the opportunity, when I presented the budget in the other place, to state clearly the process which was followed in the case of Farrell House. I stated the fact that there were five bidders, the highest was Energy Consultants at \$8.1 million. The valuation which was done for the hotel was \$4.8 million. All of that is in the Senate records. It is now public information. If the Member so wishes, he can avail himself of the information.

**Mr. Maharaj:** I am aware of all that, I read all that, but the point I am making is that, having regard to the measure and the way it is drafted, it would seem that only a few people would benefit. What I am saying is that it is my view that Farrell House would benefit and, therefore, the Government, if it has measures like these, should set up within the Act certain measures which would, in effect, protect the public interest.

Be that as it may, it is quite clear that this measure is not going to benefit poor people; it is quite clear that this is a measure which is going to benefit a certain higher economic grouping. Where has the Government shown us that it will benefit all of that economic grouping? In my respectful view, having regard to what we have seen with Farrell House and the potential benefit, and what we have seen with respect to the Guardian development, what is happening is that measures like these are being passed because of certain interest groups in the country. In effect, these measures are purely to benefit that interest group.

Madam Speaker, I do not want to be long. As a matter of fact, I had only intended to speak on that particular clause. But the Prime Minister's intervention in the debate necessitated me to make quite clear our position on this side of the House.

In closing, Madam Speaker, I wish to say that this measure, like the other measures which are part and parcel of the structural adjustment policies of the Government of Trinidad and Tobago, policies which they have adopted—we cannot support these measures at all, because we are convinced that they are a prescription for social disaster.

We are convinced that a continuation of this kind of policy is going to result in social upheaval. We are convinced that workers are going to be retrenched and the

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industrial climate is going to worsen. We are convinced that the Government indirectly is trying to weaken the trade union movement and that these policies are, in effect, an attack on the working class of Trinidad and Tobago, are merely to promote that powerful clique, that interest group, that group which dictates to a great extent the action of the Government.

Thank you very much, Madam Speaker.

**The Minister of Finance (Hon. Wendell Mottley):** Madam Speaker, this debate has roamed far and wide and it is time that one central point be made since much of the debate discussed the economy, structural adjustment measures and so forth. I have in front of me a table of the country's debt service payments for 1993. This is the central economic fact of the country.

The central economic fact of the country is that in 1993 this country, whether you have structural adjustment, whether you are capitalist, communist, privatizing, divesting or whatever, would have had to repay US \$652.5 million in 1993. That is a fact. That is the core of the difficulty of the country, and we have not hidden that from anybody.

The fact that we have had to take certain steps to make sure that this stream of money was available to service that debt is at the core of all of the country's problems. Running off and saying structural adjustment or some other buzzword is merely an attempt to shirk the central responsibility of the country. This is how the Government have proposed to deal with it in measures outlined in the budget and so forth. I have not heard from the other side, except as criers of doom and, in fact, at times, incitement of violence, how they propose to deal with this problem.

Madam Speaker, we consulted the population. The party has recognized means of determining policy, a constitution that the hon. Prime Minister alluded to, and that policy committee assessed the world as we found it and came up openly, not behind the door, came up with an open series of statements in several convention addresses, which ultimately found themselves in a printed document on which we had a mandate. Most of the economic policies being followed by the Government can be traced right back to that policy document and to the manifesto.

It is not our fault that those on the other side do not understand our manifesto, but it is there. However, it goes much further than that. The world outside is a rapidly changing one. And we did not make it so. We have seen the world as it is

and Trinidad and Tobago is adapting to very rapidly changing world conditions. It is not only this country that is trying to balance its budget.

The very latest statements coming from the American President-elect indicates that they are moving rapidly to try to deal with their problems of a deficit because of what it poses to the United States and their capacity to continue to have control over their sovereignty. Our condition is by no means unique and it is a condition that we see countries such as Jamaica, even Guyana, now grappling with. So we must not hide from the facts.

With that, Madam Speaker, let me now talk about why we are so concerned about irresponsibility. I was recently abroad mainly on a promotional matter, seeking to attract investments to this country. It is clear that Trinidad and Tobago is going to succeed and attract a variety of energy investments, but I have to warn the country: Energy investments do not generally employ large numbers of people, and that where the perception is that large numbers of people may become employed in those kinds of industries, people are becoming concerned by what they are seeing in the industrial climate Trinidad and Tobago. That is a fact.

We shall get a number of highly paid workers employed in new energy investment; and that goes without saying. But I am expressing concern as to what the outside world is beginning to perceive of the industrial climate of Trinidad and Tobago, that could burn off mass employment in other sectors of the economy. We have to watch it. I speak now not as a partisan, but as a citizen of this country, because not everybody is going to be employed in the energy sector.

Specifically relating to some of the matters raised here during the debate, I think it was the hon. Member for Chaguanas who spoke about our cutting the percentage on the covenant. In fact, that went back to, I believe, 1989. That is when an amendment was made to reduce from 25 per cent.

On top of that, she raised the question of a number of NGOs not being able to bring in items and have them cleared quickly by Customs. She is correct. We have been trying to deal with that.

### **6.10 p.m.**

When charitable organizations get items and they arrive in a container, it is a jumble. They have two syringes, 15 brooms, 12 mop handles, three bags of dried powdered milk, and the items could well total over 1,000 in a 40-foot container. We are aware of it and, as part of our customs reform, we are trying to put in a system that would give mass clearance to those NGOs that have that kind of

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problem, to avoid them having to go through the detailed kind of paper work to deal with what is essentially 1,000 items or sometimes more that may come in in one container.

Another matter was raised about when the Board of Inland Revenue attaches importance to the loophole with the annuities. I am informed that it was there and it became a serious problem about two years ago when, in fact, one life insurance company, initially—and then others followed—began to target this specific loophole and began to go out there and sell policies specifically designed to get around the Income Tax law and to have persons benefit from this. We cannot put an exact finger on it, but, in answer to the question raised by the Member for Oropouche, we do believe that it is a very significant loophole.

The Board of Inland Revenue believes that, in fact, as is now written, it does not constitute an escape from tax, but the matter, unless it was clarified absolutely and clearly, as we are doing today, will have to be tested in court, probably all the way up to the Privy Council, with delays and costs that Members on the other side know all too well about. So, let us, therefore, deal with it surely and certainly in the House here today by closing it and making it absolutely clear that those devices will not qualify.

The question of Farrell House was raised. I shall only say that several countries have gone about divesting assets, before we did, and we have benefited from their experience. We understand that as you go about divesting state assets you must have transparency to the transaction. We have learnt from their experiences and gone to great pains to have transparency.

With the Fertrin/Urea matter, brought to Parliament, advisers were sought who could not in any international forum have any doubts cast as to their honesty, a procedure—public laid down memorandum issued.

On the smaller divestments, such as Farrell House, where we have not had to go international, we have followed similar procedures. We had Farrell House valued by—Minister Valley, what was the name of the valuator of Farrell House?

**Mr. Valley:** Thompson.

**Mr. Mottley:** Thompson—

**Mr. Maharaj:** Madam Speaker, is the hon. Minister aware that in Eastern Europe and in England, when the state is divesting that not only is the item valued but there is also machinery whereby the public knows what is the proposed price

and interested professionals or the population would have an input to see whether it is a deal or not?

**Mr. Mottley:** Madam Speaker, we have within the Ministry of Finance a divestment unit of proficient public servants. The valuation was in hand. We were able to get bids on an open process. Farrell House was not sold in the dark; it was advertised in the newspapers—public. It was stated in Parliament that we were proposing to do it, and we advertised Farrell House in the newspapers. We received bids in excess of the valuation and, therefore, had no difficulty in accepting the bid. So, I do not understand what the fuss is all about.

Again, much was said in relation to the provision in the budget speech, and now before us, to give certain concessions for construction done from January 1, 1993 to December, 31, 1994. The purpose of that is to stimulate the construction industry. It is clear that it is a strong stimulus, for the very reason that we want to get construction people employed, which seems to be the concern expressed on the other side—that we were not doing enough to stimulate employment. Yet, when we bring to this House measures to stimulate employment, they back away from them and say that they could not support them. They are running with the hare and hunting with the hounds. They should make up their minds where they stand because it would appear that in their urge to opposite of every single measure, they are following an extremely inconsistent path.

Madam Speaker, the measure is a strong stimulus and we expect a lot of construction activity to flow from it. As I said during the budget debate, it is not only those directly employed in construction, but wider than that, in the ancillary industries that will be making blocks, paints et cetera to serve the boom which will be encouraged by this particular measure.

I therefore have no hesitation in commending this Income Tax (Amdt.) Bill to Parliament and hope that it will be approved.

Thank you, Madam Speaker.

*Question put an agreed to.*

*Bill accordingly read a second time.*

*Bill committed to a committee of the whole House.*

*House in committee.*

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*Clauses 1 to 8 ordered to stand part of the bill.*

*Question put and agreed to, That the bill be reported to the House.*

*House resumed.*

*Bill reported, without amendment; read the third time and passed.*

#### ADJOURNMENT

**The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley):** Madam Speaker, I beg to move that this House do now adjourn to a date to be fixed by the Speaker.

In moving the adjournment, I want to take this opportunity to extend to all Members Season's Greetings.

**6.20 p.m.**

#### **Kentucky Fried Chicken (Unauthorized Construction)**

**Mr. Trevor Sudama (Oropouche):** Madam Speaker, before I commence my motion, I too, wish to extend Season's Greetings to all Members of the House because, at the end of this contribution, I am not sure that they will accept it in the spirit in which it is offered.

This motion, very briefly, is raised because the local government councillor in the area where this construction is taking place raised the matter with the Penal/Debe Corporation and the Corporation made certain moves. But, Madam Speaker, it appears that some people in this country are above the law.

Since we are bound by the oath that we have taken to uphold the law of the land, I was asked to bring this motion to the attention of this House, the highest court of the land—this honourable and august Parliament. This matter is not raised here today as a personal issue. This is a matter of general principle. The subject concerns the building of a Kentucky Fried Chicken outlet off the South Trunk Road in La Romain opposite the Gulf City Link Road. The issue here, as I said, is the question of adherence to the law and regulations of the land and whether some people are above the law and some people have to abide by the law; whether there is equality of treatment before the law and whether there is a law for some and a law for others.

It also has to do with the authority of duly established state organizations in this country and I am speaking specifically now about the Local Government Authority and the Highways and Drainage Divisions which are under the Ministry of Works, whether they have certain legal responsibilities, and whether those responsibilities could be overridden.

As far as I am aware, approval to construct a building or to develop land must first be obtained before the land is developed or construction is started. Approvals are to be obtained, primarily, from the Town and Country Planning Division which falls under the Ministry of Planning and Development, the Local Health Authority and in this case it is the local government body for the area, because they are empowered to implement the provisions of the Public Health Ordinance. Thirdly, approval must be obtained from the Highways and Drainage Divisions which are both, as I said, under the Ministry of Works and Transport.

What has happened in this particular case, is that, as far as I am aware, outline approval was obtained from the Town and Country Planning Division, but that approval had to adhere to certain conditions. I want to emphasize to this House that when outline approval is obtained, it is not an approval to begin construction. It is a preliminary approval. When you obtain it, you have to get all the other things in place before you can begin construction. That was the position.

I understand that outline approval was obtained and as soon as that was done this company, Kentucky Fried Chicken franchise of Prestige Holdings—I do not know the specific name—started engaging in the process of construction off the South Trunk Road. The conditions to which the outline approval was subjected were not met and up to today, as far as my information goes, have not been met. There was no approval from the Local Health Authority and in this respect, I want to read a letter to the Chief Executive Officer of the Penal/Debe Corporation dated November 17, 1992.

The letter emanated from the Building Inspector of the Penal/Debe Regional Corporation, a gentleman by the name of A. Bereaux. Whether there is any connection with the Member for La Brea, I do not know.

**Mr. Bereaux:** That is my first cousin, but we always do things properly.

**Mr. Sudama:** It says:

“Re: Unauthorized development of land for commercial use by Douglas Walker, agent for Kentucky Fried Chicken, located on the South Trunk Road, obliquely opposite the Gulf City Link Road.

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Dear Sir,

On October 23, 1992 investigation into the above was undertaken to ascertain whether the necessary approval for the said development was obtained. On visiting the site, I spoke to the foreman in charge of the building works. I was made to understand that the Contractors for the erection of the building is a company by the name of Northern Construction..."

It rings a bell. Northern .Construction. I shall deal with the question of the whole thing savouring of corruption. But Northern Construction rings a bell.

"of Pt. Lisas and Jusamco is the contractor with responsibility for the infrastructure work; one, Mr. Douglas Walker is acting on behalf of Kentucky Fried Chicken Prestige Holdings."

Big people involved, powerful people—

"Mr. Walker was contacted by telephone at #7 St. Ann's Road, Port-of-Spain. He confirmed that no approval had been obtained for any development works which were taking place."

I want to repeat that. This letter is dated November 17, 1992. Mr. Walker, acting on behalf of Kentucky Fried Chicken—

"confirmed that no approval had been obtained for any development works which were taking place."

**6.30 p.m.**

The site works are finished. They are working day and night. The building itself is almost completed and no approval has been obtained.

"He was then informed that such is a violation of the Public Health Ordinance, Chap. 12, No. 4 and action can be taken by the local authority of the Penal/Debe Regional Corporation with respect to the unauthorized development.

On Thursday, November 12, 1992, I spoke to Mrs. Haynes of Town and Country Planning, Palms Club, San Fernando. It was stated that approval of the said development is withheld as there are pre-conditions to be satisfied, namely:



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- (i) The approval of the Highways Department of the Ministry of Works with respect to access to be obtained.
- (ii) The approval of the Drainage Department of the Ministry of Works to be obtained.

To this date (and this is a requirement under the law) no drawing with respect to this development was received. "

then he submits this to the CEO

"This is for your information and necessary action of the Council of the Penal/Debe Regional Corporation."

which is the local health authority for the area.

The Council considered this matter and decided to recommend that a Show Cause Notice be issued to the owner/occupier, Kentucky Fried Chicken Prestige Holdings, c/o Mr. J. Douglas Walker, 7, St. Ann's Road, Port of Spain. I should like to read out the notice and then subsequently relate to the House what has transpired:

"TAKE NOTICE that under the Public Health Revised Ordinance 1950, you are required before the 18th day of December, 1992, to show cause by a statement in writing under your hand and addressed to and duly served upon the Local Authority, Penal/Debe Regional Corporation, High Street, Siparia, why a building recently erected or now in the course of erection by you at the South Trunk Road obliquely Opposite the Gulf City Link Road without the necessary approval and without the consent of the Local Authority, Penal/Debe in contravention of sub-section (1) of Section 46 of the Public Health Ordinance Chap. 12:04 should not be removed or pulled down.

AND TAKE NOTICE FURTHER that if you fail to show cause why such buildings should not be removed or pulled down, the Local Authority may remove or pull down the same and the expenses incurred by the Local Authority in removing or pulling down such buildings shall be repaid by you and until repayment shall be in charge on the premises on which such building has been commenced or erected in contravention of the Public Health Ordinance.

AND TAKE NOTICE FURTHER that the above is in addition and without prejudice to any other remedy provided by the said Ordinance and by any Bye-Laws or Regulation made thereunder.

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[MR. SUDAMA]

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Dated this Friday 20th day of November, 1992."

This Notice of Show Cause was duly served on Mr. Douglas Walker on November 20, 1992, at 4.40 p.m. My further information is that no permission was obtained. In fact, the Ministry of Works and Transport, through the Highways and the Drainage Division, did not give their approval, at least up to yesterday. The reason for this is that the spot on which the construction is taking place is one which will contribute to the serious traffic hazard on that road. In fact, my understanding is that previous applications for construction of buildings in that area have been refused, and the Ministry of Works, the Highways Division, have been hounding vendors—who have set up stalls in the area, off the South Trunk Road—under the pretext that it would create a traffic hazard; people would stop to buy things and to get back on the highway would create an extremely serious traffic hazard.

They have taken that position with respect to numerous applications for the use of lands off the South Trunk Road in the vicinity of Gulf City. I visited there just yesterday; I went there this morning. They are building access roads to the Kentucky Fried Chicken outlet. A road is constructed; it is finished, without authority, and the existing stop light happens to fall in the middle of the access road which has been constructed, completely without approval. In fact, when that access road is constructed and if it is used at all, there is no stop light to regulate the traffic coming out of the Kentucky Fried Chicken outlet.

This all leads us to question what transpired behind the scenes. Who is involved? Why is this construction being undertaken in complete defiance of the laws and regulations of this land? Is it because, as I said, some people are above the law, and other small people have to adhere to the law? Is there one law for the rich and powerful and another for the humble and ordinary citizens of Trinidad and Tobago? Is this government, PNM style?

It is a pity the Prime Minister and Member for San Fernando East is not here because, you see, the attitude of Kentucky Fried Chicken and whoever is responsible for this construction is one of complete arrogance, bordering on contempt for duly authorized authority, whether it is the local government authority, the Highways Division, or the Town and Country Planning Department, and the conditions they lay down for development and construction.

Then I made some further investigations and I found out that the land involved belongs to the father-in-law of the Minister of Planning and Development, the real

Prime Minister of Trinidad and Tobago, as against the fellow who sits in the chair as the Member for San Fernando East. So that when you come into government—the PNM's objective in coming into government is to encourage violation of the law—

**Madam Speaker:** We are dealing with Kentucky Fried Chicken and not the father-in-law of the Minister, so I think the hon. Member ought to be fair. We are dealing with Kentucky Fried Chicken which the Member claims has abrogated the provisions of the law.

**Mr. Sudama:** Madam Speaker, I want to come to the point as to what agreement—and when—Kentucky Fried Chicken entered into with respect to the land. That land has not been sold. It is on lease. An agreement, I understand, is for a renewable lease on the land. The further point is that a number of people have applied for development and construction along the South Trunk Road and their applications have been refused. How is it that this application could not only have been entertained, but that KFC proceed was able to post-haste with respect to this building in complete defiance of the regulations?

I am saying that everybody has rights in this country, and because somebody may be related to a Government Minister, this does not deprive him of rights—

**Mr. Bereaux:** Madam Speaker, on a point of order. The land is on lease. The estate has been transferred, therefore, the estate is no longer in the possession of the person who owns it.

**Mr. Sudama:** Madam Speaker, I do not know what kind of law the Member for La Brea studied or where he studied it. Who develops lands? Surely the permission for the development of the land has to be made in the name of the owner of the land. That has to be the case. Whatever building, goes on top of the land, is by agreement. So you have this situation going on and what we have to find out, really, is, where the influence was applied the owner of the land and between Kentucky Fried Chicken Prestige Holdings. Where the influence was applied and why is not—

**6.40 p.m.**

**Madam Speaker:** I would have to direct the hon Member again, because I have to do what is right and fair. I think, if one looks at the relevant Act, one would see that if you have leased the property, you are the owner for the purposes

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of development. *[Interruption]* Yes, hon. Member, I think this is very clear law. The lessee will have to apply and the licence has to go on his or her name, or whoever it may be. That is the person who has the estate in the land. It is not right to bring in the names of private citizens to the House.

**Mr. Sudama:** Madam Speaker, my information is that an undertaking was given that approval would be obtained for the development that is taking place.

**Mr. Valley:** Madam Speaker, unless the Member has information with respect to that undertaking, he would have to withdraw that. He should either tender that—

**Mr. Sudama:** I am withdrawing nothing, why do you not sit down and listen to what I have to say. Do you not want to listen to this? Why? Because the PNM is involved in this? Is that what you do not want to listen to? I want to ask this House: Why is the Government not taking action on this? Why is the law not being brought to bear on this construction which has no final approval from the various authorities?

**Mr. Bereaux:** Madam Speaker, on a point of order. The Debe/Penal Regional Corporation have decided to take action. They have given proper notice and propose to act on it.

**Mr. Sudama:** Madam Speaker, the notice that was given is one that ought not to have been given in the first place if someone is abiding by the rules and regulations. In other words, this Kentucky Fried Chicken Prestige Holdings, or whoever is doing the construction, ought to have sent its plans to the local health authority for approval. That is according to the Public Health Ordinance, Chap. 12:04. That has to be an approval before construction is started.

Secondly, construction should not start until one satisfies the conditions outlined by the Town and Country Planning Department, when they gave outline approval. Until those conditions are satisfied, no construction work should start. But here you are in a situation, when it was brought to the attention of the Debe/Penal Regional Corporation and they approached Mr. Douglas Walker—the question one wants to ask is: Why is this done and with the arrogance, except—

**Madam Speaker:** From what the hon. Member has brought to the attention of this House, it seems that the onus is on the Debe/Penal Corporation to take the necessary legal action against that company. If it has not done so, it has failed in its

duty. It is not for this Parliament to determine that; it is the Debe/Penal Corporation.

**Mr. Sudama:** Madam Speaker, laws have been violated, construction is going on in defiance of the law and Members of the Government, as Ministers, are responsible for the respective departments dealing with such matters. There is the Town and Country Planning Division, the Highways Division, the Debe/Penal Corporation, all right, exclude the Debe/Penal Corporation, they will take their own action. What about the Highways Division, the Drainage Division, Town and Country Planning and the Ministry of Planning and Development? Are they not responsible to see that the laws of Trinidad and Tobago are observed? Is this a matter, as I said, of people who are above the law? Why are the authorities involved not active in seeing that the laws are observed? Or, is it because there is a connection between those involved in the construction that is going on and the PNM Government? That is what I want to bring to the attention of this House.

Mr. Douglas Walker said openly that he confirmed that no approval had been obtained for any development works which are taking place. The building is almost complete; I understand they are going to open tomorrow. It is as if there is no Government in Trinidad and Tobago. Anybody can do as they like, especially if you are rich, powerful and have connections with the PNM, there is no law. That is the point I am trying to emphasize, and that is why I brought this motion to the attention of the House.

They are very quick to pull down vendors' stalls. This Ministry of Works and Transport had been engaged in that strip along the South Trunk Road. In demolishing vendors' huts and stalls very regularly. Here you have someone who is constructing a building illegally, providing himself with an access road from the main thoroughfare and creating a traffic hazard in the process. All this is being done, nobody is taking action. The Debe/Penal Corporation has issued a notice, but the Town and Country Planning Division, which has power under the Act to take action and the ministry responsible for highways which has power with respect to illegal construction of access roads from its main thoroughfares—all this is going on and nobody is taking action. Why? That is the question I am here to ask

I am not here to give advice to the Debe/Penal Corporation. I am here to raise an issue which affects ministries which have powers under the various Acts under which they operate, and to date, they are taking no action, simply because this construction is going on by people who have very intimate connections with the

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PNM Government. That is the situation. The Government may wish to respond I do not care whether the Government responds; my duty is to raise this in Parliament.

My duty as a representative of the people, and according to the oath I took when I became a Member of Parliament, is to make representation without fear or favour, and to uphold the Constitution and the laws of Trinidad and Tobago. That is my oath, and I will do that regardless of the consequences. That is why I am raising this issue. Whether the Government wants to respond or take action, that is a matter for them; whether the press want to report it, for they report nothing I say in this House, is a matter for them, but I have satisfied myself that I have done my duty as regards this matter. There is a violation of laws and regulations, I have a duty to bring it to this House to see what action, if any at all, is contemplated. If the Government do not want to take action, let them tell the country that it is not doing so; that people who have direct connections with the PNM can do whatever they want in Trinidad and Tobago and get away with it.

Thank you very much, Madam Speaker.

**The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley):** Madam Speaker, let me start by saying that the Member could be assured that whenever he comes to this House and makes all types of very improper accusations, the Government would respond on every occasion. He should have no fear about that.

This House is guided by Standing Orders. For me it is amazing that in spite of the Standing Orders—I would read from page 38, Standing Order 36(5) which says very clearly that:

"No Member shall impute improper motives to any other Member of either Chamber."

Week after week, Members on the other side would come here and make all types of accusations against the Government, the PNM, simply because they are aware that they are protected inside this House. They make accusations inside this House that they would not dare go outside and make. They would never do it. And at some time that type of thing must stop. *[Interruption]*

**6.50 p.m.**

**Mr. Sudama:** I want to ask the Minister: Why was the provision made that speech in the Parliament is not actionable, it is protected?

**Mr. Valley:** Madam Speaker, because the framers thought that Members would be responsible. The same Standing Order that protects Member's speech says that a Member ought not to impute improper motives to other Members *[Interruption]* You can be assured that I would—That you can be assured of.

Quite simply, the Member stated the case. Outline approval was given to Kentucky Fried Chicken in June of this year and it appeared that they started construction. It is not correct to say that the Town and Country Planning Division has sat idly by and allowed this to go on. First of all, I shall quote the letter of June 5 when the outline approval was given. Let us start at the beginning because as a fact, other persons were refused use of that area. Similarly, on November 20, 1991, the Town and Country Planning Division wrote Duval Estate Agency Limited refusing the use by Kentucky Fried Chicken:

..."Reference was made to your application for permission dated May 29, and submitted on May 31, 1991 and accompanied by a plan identifying a parcel of land hereinafter referred to as the site, located at South Trunk Road, La Romain and said to comprise 1.01 hectares to be developed by the carrying out of building operations thereon, namely Kentucky Fried Chicken."

So that on November 20, 1991, the Town and Country Planning Division refused.

The rule is that if you are refused by the Town and Country Planning Division you can appeal. In keeping with the existing procedures for redress, Mr. Douglas Walker the architect, acting on behalf of Kentucky Fried Chicken requested by letter dated January, 22, 1992 a review of the decision on the application and a reversal of the refusal of planning permission. According to the procedure the Minister of Planning sent it to the Review Committee.

The Review Committee comprises persons in the private sector. The Chairman is Mr. Timothy Mooleedhar. He is a land-use, planning and advisory consultant; Dr. George Sammy is a member—an engineer; Mr. Steve Anderson—member; Mr. Mervyn Thompson—a valuator; Miss Margaret Bhagan. This is the advisory committee, and the advisory committee met. And it states here:

“Based on a review of the material consideration the panel recommends as follows; "the site apportioned thereof of not less than .4 hectares be allocated for development as a drive-in fast food restaurant with attendant car parking circulation and recreational space subject to the under-mentioned conditions”

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which are laid out. So that based on the Advisory Committee is recommendation the outline planning approval was granted on June 5, 1992.

On August 19, 1992 the Town and Country Planning Division wrote KFC Prestige Holdings in care of Mr. J. Douglas Walker, 7, St. Ann's Road, Port of Spain as follows:

Dear Sirs,

It has been observed that development is being carried out namely, engineering and building operations, that is, the clearing and piling of lands at the South Trunk Road, obliquely opposite the Gulf City Link Road and conforming to that site identified in your application referenced (reference number) without the required planning permission.

I am informed that you are the owner of the said property. You are advised therefore, to cease any further development of your site until such time as all required documents have been submitted to the relevant agencies and final approval for the proposed development has been granted by the Minister responsible for the Town and Country Planning Division."

That was, on August 19, which you will see is two months after outline approval.

Madam Speaker, you know that all over this country there are persons who get involved in unauthorized construction. That is a fact. When you listen to the Member for Oropouche you get the impression that this thing was happening and the Town and Country Planning Division was sitting back with their arms folded, that they were under instructions as it were, to leave them alone. That is the impression he attempted to create because they come here with a motive to point fingers thinking everybody is like them.

On August 19, the Town and Country Planning Division took action. The letter ended—perhaps I should read the whole letter.

"Your application including the required approvals for the proposed access to and from the site, should be submitted to the South regional office of the Town and Country Planning Division located at #29-31 Pointe-a-Pierre Road, San Fernando.

Any further advice, guidance and/or queries on this matter will be dealt with by Miss. S. Haynes who will be available for discussions at this office on any Thursday of the week.



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If you do not submit this application within 28 days of the date of this letter, enforcement proceedings will be initiated against you, under the provision of the Town and Country Planning Act, Chapter 35:01.

Please treat this important matter urgently and take steps to correct this breach of the law. "

This is August 19.

Madam Speaker, by letter dated October 9, 1992 the Town and Country Planning Division got a letter from the lawyers for Kentucky Fried Chicken—FitzWilliam Stone, Furness-Smith and Morgan.

In this letter it states:

"We act as attorneys-at-law for Prestige Holdings Limited whose architect Mr. J. Douglas Walker, obtained outline planning permission under reference..."  
*[Interruption]*

**7.00 p.m.**

**Mr. Valley:** If you cannot hear that is not my fault.

"Under Ref: TZL 1/0880/92 by your letter dated June 5, 1992 copy enclosed (1) to develop a site comprising two acres 1 rod and 30 perches situated at South Trunk Road, La Romain as a Kentucky Fried Chicken, fast food outlet with drive through service.

On the basis of this outline planning commission, our client Prestige Holdings Limited entered into an agreement of purchase..."

The letter mentioned that some \$900,000 had been spent to date.

**Mr. Sudama:** Would the Minister give way? He said on the basis of this outline planning approval received, an agreement for purchase has been approved. In other words, outline planning approval came from the owner of the land, not from Kentucky Fried Chicken. That is the point which I was trying to elaborate. On the basis of the outline approval, a purchase agreement was entered into.

**Mr. Valley:** No. That is not correct. Their application was made by Prestige Holdings. On the basis of this outline, what this letter is saying is that they received outline planning approval and given that they received that, they then entered into a purchase agreement with the owner.

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**Mr. Sudama:** But how could you have outline planning approval  
[*Interruption*]

**Mr. Valley:** Well, I am not an engineer. I am sure my colleague can answer that. I am reading the point that the lawyer, FitzWilliam Stone had to say. I understand that the application was made in the name of the developer.

The point I am making is that:

“On the basis of the above outline approval, our client has expended to date in excess of \$900,000 on significant infrastructural works at the site of the subject property, including in particular, the clearing of the site, piling, erection of a retaining wall and the partial construction of a building.

On October 22, 1992, the Town and Country Planning Division responded to Fitz William, Furness Smith. In that letter, the Town and Country Planning Division made the point that:

“you have stated that your client proceeded with expenditure on significant development works on the basis of the outline permission.

Your attention is drawn to the statement in the third paragraph of the said notice of outline planning permission that before any development is commenced, particulars and plans of all, the reserved matters, required the approval of the Minister.”

In other words, what the Town and Country Planning Division is saying quite simply is that we are not at fault that you spent your \$900,000. I am informed that the Town and Country Planning Division intend to take action, and they have already said it quite clearly.

I understand that they are waiting to hear from the Minister of Works, the Director of Highways. The fact is that one of the conditions is to get approval for the South Trunk Road from the Director of Highways. That matter is still with the Minister of Works.

Quite simply, the point I am making is—

**Mr. Sudama:** They are opening tomorrow.

**Mr. Valley:** They cannot open tomorrow because there is no approval.

Quite simply, we want to encourage the Opposition at all times to bring matters to the House, but we want to caution them that in so doing they should

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refrain from casting accusations around. They ought not to see, as it were, a jumbie at every door. If they want information, we are prepared at all times to provide them with it, but they should not simply assume that every time something goes wrong, it means that somebody is corrupt.

Thank you.

### **Couva Fire Station**

**Mr. Ramesh L. Maharaj** (*Couva South*): Madam Speaker, I hope that my motion would not be as controversial and as long as the last one.

My motion is: The need for Government to take urgent action to provide a functional fire brigade and/or fire brigades at the Couva Fire Station; the lack of which poses a serious threat to life, security and property which rights are guaranteed to the public by the Constitution of Trinidad and Tobago.

At Couva there are a fire station and a fire brigade, but from my information, for the last year the fire brigade is non-functional. Houses which are situated within the 21/2 mile radius of the Couva Fire Station, over the last six months have been destroyed by fire. As a matter of fact, without mentioning the names, my information is that four houses were destroyed, the families thus being rendered homeless.

About a week ago I had the distressing experience of going to the site of another house which was within the 21/2 mile radius of the fire station; the building was completely destroyed. I was told that when the fire started there were calls for the fire brigade, but there was none functional at Couva. The vehicle is there, but it really does not work. Help had to be sought from other areas like Chaguanas and San Fernando. Not only are people's property being destroyed, but in some cases these people did not have any insurance coverage and they now have to start again from scratch.

I am told that quite recently there was a motor vehicular accident on the McBean Stretch and four persons died. The cause of death was a result of fire. Whether that information is correct or not—I tried my best to get authentic information and my contact through the police via the telephone has confirmed that there was fire as a result of the accident; the cars were burnt and the persons died from the fire. The accident occurred on the McBean Stretch which is a short distance away from the Couva Fire Station. I am told that also on that occasion there was no response with respect to a fire brigade from the Couva Fire Station.

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**7.10 p.m.**

The purpose of this motion really is to highlight the plight of these people in Couva and the fact that they are facing some difficulty and also to get a response from the Government if it is aware of this problem. To begin, does the Government consider that there is a problem? If there is, has it been existing for some time? Have the Government been aware of this problem? If it has been aware and nothing has been done, it now having been brought to the forefront in the national arena—if I may use that expression—what does the Government intend to do about it?

We of the United National Congress have seen within the last year that in matters like these, with a little planning and organization, people's property can be saved, and trampling on people's rights can be prevented. We would hope that a matter like this would serve some purpose, that the Government would get some overview of the situation with respect to the functioning of fire brigades in Trinidad and Tobago, and do something to try to arrest the damage which can be caused in areas which do not have fire stations. Just reading the newspapers and looking at the television station in recent times, we see that there are many fires and people's homes are being destroyed.

I would hope that this motion assist not only the people of Couva, but also people in other parts of the country. Thank you very much.

**The Minister of National Security (Sen. The Hon. Russel Huggins):** Madam Speaker, the Member for Couva South, gives the impression that when fires occur, they take their time to burn until the fire services reach there. Is it not expected that there are certain fires where the material is so inflammable that lives can be lost in a matter of minutes?

I understand and I forgive those chaps across there. [Interruption] He reminds me of a stuck record. He pleads human and fundamental rights when it suits his purpose and when it does not, he also take advantage of it.

I wish to assure this honourable House that the Government has been addressing the needs of the population in Couva for reliable fire coverage within our limited resources, given the present financial constraints.

The Couva Fire Station is equipped with a first strike vehicle which contains a pump and other necessary fire-fighting equipment. Moreover, Couva has certain support from the Point Lisas, Chaguanas and San Fernando stations in cases of emergency. There is also a mutual aid arrangement with the Point Lisas Estate

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Development Corporation, referred to as the Trinidad and Tobago Mutual Aid Scheme, whereby appliances from the Estate will assist the Couva Fire Station where necessary.

Shortly, it is the intention to supply the Couva fire station with a new water tender. There is also a chemical industrial unit attached to the Couva Fire Station, mainly for use in the Point Lisas area. At this point, however, this specialized appliance is undergoing repairs.

The Couva Fire Station is manned on a 24-hour-a-day basis, with four shifts, each comprising seven men, who can effectively operate the available equipment as the need arises.

I wish to assure this honourable House that this Government is fully cognizant of the need to provide adequate fire protection for the entire population. To this end, the Trinidad and Tobago Fire Service recently received an additional water tanker and tender to boost its current fleet of vehicles. Both units have been detailed at the San Fernando Fire Station. It is the intention, during the period January to February 1993 to take delivery of two water tenders and one medium-range crash tender. In addition, work is continuing on the modern fire administration complex at Chaguanas. This facility will be equipped with a computerized mobilized system and other upgraded equipment to enhance the fire-fighting capabilities of the Trinidad and Tobago Fire Service.

Madam Speaker, I am satisfied that we are doing the best, within our capabilities, to address the needs of the fire services of this country. I can only ask that responsible citizens of this country try to be more careful. I know when I talk about responsible citizens, I cannot be addressing certain people across there, but I would hope that they would be more careful and would try to advise children in particular of the dangers of playing with matches or any sort of combustible material.

I, like the Member for Couva South, do not wish to waste or take up too much time on this matter. Again, like my friend the Member for Couva South who has also said nothing, I should again like to reiterate that we are satisfied that we are within our capabilities, doing the best we can, and very soon, with the opening of the Chaguanas Fire Station, I think the central area would be much better served in terms of fire tenders and fire prevention capability.

**7.20 p.m.**

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#### CONDOLENCES

**Madam Speaker:** Before putting the question, I wish to bring two matters to the attention of this honourable House.

I wish to inform Members that the mother of the hon. Member for Tobago East passed away today. On behalf of hon. Members of this House, I am directing the Clerk of the House to send a letter to the hon. Member for Tobago East and his family on behalf of Members of this House expressing our condolences, our sympathy.

#### Christmas Greetings

**Madam Speaker:** Hon. Members, I wish to bring to the attention of the House a letter addressed to the Speaker which I received from his Excellency the President. It reads as follows:

"My dear Madam,

On behalf of my wife and myself, I wish you and the hon. Members of the House of Representatives and your respective families peace and happiness during the Christmas holidays and throughout the New Year.

Yours sincerely,

Noor M. Hassanali,  
President."

May I take this opportunity to wish hon. Members a blessed Christmas. May the light of Christ shine within the consciousness of all and may you and your families receive the light of the Holy Spirit. Have a blessed and wonderful Christmas.

*Question put and agreed to.*

*House adjourned accordingly.*

*Adjourned at 7.21 p.m.*