

HOUSE OF REPRESENTATIVES*Wednesday, December 15, 1993*

The House met at 1.39 p.m.

PRAYERS[MADAM SPEAKER *in the Chair*]**LEAVE OF ABSENCE**

Madam Speaker: Hon. Members, I have granted leave of absence from today's sitting of the House to the Member for Port of Spain South (Hon. Jean Pierre).

PAPERS LAID

1. Final Report for the Government of Trinidad and Tobago on investigations carried out by officers from New Scotland Yard in respect of allegations made by Rodwell Murray and others about corruption in the Trinidad and Tobago Police Service. [*The Minister in the Ministry of Finance and Minister of Local Government (Hon. Kenneth Valley)*]
2. Report of the Committee appointed to examine and make recommendations with respect to a review of the legislation relating to tendering and in particular, to the establishment of appropriate guidelines for the procurement of goods and services. [*Hon. K. Valley*]
3. The Provisional Collection of Taxes (Amdt.) Order, 1993. [*The Minister of Finance (Hon. Wendell Mottley)*]

ORAL ANSWERS TO QUESTIONS

**Banana Industry
(Revitalization)**

15. Mr. Krish Jurai (*Nariva*) asked the Minister of Agriculture, Land and Marine Resources:

- (a) What steps is he taking to revitalize the once thriving banana export industry of Trinidad and Tobago?
- (b) What form of assistance he intends to give to farmers to improve the quality of their bananas?
- (c) What steps is he taking to seek guaranteed export markets for our bananas?

The Minister of Agriculture, Land and Marine Resources (Hon. Keith Rowley): Madam Speaker, before 1960, there was a moderate export trade in bananas with the highest levels of export being reached in 1960 at 3,400 tonnes. However, the banana industry was affected by the moko disease which effectively terminated the export trade. Recently, there have been some exports, mainly of the silk and sucrier varieties to niche markets in Canada, the United States of America and the Netherlands.

Extension Services support is available to all producers. They are also able to obtain loans from the Agricultural Development Bank. Some of these can be expected to exploit the niche market opportunities.

Research on improving quality is being conducted by the Ministry of Agriculture, Land and Marine resources and farmers will be assisted by the ministry's Extension Service.

There are no guaranteed export markets available for our bananas at this time. Some of our Caricom neighbours, namely the OECS countries and Jamaica, had remained traditional suppliers to the European Community under guaranteed arrangements. However, these arrangements have come under increasing pressure and their retention is a matter of some anxiety at this time. Developments in the international trading regime for bananas indicate that there may be no guaranteed markets for new producers.

Mr. Jurai: Madam Speaker, can the Minister state what steps have been taken to contain the moko disease?

Dr. The Hon. K. Rowley: Madam Speaker, I could not say specifically, but I do know that the Research Division of the ministry addresses matters like that where specific diseases and pests target our crops. I cannot say specifically what the nature of the research is but we do understand that we have to try to come to grips with this situation.

Bagasse Plant (Functioning of)

The following question stood on the Order Paper in the name of Mr. Raymond Palackdharrysingh (Caroni Central):

- 18.** Would the Minister of Agriculture, Land and Marine Resources state:
- (a) Whether the bagasse plant at Brechin Castle is functioning?
 - (b) If it is not, what plans he has for the operation of the plant?

- (c) If there are no plans for its operation, would the Minister state whether the plant would be leased or sold to our nationals?

Dr. The Hon. K. Rowley: Madam Speaker, on account of the fact that this question was directed to my ministry, when in fact it should have been directed to the Ministry of Finance, I have since forwarded this question to the competent ministry and I am awaiting the response. I therefore ask that the answer be deferred for a further two weeks so that the relevant ministry can respond.

Question, by leave, deferred.

Sport and Culture Fund

The following question stood on the Order Paper in the name of Mr. R. Palackdharrysingh (Caroni Central):

- 20.** Would the Minister of Sport and Youth Affairs state:
- (a) What is the status of the Sport and Culture Fund?
 - (b) The names of sporting and cultural groups that were facilitated by the fund for the years 1990, 1991, 1992 and 1993?
 - (c) what other activities have been facilitated by the fund for the period 1990, 1991, 1992 and 1993?

The Minister in the Ministry of Finance and Minister of Local Government (Hon. K. Valley): Madam Speaker, I ask your leave to have this question deferred until Friday. As you know, the hon. Minister is not here today.

Question, by leave, deferred.

Corinth Road (Repairs to)

The following question stood on the Order Paper in the name of Mr. R. Palackdharrysingh (Caroni Central):

- 24.** Can the Minister of Local Government state when the numerous and dangerous potholes and craters on Corinth Road in the constituency of San Fernando East will be attended to?

Hon. K. Valley: Madam Speaker, research is still continuing on this question. I ask that it be taken on Friday.

Question, by leave, deferred.

Pointe-a-Pierre Refinery Upgrade Project

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

- 30.** Could the Minister of Energy and Energy-based Industries state:
- (a) How many phases of the Pointe-a-Pierre Refinery Upgrade Project undertaken with a loan from the Inter-American Development Bank have to date been completed and what has been the expenditure incurred?
 - (b) Whether this expenditure will be recovered from the increased revenue accruing to refinery operations as a result of the upgrade and, if so, what are the projections for increased revenue over the next 10 years in the light of falling oil and refined product prices?
 - (c) What are the remaining phases of the Refinery Upgrade Project to be completed and at what cost?
 - (d) Whether, after the completion of the whole upgrade project, the operation of the Pointe-a-Pierre Refinery will be a financially viable proposition?

Hon. K. Valley: Madam Speaker, the fact is, for the last three weeks, I think everybody was so concerned with the budget that there are a few questions really ready for answer.

Madam Speaker: Will the questions be answered today at all?

Hon. K. Valley: There might be one or two answered, Madam Speaker, but the Minister of Energy and Energy-based Industries has asked me to have this question deferred.

Madam Speaker: Are you not in a position to state which ones at the moment? We can save some time if you do.

Hon. K. Valley: Yes, Madam Speaker. You know, I would normally do that but I have spent the last three weeks in this House up to yesterday. I therefore ask that the question be deferred for one week.

Question, by leave, deferred.

Mr. Sudama: Madam Speaker, may I enquire whether we would be meeting next Friday here in this Chamber, because I understand the deferral is for one week?

The other point I want to raise is that the Ministry of Energy and Energy-based Industries has a whole bureaucracy which should be involved in answering questions for which adequate notice has been given. I really cannot understand how Ministers can come here, week after week, to ask for deferrals when there are huge departments which are supposed to get the information for the answers to be presented to this House. It really makes a mockery of this whole "question time" in the House and the purpose of questions.

Hon. K. Valley: Madam Speaker, while I apologize to the hon. Member, I am sure Members would know that the Government is always willing to answer questions and if one were to look at our record, one would see that we have answered questions on a timely basis.

Food Parks (Location of)

31. Mr. Trevor Sudama (*Oropouche*) asked the Minister of Agriculture, Land and Marine Resources:

In light of the statement made by the Prime Minister on October 03, 1993, that the Government intends to establish food parks in several parts of the country with the intention of expanding the market base for farmers, could the Minister inform this House of the localities earmarked for such projects, other than the one earmarked for Frederick Settlement, Caroni?

Dr. The Hon. K. Rowley: Madam Speaker, the food park concept is only one component of the food industry initiative for Trinidad and Tobago. Appropriate studies and evaluations have to be undertaken to determine their feasibility before establishment of such facilities. The necessary studies have already been done with respect to Frederick Settlement which is to be regarded as a pilot project. The locations of other facilities have not yet been established, but it is the Government's intention to create additional parks to serve demonstrated need.

Mr. Sudama: Could the Minister tell this House whether parks would be established in areas of agricultural production, or whether they are going to concentrate the location of these parks in close proximity to where substantial agriculture is being carried out? If so, could he let the House know whether one would be established in South Trinidad?

Dr. The Hon. K. Rowley: Madam Speaker, I do not see a new question there. I think I answered that. I said that the locations of other facilities have not

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yet been established, but it is Government's intention to create additional parks to serve demonstrated need. I think that adequately answers the question.

Mr. Sudama: I am asking whether criteria have been established with respect to the establishment of these parks. If criteria have been established as to location, is the Minister in a position to tell the House what these criteria are?

Dr. The Hon K. Rowley: Madam Speaker, I am not in a position to tell the Member at this time if a park would be sited in his constituency.

1.50 p.m.

**Local Government Authority
(Scavenging Costs)**

The following question stood on the Order Paper in the name of Mr. Sahid Hosein (Siparia):

32. Will the Minister of Local Government indicate to this honourable House the following:

- (a) The highest cost paid for scavenging per area in each local government authority?
- (b) The lowest cost paid for scavenging per area in each local government authority?
- (c) Will he identify the area and the specific local government authority with respect to (a) and (b)?

Hon. K. Valley: Madam Speaker, this question requires quite a bit of research and I have to ask for a deferral of one week.

Mr. Hosein: Madam Speaker, this question has been on the Order Paper for some time. In fact, it was submitted more than about five weeks ago. I cannot understand the delay.

Hon. K. Valley: Madam Speaker, if one looks at the question, one would realize that there is quite a bit of work required to answer it.

Question, by leave, deferred.

**Management Board, Caroni
(TICFA Representative)**

The following question stood on the Order Paper in the name of Dr. Carl Singh (Tabaquite):

33. Could the hon. Minister of Agriculture, Land and Marine Resources state:

- (a) Whether his ministry is aware that the Island Wide Canefarmers Association Incorporation has nominated Mr. Ramdeo Boochoon to represent the TICFA on the management board at Caroni (1975) Limited?
- (b) If the answer is in the affirmative, could the Minister state why the delay in appointing the said nominee?

Dr. Carl Singh (Tabaquite): Madam Speaker, I ask that this question be withdrawn as it has been answered since filing of the question.

Question, by leave, withdrawn.

Daily-Paid Workers (COLA)

35. Mr. Mohammed Haniff (Princes Town) asked the Minister of Works and Transport:

Would the Minister state:

- (a) Whether daily-paid workers in the Ministry of Works and Transport are entitled to COLA?
- (b) If the answer is in the affirmative, would the Minister state whether these workers are receiving any COLA at present?
- (c) If the answer is in the negative, would the Minister state the reason why?

The Minister of Works and Transport (Hon. Colm Imbert): Madam Speaker, the terms and conditions of employment of all daily-rated workers employed by Government, including those employed by the Ministry of Works and Transport, are reached by agreement between the Chief Personnel Officer, who is deemed by section 24(a) of the Industrial Relations Act, Chap. 88:01 to be the employer of any daily-rated worker employed by the Government; and the National Union of Government and Federated Workers, who has been certified under the self-same Industrial Relations Act, as the recognized majority union for such daily-rated workers. Those terms and conditions are then set out in a collective agreement that is then registered by the Industrial Court. Upon registration, the terms and conditions are binding on the parties to the agreement.

In the last registered collective agreement, on behalf of the Government's daily-rated workers, covering the triennial period January 1, 1990 to December 31, 1992, provision was made therein for the payment of a Cost of Living Allowance to this cadre of workers as follows:

(i) with effect from 1.1.90	-	\$1.31
(ii) with effect from 1.1.91	-	\$2.49
(iii) with effect from 1.1.92	-	\$2.76

On December 31, 1992, the then existing Cost of Living Allowance of \$2.76 was consolidated with the daily basic wage rate in force at that date. Payment of Cost of Living Allowance to Government's daily-rated workers therefore ceased as from that date.

At present, Government's daily-rated workers are not receiving a Cost of Living Allowance.

A new collective agreement on behalf of Government's daily-rated workers in respect of the triennium January 1, 1993 to December 31, 1995 has not yet been finalized. The union has included among its several proposals for the revision of the expired agreement a proposal for the payment of a new Cost of Living Allowance to take effect from January 1, 1993. Agreement has not yet been reached on this proposal.

Mr. Haniff: Can the hon. Minister indicate whether these negotiations are almost finished, or how early that is expected?

Hon. C. Imbert: I am not in a position to answer that question, but I could get the information for the hon. Member.

Caparo River Basin (Feasibility Study)

36. Mr. Raymond Palackdharrysingh (*Caroni Central*) asked the Minister of Works and Transport.

Would the Minister state what is the cost of the Caparo River Basin feasibility study?

Hon. C. Imbert: Madam Speaker, the cost of the Caparo River Basin study is TT \$1,174,483.00. Of this sum, TT \$209,000.00 is the TT\$ equivalent of a foreign component of the cost and shall be subject to variation based on the prevailing rate of the foreign currency at the time of billing.

**Scholarships
(Tertiary Level)**

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

39. Could the hon. Prime Minister provide the following information with respect to the scholarships currently tenable at the tertiary level of education awarded by the Trinidad and Tobago Government:

- (a) The names of the recipients;
- (b) The respective fields of study;
- (c) The respective institutions at which studies are being pursued;
- (d) The total length of the period of study inclusive of more than one award to the same recipient;
- (e) The total expenses incurred by the Government on each recipient and his or her family?

Hon. K. Valley: Madam Speaker, I have to ask that that question be deferred for one week.

Question, by leave, deferred.

**MF Panorama
(Repairs to)**

The following question stood on the Order Paper in the name of Miss Pamela Nicholson (Tobago West):

41. Is the hon. Minister of Works and Transport aware that:

- (a) The *mf Panorama* has been off the Tobago run for over two months now?
- (b) A decision was taken by the management of the Port Authority to have the *mf Panorama* repaired in Curacao even though there is a dry dock at Chaguaramas, Trinidad?
- (c) If the answer is in the affirmative, could the Minister tell this House what are the reasons why the *mf Panorama* is still tied up at the Port of Spain wharves?

Hon. C. Imbert: Madam Speaker, I was advised that this question was withdrawn and another question on the same issue was re-submitted by the Member.

Miss Nicholson: Madam Speaker, that is not my business. That is probably something to do with the internal secretariat. This question was submitted over three weeks ago to the Clerk of the House.

Madam Speaker: If you would recall, you had filed this under a Motion of urgent public importance and it was not granted. The Clerk said that she had, in fact, advised the hon. Member that although it is not automatic that the question find itself on the Order Paper, a request had to be made that it be put on the "Adjournment of the House". I now see it here as a question.

Miss Nicholson: No, Madam Speaker, that had no bearing on that question at all. Another question was submitted and I withdrew that question and replaced it with question No. 41. So there are two questions, No. 41 and No. 42.

Madam Speaker: Hon. Minister, the question is, in fact, on the Order Paper. Are you in a position to reply today?

Hon. C. Imbert: I would ask for a deferral of one week, Madam Speaker.

Question, by leave, deferred.

MV Tobago (Accommodation)

42. Miss Pamela Nicholson (*Tobago West*) asked the Minister of Works and Transport:

Is the Minister aware:

- (a) That the *mv Tobago* which is the only ferry presently in use can barely accommodate about one-third of the cargo that the *mf Panorama* can accommodate?
- (b) Of the severe hardship that this inadequate cargo and passenger service has been having on the lives of the people of Tobago and the economic development of Tobago?
- (c) If the answer to (b) is in the affirmative, could the Minister tell this House what steps are being taken to address this critical problem now that the Christmas and tourism seasons are upon us?

Hon. C. Imbert: Madam Speaker, the *mv Tobago* carries less cargo than the *mf Panorama* can carry. Being aware of this, the Port Authority increased the number of sailings of the *mv Tobago* by operating the service on Saturdays, to provide additional cargo space, when this was found to be necessary.

The *mv Tobago* is licensed to carry 600 passengers. The average normal daily passenger demand is 300. The only occasions on which the passenger demand exceeds the capacity of the vessel are on holidays, and when there are special events in Tobago. Additionally, the *mv Tobago* has been operating satisfactorily since its return to service in mid-1993.

Efforts are being made to source the necessary funds to undertake the drydocking and complete the refurbishment of the *mf Panorama* to enable its return to the ferry service. It is expected that this funding, which is estimated at \$8 million, will be raised by the middle of December, 1993 through a bond issue.

Miss Nicholson: Madam Speaker, this is the middle of December and he has not answered part (c) of the question, which says:

- (c) If the answer to (b) is in the affirmative, could the Minister tell this House what steps are being taken to address this critical problem now that the Christmas and tourism seasons are upon us?

The whole of Tobago is now under pressure. I asked the previous question: Whether he is aware that the cargo carried by the *mv Tobago* is one-third of the *Panorama's*. For there is the demand for hardware for building homes and so forth, this being the Christmas and tourism seasons. But he has not answered the question.

Hon. C. Imbert: Madam Speaker, as I indicated, the Port Authority has increased the number of sailings of the *mv Tobago* by operating the service on Saturdays, to provide additional cargo space, when this was found to be necessary.

2.00 p.m.

Children's Death (Tobago)

The following question stood on the Order Paper in the name of Mr. A.N.R. Robinson (Tobago East):

- 43.** Would the Minister of Health tell hon. Members what he knows about the case of the two young children who died in mysterious circumstances in the village of Canaan in Tobago earlier this year and to whom reference was made in this honourable House in the previous session?

Hon. K. Valley: Madam Speaker, I ask that this question be deferred for one week, please.

Question, by leave, deferred.

**Roads
(Deplorable Condition)**

The following question stood on the Order Paper in the name of Mr. Sahid Hosein (Siparia):

- 44.** Is the Minister of Works and Transport aware:
- (a) That the following roads are in an extremely deplorable condition:
 - (i) Rochard Road;
 - (ii) Penal Rock Road?
 - (b) If the answer is in the affirmative, will he indicate when repairs will be effected?

Hon. C. Imbert: Madam Speaker, based on discussions with the hon. Member for Siparia, he has agreed that this question should be withdrawn.

Question, by leave, withdrawn.

**Pipe-Borne Water Supply
(Penal Rock Road)**

The following question stood on the Order Paper in the name of Mr. Sahid Hosein (Siparia):

- 45.** (a) Is the Minister of Public Utilities aware that the residents of Penal Rock Road between the 6 mm and 9 mm have not been in receipt of pipe-borne water for this year?
- (b) If the answer is in the affirmative, will he indicate when the situation is going to be rectified?
 - (c) Can he also indicate if those residents affected will have their bills adjusted accordingly?

The Minister of Public Utilities (Hon. Morris Marshall): Madam Speaker, I request a deferral of this question for a period of two weeks.

Question, by leave, deferred.

**ADJOURNMENT (LEAVE REQUEST)
(Street Vendors)**

Mr. Basdeo Panday (Couva North): Madam Speaker, earlier today, I caused a letter to be faxed to you. I shall merely read this letter because it contains all I

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want to say in applying for leave to move the adjournment of the House on this matter:

“Dear Madam,

I wish to seek your leave at today’s sitting of the House, to raise a definite matter of urgent public importance pursuant to the provisions of Standing Order No. 12, to wit, the necessity for the Government to permit street vendors to sell marketable commodities on the streets and/or pavements in the cities and municipalities for a period commencing forthwith and extending until further notice after the Christmas season.

It is public in that it involves inter alia the creation of employment opportunities for citizens to earn honest incomes during this period instead of them resorting and/or being tempted to resort to unlawful and/or unconventional means to earn incomes during the Christmas period.

It is urgent because the denial of this opportunity can promote insecurity that affects the public interest and may even threaten the national security of our nation.

It involves the Government demonstrating that it cares for all sections of the population and that it is committed to providing distributive justice to our people.”

I merely wish to add one thing, that you would note that the Motion applies, not specifically to what is taking place in Port of Spain, but the cities and municipalities. That is the only addition I wish to make to this letter which I think speaks for itself.

Madam Speaker: I am sorry to advise the hon. Member that I am not satisfied that this is a matter that falls for consideration under Standing Order No. 12.

Rising Crime Rate (Insecurity)

Mr. Trevor Sudama (*Oropouche*): Madam Speaker, I do not have a—
[*Interruption*] Is the Member for Diego Martin Central finished? As Leader of Government Business he is a very poor example in this House.

I do not have a fax machine so I brought this letter to your office.

Madam Speaker: It was received on time.

Mr. T. Sudama: Madam Speaker, the matter I wish to raise is of urgent public importance and has to do with the alarming upsurge in a specific type of criminal activity over the last two months.

The matter is definite, in that it deals with an unprecedented and wanton increase in a specific type of crime, that is, armed and vicious robbery with violence; and this is occurring everywhere. Associated with it are burglaries and car thefts, particularly, over the last two months.

This matter is extremely urgent, in my view, because citizens everywhere, in all parts of Trinidad and Tobago, live in a state of palpable fear and anxiety, in view of the boldness and the bravado of bandits who are terrorizing law-abiding citizens even in the security of their homes, behind burglar-proofing; in the streets and in their business places. Some positive action needs to be taken urgently in order to allay the fears and profound sense of insecurity of thousands of our citizens.

The urgency of the situation demands that measures be speedily implemented in order to curb the rising tide of lawlessness, to prevent the loss of life, the senseless maiming and wounding of innocent citizens, the unconscionable theft and destruction of property, and the accompanying trauma of the victims. Because of the existing, frightening situation, many of our citizens are denied full freedom of movement and the peaceful enjoyment of their property which are constitutionally guaranteed rights in this country.

2.10 p.m.

The Government and the security services are not reviewing this matter with the urgency that it deserves. As far as they are concerned, it appears to be business as usual with the odd vague statement from the authorities every so often. It is incumbent on this House therefore, to impel the Government and peace-keeping authorities with the required sense of urgency that this intolerable situation demands. With the Christmas holidays only a mere 10 days away, it is anticipated that the situation would get even worse if urgent measures are not put in place.

The matter is one of great public importance because the alarming upsurge in murderous banditry is pervasive. It is being experienced throughout the country in every urban nook or rural cranny—whether by banks and their customers in Port of Spain and the suburbs; or by policemen in Morvant, or salesmen in San Juan, or gas station attendants in San Fernando; or car owners and proprietors in Westmoorings, Tunapuna, Barataria, Reform Village, Pleasantville, Penal and

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San Francique. Police officers themselves are now being attacked openly and with impunity. This, as well, must be a matter of grave public concern.

Madam Speaker, it is for these reasons I am of the view that the intolerable increase in banditry, violence and theft should be debated as a definite matter of urgent public importance.

Madam Speaker: I wish to advise that I am satisfied that this Motion raises a definite matter of urgent public importance and permission is hereby granted. The matter is stood over until 6.00 p.m.

AIRPORTS AUTHORITY (AMDT.) BILL

Senate Amendments

The Minister of Works and Transport (Hon. Colm Imbert): Madam Speaker, I beg to move,

That the Senate amendments to the Airports Authority (Amdt.) Bill 1993, listed in the Appendix be now considered.

Question proposed.

Question put and agreed to.

Clause 6.

Senate amendment read as follows:

In section 12—

A Delete subsection (2) and substitute the following:

“notwithstanding section 13, the Authority may with the approval of the Minister, and for the purpose of facilitating the proper discharge of its functions, enter into contract with any person, hold shares in any company or form a joint venture company, save however that with respect to:

- (a) safety and security at airports; or
- (b) supervision and administration of passenger terminal buildings, the Authority shall be a majority shareholder in such company, or joint venture company undertaking those functions, and the financial statements of such companies shall be audited by the Auditor General or by a qualified Auditor appointed by the Auditor General.”

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- B In paragraph (a) of subsection (3), insert immediately after the last word “Authority” the following words “or is related to the functions of the Authority”.
- C Delete paragraph (b) of subsection (3), and reletter the other paragraph accordingly.
- D Insert the following new paragraph (e):

“carry on all other activities the carrying on of which appears to it to be requisite, advantageous or convenient for or in connection with the discharge of its function.”

Mr. Imbert: Madam Speaker, I beg to move that the House doth agree with the Senate in the said amendment.

Question proposed.

Question put and agreed to.

Clause 7.

Senate amendment read as follows:

Delete this clause and renumber subsequent clauses accordingly.

Mr. Imbert: Madam Speaker, I beg to move that the House doth agree with the Senate in the said amendment.

Question proposed.

Question put and agreed to.

Clause 9 as renumbered.

Senate amendment read as follows:

Delete section 31(1) and substitute the following:

- 31. “The Minister responsible for National Security may for the purpose of ensuring security at any airport declare by Order:-
 - (a) on the advice of the security committee, any part of an airport or air navigation installation to be a restricted area; or
 - (b) declare an airport to be a restricted area.”

Mr. Imbert: Madam Speaker, I beg to move that the House doth agree with the Senate in the said amendment.

Question proposed.

Question put and agreed to.

PROVISIONAL COLLECTION OF TAXES ORDER

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

Whereas it is provided by subsection (1) of section 3 of the Provisional Collection of Taxes Act, Chap. 74:01 (hereinafter called “the Act”) that where proposals for general or supplementary appropriation of public funds are made to the House of Representatives and are embodied in an Appropriation or a Supplementary Appropriation Bill, as the case may be, the President may, for the purpose of raising revenue to meet the expenditure specified in any such Bill, by order, provide for the imposition of any tax or the variation of any existing tax and from the date of the publication of such order in the *Gazette* the tax as imposed or varied shall be payable;

And Whereas it is provided by subsection (5) of section 3 of the Act that an order varying an existing tax shall cease to have effect if the order is not confirmed with or without modifications, by a resolution agreed to by the House within the next twenty-one days after the commencement of the Order;

And Whereas the Provisional Collection of Taxes Order, 1993 as amended by the Provisional Collection of Taxes (Amdt.) Order, 1993 and as further amended by the Provisional Collection of Taxes (Amdt.) (No. 2) Order, 1993 was made under section 3 of the Act whereby provision was made for the imposition or variation of taxes in the enactments mentioned in the said order to the extent and in the manner set out therein for the purpose of raising revenue to meet the expenditure specified in the Bill entitled “An Act to provide for the Service of Trinidad and Tobago for the year ending on December 31, 1994”;

And Whereas it is expedient to confirm the said Order;

Be it Resolved

That the Provisional Collection of Taxes Order, 1993 be confirmed, subject to the following amendments:

Section 38(2) is to be amended by deleting “and 36” and substituting “36, 37(a) and 37(b)”.

The Provisional Collection of Taxes Order Chap. 74.01 allows the President where an Appropriation Bill has been presented to this honourable House, to provide an order for the imposition or variation of any tax. The Act provides that from the date of publication of the order, as specified, the tax goes into being and shall be payable.

An order varying an existing tax ceases to have effect, however, unless it is confirmed by a resolution agreed to by this House within 21 days of the commencement of the order, and the Provisional Collection of Taxes Order, 1993, was published on November 27, and subsequently amended on November 29, and December 10. This Motion now being considered is for confirmation of the order as amended.

The measures contained in the order were outlined on Friday, November 26, when I made the budget presentation. Therefore, I do not now propose to go over all that has already been said on the subject. Instead, I shall highlight the specific areas to be dealt with under the Provisional Collection of Taxes Order, most of which I did not go through, especially related to some items like peas, because of the length of the budget presentation. In that order I will go through some of these measures.

Clause 2 of the order increases fees under the Real Property Ordinance. These increases are intended primarily to correct certain anomalies and discrepancies which had arisen as a result of increases in previous years to certain items and not to others.

Clause 3 increases the annual fee for a bailiff's licence issued under the Landlord and Tenant Ordinance from \$4.80 per annum to \$150.00 per annum. These fees have not in fact been previously increased since 1934.

Clause 4 increases charges under the Companies Ordinance in keeping with the administrative cost involved in the running of companies' registries. For example, the fee payable on filing annual returns has been increased from \$40.00 to \$80.00 because of the cost involved in processing some of these documents.

Clause 5 increases certain fees under the Summary Courts Act for instituting different types of proceedings and imposes fees in other cases where no fees have been previously levied.

Clause 6 increases fees for action in petty civil courts. Again, these fees remain relatively low with increases from \$1.00 to \$2.00 and \$2.50 to \$5.00 as a maximum.

Clause 7 increases the fee for certificates of correctness of documents issued by various government departments to \$10.00.

Clause 7(b) imposes fees for services provided to private clients by the Forensic Science Centre of the Ministry of National Security. Previously there were no fees attached.

Clause 8 increases the cost of an annual tourist guide licence from \$10.00 to \$20.00.

Clause 9 imposes a new charge of \$50.00 for analysis of fingerprint impressions on deeds and wills by the police. This is painstaking work. It is usually required by insurance companies as they check claims.

Clause 10 has been amended by clause 2 of the Provisional Collection of Taxes (Amdt.) (No. 2) Order as the wording in the first order did not clearly express the intention and could have been interpreted as requiring the payment of \$100.00 each time a firearm was lodged at a police station. The new provision requires private security firms to pay \$20.00 per firearm per month, thereby enabling these firms to store their firearms at a police station for a certain duration.

Clause 11 increases the annual licence fees payable by wholesale and retail dealers in gunpowder.

Clause 12 of the order amends the Immigration Regulations by increasing the cost to the public of acquiring new Trinidad and Tobago passports. This has been a matter that has been discussed much since the budget presentation. Therefore, I will go into some details to make it abundantly clear as to what is now the situation.

2.20 p.m.

These increases become necessary as a result of the higher costs of these new machine-read passports which are being introduced and which are required to be produced by security printers overseas. The cost of an adult 32-page passport is increased from \$100 to \$150. All passports issued before January 01, 1994, would expire on June 30, 1995. After that date, only the new machine readable passports would be in use. However, persons whose passports would have expired after June 30, 1995, would be able to purchase the new passports at the old rates of \$100 for an adult, and \$50 for a child, if the application was made before the date on which the application's passport would normally have expired. Replacement costs for lost, stolen, mutilated or tampered passports have also been increased.

Clause 13 of the order increases fees payable under the Registrar General Act for services provided such as examining deeds, wills or other documents and various searches to bring these fees in line with other fees under that Act which were increased last year. A new item has been inserted which imposes a fee of \$100 for the registration of contracts under the Registration of Local Agents of Foreign Governments or Foreign Enterprises Act. Registration of other deeds and instruments has been reduced from \$100 to \$25.

Clause 14 increases the fee for a statutory declaration purchased by a newspaper proprietor under the Newspapers Act from \$20 to \$50.

Chapter 15 increases the annual fee for an exhibitor's licence under the Cinematograph and Video Entertainment Act from \$1,000 to \$1,500. These fees were last increased in 1979.

Clause 16 increases the fees for certificates issued to allow gambling in clubs.

Clause 17 increases fees payable for the grant or transfer of a licence for a theatre or dance hall. These two were not increased since 1979.

A new schedule has been introduced to enable the Fire Services to charge fees for certain services rendered to the public, in circumstances other than life saving or rescue operations, humanitarian services or services undertaken for the national community. The Amendment Order clarifies some of these items. They include inspection and servicing of fire extinguishers for which a \$30 fee is chargeable and fire prevention lectures for which a fee of \$125 will be charged. It is not contemplated that these fees will be charged in cases of general instruction to schools, but to people who require it in the course of conduct of their business.

Clause 19, the fees payable to District Registrars and the late registration of births have been reduced as it was contended that the high level of these fees which were increased last year caused some measure of hardship.

Clause 20 increases postal rates. Second class mail is abolished. Local letters now cost 50 cents, and the cost of foreign letters to the Caribbean and North America is increased by 25 cents in each case for letters up to 20 grams.

Clause 21 amends the Motor Vehicles and Road Traffic Act. Clause 21 (a) strengthens certain of the provisions of that Act regarding the transfer of ownership of vehicles in order to facilitate the enforcement of the collection of the transfer tax.

Specifically, it requires that both the registered owner and the person to whom ownership is being transferred should be present before the Licensing Authority at

the time of transfer. It also provides for transfers by companies and transfer of vehicles owned by persons unable to be present due to illness, disability or absence from the country. Failure to register a transfer within seven days results in a penalty of \$200 and where the transfer has not been made within 14 days the registered owner is liable on summary conviction to a fine of \$5,000 or six months imprisonment.

The Provisional Collection of Taxes (Amdt.) Order which was published on November 29, reduced the rate of transfer tax for used motor vehicles over seven years from \$2,000 to \$900.

In the Amendment No. 2 Order the rate of transfer tax for vehicles over 10 years old was further reduced to \$100.

The rate for used motorcycles with an engine capacity not exceeding 250cc has also been reduced to \$100 and a rate of \$200 has been imposed on motorcycles with an engine capacity exceeding 250 cc.

These amendments have been made retrospectively and refunds may be claimed by persons who have paid transfer tax at rates which were subsequently reduced.

The Amendment No. 2 Order specifies the Board of Inland Revenue as the authority responsible for the collection of the tax and modified the language to clarify the provisions.

Clause 21(b) has also been modified to extend the exemptions from the transfer tax to all purchasers from any company or person registered under the VAT provided that they produce a tax invoice to the Licensing Authority.

Under the order, as first published, this exemption applied only to persons purchasing from bona fide dealers in used motor vehicles. Persons other than bona fide dealers in used vehicles, who are registered under the Value Added Tax, pointed out to us that they were required to charge VAT on the sale of used vehicles, and persons purchasing used vehicles from them were also required to pay the transfer tax.

The amendment was made to correct this inequity. It was never intended that a person should pay both the VAT and the transfer tax. The amendment has been made retrospectively, again, and reclaims for refunds can be made on satisfactory evidence being provided.

It should also be pointed out that unconditional gifts of motor vehicles to registered charities are exempt from the transfer tax.

Clause 21(b) of the order as amended increases the fees for renewal of motor vehicle licences where no licence fees have been paid in previous years by the person registered as the owner of the vehicle. Such persons would be required to pay a higher fee equivalent to the sum of the licence fees payable in each year during which the vehicle was registered in the name of its present owner. This is to correct a grave injustice. Many people use their cars; put them on the roads, never license them and only at the time when they were caught or when they were seeking to transfer the vehicle they rushed in to pay for that particular year. We are seeking to close that loophole.

Clause 21(e) of the order amends certain fees in the First Schedule to the Motor Vehicles and Road Traffic Act. There were reports that persons had difficulty understanding this schedule clearly. Quite frankly, there were certain errors in-between the final Cabinet Note and the drafting instructions, which we are now seeking to correct. It has been amended in the (Amdt.) No. 2 Order to refer specifically to the fees to be increased.

A new fee of \$40 has been imposed for application for a taxi, other than a maxi-taxi. In addition, the item "Carnival Permits" which were in the post order has been entirely deleted. A fee of \$100 has been imposed for an application for permission to own and operate a maxi-taxi. This is now contained in clause 37 of the order as amended.

Clause 21(f) of the order increases rates of motor vehicle tax as a result of the reduction in import surcharge and stamp duty. These increases were dealt with at length during the budget presentation. I do not propose to outline them further here.

2.30 p.m.

Clause 22 increases various fees payable under the Pounds Act in respect of animals which are impounded. I could not resist this. In the context of the general reduction in taxation, it is no longer required to pay dog licences.

Clause 24 of the order imposes a business levy on gross sales or receipts other than the emolument income of individuals. These provisions have been amended in clause 5 of the Amendment (No. 2) Order by the inclusion of a provision conferring exemption from business levy on persons whose gross sales or receipts in the preceding year of income did not exceed \$120,000, unless there are reasonable grounds for believing that the gross sales or receipts in the particular year of income will exceed that amount.

Quite simply, what we are trying to do is to catch all those dealers, vendors, salesmen who do a very substantial trade—they may be sole proprietors. Very many of them do substantial business. If they are small traders and they do not do \$120,000 worth of business, then we do not propose to have them in the net, but one can calculate the volume of trade coconut vendors and others can do. Some of them may not even qualify as small businesses. The Amendment (No. 2) Order also applies the enforcement of administration provisions of the Income Tax Act to the business levy.

Clause 24(b) restricts the meal voucher benefits in the Income Tax Act to employees earning less than \$36,000 per annum and exempts from income tax the interest payable on foreign currency accounts held by local residents, as well as immediate annuities purchased after January 01, 1994, by resident individuals over 60 years of age.

Clause 24(c) allows a deduction of 150 per cent of promotional expenses incurred by individuals in creating or promoting the expansion of foreign markets with the export of goods or agricultural products. This benefit was previously available only to companies. It is now being extended to individuals. It has also been extended to include expenses incurred in creating new markets, rather than only expenses incurred in promoting the expansion of existing foreign markets.

The Amendment (No. 2) Order has included a new provision in clause 24(d)(a) which limits the tax credit for the purchase of units in Unit Trust with effect from January 01, 1994—and I stress this—to units in the First Unit Scheme of the Unit Trust.

Clause 24(e) makes provision for an additional tax credit of \$600 for individuals over 60 and for a tax credit equal to 50 per cent of the interest earned on bonds issued by Trinidad and Tobago Mortgage Finance Company Limited for use in its lending operations as an approved mortgage company.

Clause 25(a) of the order amends the Corporation Tax Act in order to exempt from corporation tax, 50 per cent of the interest earned by financial institutions in respect of loans to approved small companies and loans made for specified purposes to persons carrying on commercial farming on approved agricultural holdings. These incentives have already been explained in detail in the course of the budget presentation.

Clause 25(c) grants a further deduction of 10 per cent in the net increase in loans made by financial institutions to approved small companies as defined in that Act. The definition of approved small companies has been amended in clause

25(a) to include companies possessing machinery, equipment and working capital up to a value of \$1.5 million and to allow such companies to qualify where their accounts are audited by a chartered accountant who is a member of ICATT. Previously the Act required that the accounts be approved by the IDC.

Clause 26 reduces the rate of stamp duty on bills of entry by 50 per cent, with effect from January 01, 1994 and clause 27(a) reduced the rate of import surcharge with effect from the same date. These rates were reduced from 25 per cent to 15 per cent; from 15 per cent to 10 per cent; and from 10 per cent to 5 per cent, respectively.

Clause 27(b) of the order amends the Miscellaneous Taxes Act by imposing, with effect from January 01, 1994, a new in-bond sales tax of 5 per cent on goods sold at in-bond stores. Clause 27(b) also amends the Miscellaneous Taxes Act by imposing a new tax on financial services listed in the Ninth Schedule. The tax takes effect from January 01, 1994, and is imposed at the rate of 15 per cent of the consideration charged by the financial institution for the supply of the service.

The Amendment (No. 2) Order has amended the order to exempt from VAT, services performed by financial institutions in respect of which the financial services tax is payable. Again, there is no intention to have both this transaction tax and the VAT apply to the same service. Certain of the services which apply to the Ninth Schedule to the Act in relation to the Financial Services Act have been amended in the Amendment (No. 2) Order to correct certain other minor anomalies.

An amendment has also been made to define "financial institution" as a financial institution licensed under the Financial Institutions Act, 1993, and to enable the tax to be paid over to the Board of Inland Revenue at the end of each quarter instead of at the end of each month as originally provided. The order makes provision for a penalty of 50 per cent of the tax due, together with interest at the rate of 15 per cent per annum where the financial institution fails to collect the tax.

Part X of clause 27 makes provision for the imposition of the Road Improvement Tax. Hon. Members will recall that the moneys collected from this tax will be maintained in a separate Road Improvement Fund, and not in the Consolidated Fund.

The Amendment (No. 2) Order makes specific reference to the rate in cents to be charged on each type of motor vehicle fuel, rather than the percentage rate as specified in the original order. This is in keeping with the Price of Petroleum

Products (Amdt.) (No. 2) Order 1993 which came into effect on November 27, 1993.

Clause 27(e) increases the rate of tobacco and cigarettes imported from outside the Caribbean region in order to equate with the rate of excise duty payable on locally manufactured cigarettes. This is to ensure equity and to make sure that our local manufacturers are not put at a disadvantage.

Clause 27(d) changes the method for calculating import surcharge on imported tyres in order to again ensure that local tyre manufacturers are not disadvantaged.

Clause 28 amends the Customs Act in order to adjust the formula for the calculation of the rebate of customs duty for exports. The rebate is now calculated at 1½ per cent of export sales, and exporters of services and agricultural products may also qualify for the rebate. The Amendment (No. 2) Order made a further amendment to make it clear that exporters will be able to claim rebates based on the new formula in respect of export sales made in 1993. These provisions will take effect from January 01, 1994.

Clause 28(e) increases the rate of customs duty on beef from 5 per cent to 15 per cent and the rate on powdered milk to 5 per cent per kilogram with effect from November 27, 1993.

Clause 29 increases the fee charged under customs regulations for passing declarations for bills of sight in respect of goods with a c.i.f. value of less than \$10,000, from \$50 to \$100 fee; and for goods with a c.i.f. value of over \$10,000, the fee moves from \$100 to \$200.

Clause 30 removes customs duty from refined edible oil imported from within the Caricom region since the excise duty has now been removed from this item.

Clauses 31, 32, 33, 34, 35, and 36 increase various fees under the Trade Marks Act, Registration of Business Names Act, the Precious Metals and Stones Act, the Old Metals and Marine Stores Act, the Rural Pedlars Act and the Liquor Licences Act, in order to bring these fees more in line with the cost of regulating these various activities.

Clause 37 amends the Value Added Tax in order to ensure that no VAT is chargeable on the Road Improvement Tax. In addition, there is a further amendment which has just been tabled, that I wish also to move that the Provisional Collection of Taxes Order, 1993 be confirmed subject to this modification. Section 38(2) is to be amended by deleting “and 36” and substituting “36, 37(a) and 37(b)”.

2.40 p.m.

Madam Speaker, the primary intention behind the imposition of these measures has not been to move heavily to increase the major forms of either direct or indirect taxes, but rather to move to increase taxes for revenue purposes partially, in ways in which the taxpayer has some discretion as to whether he purchases the service or enters into a particular transaction. There is no general enforced increase in the burden of taxation that is inescapable, except, perhaps, for the road improvement levy, since transport is an essential commodity and may not easily be avoided.

The measures are imposed clearly to raise revenues and to enable us to undertake necessary and urgent infrastructural works, as in the case of the road improvement levy, and also to correct anomalies in the tax structure, and in several instances to seek to recuperate some of the cost of several government services that are being provided, sometimes at great cost, and for which the cost has not been looked at in some instances, going back as far as 1934. In all cases, we have attempted to keep these burdens to the minimum.

In addition, some of the measures are designed to guide certain sections of the economy into renewed economic activity in the areas in which the Government sees potential for broadening the base and for diversifying the economy and moving the economy into a period of renewed growth.

Therefore, with this amendment, I beg to move.

Question proposed.

Mr. Basdeo Panday (*Couva North*): Madam Speaker, from what the hon. Minister of Finance has himself said, it is obvious that these proposals that emanate from the budget, which are contained in the Provisional Collection of Taxes Order, would impose an unduly heavy burden upon the unemployed, the poor, and upon the middle and lower income groups, upon income earners, the self-employed—they seem to be bearing the burden the hardest.

It is not too late for the Government to review its position. We understand from today's newspapers that they are going to review their position on the budget. The year has not finished but it is reported today in the newspapers that the Government is prepared to review this budget. Maybe that is not true. That is a little curious. The budget is just a few days old, hardly cold in the grave—if I may put it that way. *[Interruption]* It is a dead budget, it might as well be in the graveyard. If you are ready to revise the budget—obviously because the price of

oil is not what you expected it to be—then let us revise the whole budget, not just part of it.

Therefore, we are calling upon the Government to revise some of the proposals made, particularly those relating to the transfer of funds, motor vehicles and gasoline, because these proposals contained in this order are going to hit the poor, the unemployed, the self-employed, harder than it is going to hit anyone else.

These proposals have to be taken in the context of the budget; you cannot deal with them as though they have dropped from the sky and they exist in a vacuum; they have to be taken against what you have said. You are imposing these new taxes against a background that you hope to bring relief to the poor by way of your safety net, but you have already begun to admit that the safety net might turn out to be a mosquito net, in that it will catch nothing but mosquitoes. It is not going to save anybody.

Having based the assumption of oil price at US \$19 and all indications are that it is not going to be anywhere near that figure, then surely, there being a cut in revenue, there will have to be a corresponding cut in expenditure. We have debated the budget already, but no sooner have we done so that we have a new situation arising. If you are going to cut in your budget, where are you going to cut? Are you going to cut on the School Feeding Programme? Are you going to cut on the safety net? Are you going to cut on the figures for personnel expenditure? I predict that what this Government is going to do is to abandon this budget completely, and will resort to cutting its expenditure on the recurrent side. I am sure the Minister agrees with me. At least, this is one Minister on the other side who is prepared to be honest about things. You are going to cut on the recurrent side and once you do that, you have to determine what will be cut. Are you going to cut all these programmes that you have? Surely now! The thing you are going to cut is personnel emoluments and there is going to be an enormous amount of retrenchment.

With an enormous amount of retrenchment, there will be more unemployed people, and there will be more people seeking to become self-employed. When people become self-employed they then become vendors, that is what is going to happen. You have to cut that recurrent expenditure! I predict that you are going to do so, and if you do, it means more unemployment; and more unemployment means more self-employment; and more self-employment means more vendors.

So you start off by avoiding the issue of vendors? You cannot. In the light of your budget, in the light of your proposals and in the light of this Provisional

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Collection of Taxes Order here today, you have no choice but to deal with the question of the vendors. Hiding behind courts and making the most silly statements conceivable will not help.

2.50 p.m.

I am sorry that everybody who is anybody leaves the House when I begin to speak. The Prime Minister is not here, I wanted to address him personally, but I cannot wait. I was hoping also that my hon. friend, the Member for Laventille West, would have been here to join me in the struggle. You see, self-employment is going to be the answer to unemployment, and in the Collection of Taxes Order the Government is imposing a levy on these people who are seeking to earn employment.

The Minister said today, vendors and salesmen will pay business levy. The very people who are being chased off the streets, Government wants to collect taxes from them. There is a safety net that is not going to work; they cannot fall into the safety net. What are they going to do, take guns to earn a living for themselves and their children? Was that not the appeal? The appeal was, this is Christmas season; this is the season of peace on earth and goodwill to men, so in that spirit of goodwill to men, since December 08, 1993, I wrote to the Prime Minister as follows:

“Hon Patrick Manning,
Prime Minister
Republic of Trinidad and Tobago
Office of the Prime Minister
Central Bank Tower
St. Vincent Street
Port of Spain—”

Madam Speaker: Hon. Member, are you debating the order before us?

Mr. B. Panday: Yes, Madam Speaker. The levy that is being imposed on the vendors is harsh and should be removed in the light of the circumstances that are attendant on their condition.

“Dear Prime Minister,

Re Vendors—Port of Spain

As you are no doubt aware, yesterday the Court of Appeal upheld the decision of Justice Lucky refusing to grant a conservatory order pending the hearing of a Constitutional Motion which was filed by the vendors.

Had the conservatory order been granted the vendors would have been able to ply their trade pending the determination of the Constitutional Motion. But the effect of the decision of the Court of Appeal is to deprive the vendors of earning a living by the only means they know. This would mean that hundreds of vendors and their families would have a bleak Christmas.

This being the season of peace on earth and goodwill, I appeal to you to use your good office to allow these unfortunate citizens to ply their trade over the Christmas season so that they may usher in the birth of Christ with food in the stomachs of their children, in peace and joy, instead of want and destitution in this holy season.

I appeal to you with all my heart.
/s/ Basdeo Panday
MP Couva North
Leader of the Opposition”

I was amazed at the reply I received from the Prime Minister. It is absolutely amazing that the same people who talk about the safety net also talk about imposing through this Collection of Taxes Order a levy upon vendors. In these circumstances the Prime Minister replied:

“Mr. Basdeo Panday, MP
Leader of the Opposition
Chepstow House
56 Frederick Street
Port of Spain

Dear Mr. Panday,

I wish to thank you for your letter of December 8, 1993, concerning a decision taken by the Court of Appeal on an application made by Port of Spain vendors for the issue of a conservatory order pending the hearing of a constitutional motion filed by them.

May I remind you that the problem of vending on the streets at Christmas time is one that occurs every year...”

I thought it was a problem that occurred during the whole year. But let me finish the letter first:

“...and for a number of years now the Government has been making temporary arrangements to facilitate the vendors. However, this year, the vendors’ position has been prejudiced by the advice received from their legal

counsel (including your good self) that the matter should be taken to court; now that the court has ruled, certain options...”

I want to show the vindictiveness of this Prime Minister. I am sorry that he is not here—

“...which the Government may have wished to adopt are not now available to the Government or to the vendors. Indeed, the ruling of the court did not surprise me, as I am sure it did not surprise you. The vendors have been misled by their advisers.

It is my view that this entire matter has been politicized enough and I believe that the vendors’ situation should not be compromised any further by unwarranted intervention. Please be assured that even before the receipt of your letter, the Government was doing all possible to identify steps which may be taken to facilitate the vendors. Indeed only yesterday, following the efforts of several ministers and His Worship the Mayor of Port of Spain, NIPDEC announced a plan to house these vendors on the Hart Street site until January 7, 1994.

/s/ Patrick Manning”

Anybody who can descend to this level is a dangerous person to hold the office of Prime Minister of this country. This letter indicates a character which would have been better kept secret, better to be hidden and the country not know of the character of the person who holds the highest office in the land—Prime Minister. It indicates a character that is prepared to hold onto anything for power, that he would use anybody, he would ride the backs of the beasts of burden until they fall. This letter is sickening.

The vendors must not go to anybody for advice. He is telling them that they have no right to go to lawyers to seek their rights in court; he is the lord and master, come to me, do not go to any Opposition. Come to Parliament with guns and hold up the Parliament. That is what he is telling them. This is sickening and that is followed by—

Mr. Maharaj: Do not take it to court, come to Parliament. That is what he is telling them. You should not be an attorney general. How could you agree to that?

Mr. B. Panday: That is followed by the Minister of National Security telling people not to go to court for their rights.

Madam Speaker: Hon. Members, at the moment we are debating the Provisional Collection of Taxes Order. I notice that the hon. Member is now venturing into that matter which he raised on the Motion on the Adjournment.

Mr. B. Panday: The matter I raised on the Motion on the Adjournment was quite different, Madam. I read and I explained it—it is completely different. I am talking about the Collection of Taxes Order, where the Minister says—

Madam Speaker: No, the Member is not talking about that order; he is referring to letters written between himself and the Prime Minister.

Mr. B. Panday: And those letters written between the Prime Minister and myself are indicative of the circumstances surrounding the vendors upon whom it is proposed in this Provisional Collection of Taxes Order to issue a levy. That is what it is about. The order is imposing a levy upon vendors and, therefore, their condition is important. And their condition is determined by the letter written by the Prime Minister.

Mr. Maharaj: Deferred mortgages, forgiven debts and we must not talk about vendors? I will talk about it. I know it, I have it and I will talk about it.

Madam Speaker: Hon. Members, order! Will the two Members desist from the crosstalk so that the Member for Couva North could continue.

Mr. B. Panday: That is most gracious of you, Madam. Thank you so very much for permitting me to continue. I am glad you have seen the relevance and importance of this matter as it applies to the Collection of Taxes Order.

You cannot talk about imposing tax upon a people without talking about their condition. How are the people going to get the money to pay this levy? They are like Mc Eneaney and Neal and Massy; they must pay business levy, but a Prime Minister says if you feel hurt and you go to court, I will victimize you. That letter says they are victimizing people upon whom they are going to charge a levy in this order. I will show how the Government is charging taxes and victimizing at the same time. Listen to what he says:

“May I remind you that the problem of vending on the streets at Christmas time is one which occurs every year...”

3.00 p.m.

The Prime Minister does not even understand what is going on in the country; the problem of vending is perennial, not just at Christmas time, but New Year’s time, Easter time, and all the time. People are struggling—but it is a problem for him. It would never be a problem for the UNC. The UNC does not see that as part of a problem. The UNC sees that as part of the solution to the problem, not as the problem—

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“...which occurs every year, and for a number of number of years now the Government has been making temporary arrangements to facilitate the vendors. However, this year, the vendors’ position has been prejudiced...”

I am sorry he is not here and if I meet him at a party I will tell him this. Outside this House, I will tell him, because that is vindictive, vicious, wicked, nasty and cruel. This is what he says:

“However, this year, the vendors’ position has been prejudiced by the advice received from their legal counsel (including your good self)...”

Was he in my room at the Office of the Leader of the Opposition to know what I told them? I am not their counsel. Their counsel sits on the right of me here. How does he know? But the vicious nature of that “animal”, that person, who holds the office of Prime Minister of this country, says:

“...that the matter should be taken to court...”

They should not be advised to take the matter to court. They should come to beg him, to fall at the feet of “Caesar”. One of these days I will tell him that we have come to bury Caesar, not to praise him. We will bury him.

“...now that the court has ruled, certain options which the Government may have wished to adopt are not now available to the Government or to the vendors.”

The Prime Minister owes a duty to this House to say what those options were and how they are closed because the court has made a decision. What were the options he was going to bring? Was he going to let them stay there and because the court has ruled he cannot allow them to do so? Let me tell this ignorant Prime Minister, who knows nothing about the law, that people sell if they get a licence to sell. He can give a licence regardless of the motion of the court.

But he could fool the fools on the other—I beg your pardon—I withdraw that. I do not mean it that way. But he could fool the people on that side. He cannot fool the Member for Laventille West.

Mr. Mohammed: And he is not saying anything!

Mr. B. Panday: I do not know how the Member for Laventille West could sit there and “his belly doh wok him”. How could he sit there and see these things happening to people? Those are the beasts of burden of the PNM whose backs are ridden by his party year after year.

Madam Speaker: Maybe the Member can return to the order now.

Mr. B. Panday: I will return to the letter. Madam Speaker, I know how this must hurt you.

Madam Speaker: The question of hurt has nothing to do with it. Move on to the order.

Mr. B. Panday: I know how it hurts.

Mr. Maharaj: But we have to talk about these matters.

Mr. B. Panday: Otherwise, let us leave this place.

Mr. Maharaj: Let us leave it. Let us forget Parliament.

Mr. B. Panday: Let us go on. Talk in Woodford Square. This is what this Parliament was intended for. It comes from the French word *parler*—to speak, to talk. What do they want? A word that comes from guerrilla warfare. Is that what they want? *Parler*—speak—Parliament.

When they deal with the people in that way, nobody should protect them. Nobody at all! Nobody in this House should protect such wicked and vicious people.

The Prime Minister has to say what were the options open to the Government which they intended to use but which they are not going to use now because the vendors went to court. Anybody who is against the PNM will see the vindictiveness of the PNM. I am going to ask the members of the “Republican” party to join me in a massive demonstration.

Hon. Member: And the Member for Laventille West as well.

Mr. Mohammed: Mr. Marshall will be in the front. That is why it will be massive.

Mr. B. Panday: It is important. I want to put this issue exactly where it belongs. This issue is explosive. Who wants to believe it, believe it; who does not want to believe it, do not believe it. Who wants to suppress it, suppress it; who does not want to suppress it, that is their business. This is an explosive situation. It is taking food out of the mouths of the poor and powerless.

I have the power to speak in this House and I could vent my spleen here. But the vendors have no Parliament in which to vent their spleen; they will vent their spleen otherwise. When the Government is brutal to the poor and the powerless, the hungry and destitute and such people are prevented from making a living at Christmas time, and they are put in a place where there will be no traffic, whose

interest is the Government serving? What criminal acts are these people doing? Whom are they shooting, biting, kicking, fighting? What criminal acts are they doing? Is this a battle of the vendors against Sen. Rahael? Is that what this is? Whose battle is this? On which side are they?

An issue like this will incense anybody. I call upon the Prime Minister not to be vindictive, but to implement those measures that he was going to implement. It cannot be the same measures because he says he is not implementing them. Let him tell the country what he was going to do but which he is not going to do any more.

This order raises taxes, therefore, it is of extreme importance as to what measures and to what use taxes are put. We are raising these taxes against the background of a budget that says, "Come and join with us. Participate with us, to do what? To forgive a \$30-million debt? Is that what we are doing, participating to forgive a debt of \$30 million?"

A situation like that, arising when the price of oil is falling, the income of the country being reduced, our not knowing what is going to happen to the budget, yet we read in the newspapers of people being forgiven a \$12-million debt. They then said that was a mistake, that it is only the capital, the interest is \$20 million. It is in respect of \$30 million and more, that four other members of the Cabinet are also in a similar position, and the Prime Minister does not say a word.

Mr. Valley: Madam Speaker, if the Member is making that allegation, would he please identify the members of the Cabinet who are so associated?

Mr. Maharaj: Do you want it? Did you have a mortgage? Did you take four mortgages from Workers Bank—\$1.6 million? Answer! Did you take it?

Mr. B. Panday: Methinks the gentleman protests too much. "Who have cocoa in the sun, let them look for rain." All I know is that a report appeared in the newspapers. That is good for any Prime Minister worth his salt to get up and say—It must be done.

We are collecting taxes. We are inviting people to come to take pressure with us. Come and "band their bellies". Come and starve—and what did the Minister say? We are reaching to the plateau of sacrifice. But there is more sacrifice to come. While they are telling the people of this country, there is more sacrifice, we read on the other hand, somebody got relief from a \$30-million debt. And the Prime Minister says nothing.

Mr. Mohammed: Time longer than twine, Mr. Valley.

Mr. B. Panday: Madam Speaker, in the light of all of this, how can we in this House sit and begin to talk about taking money out of people's pockets? That is what this order in front to me says—let us take money out of people's pockets for every conceivable thing on earth. For bailiff fees, companies' annual returns, under the Summary Courts, Petty Civil Courts, certificate of correctness, forensic science services, tourist guide licence. If the vendors decide that they will not vend again and they are going to take out a tourist guide licence, they are imposing more tax on them. That is what the Minister said. Fingerprints—taxes on wholesale and retail.

If we are going to impose these taxes upon the most poor, the most destitute, the most needy and we are telling them to come, join with us, go down the road together, band our bellies together and so forth, how could they do that in the teeth of what is taking place in the society? Withdraw this Bill, please. Withdraw it, come with the other budget, the one that is going to come before April, in which you will have to revise the price of oil.

3.10 p.m.

It is not too late. If you want to work, we will work for the rest of the year. We will come back to the Parliament and pass a budget in time for January 1. Because what is going on in this country is madness with respect to this whole budget—absolute madness! Nobody knows where they are; nobody knows what is going to happen; nobody knows what is happening. I have never seen in my life a country degenerate so quickly to such a level of chaos as this one led by the PNM Government.

These things are senseless. In the light of what is happening, I predict that they are going to come to this House before April with another budget, because they will have to make tremendous changes in the budget. If that is the case, why fool the population and let them believe that a certain state of affairs exists when it does not exist? Let us tell them the truth. Let us have a real budget and then we will consider this Provisional Collection of Taxes Order.

I thank you, Madam Speaker.

Mr. Trevor Sudama (*Oropouche*): Madam Speaker, I wanted to speak while the Minister of Finance was here, so perhaps he might have taken note of what I have to say, and then, perhaps, act on my suggestions. But alas! He is not here. I see none of the Members on the other side are willing to join the debate, particularly to respond to the Member for Couva North, the Leader of the Opposition.

I want to raise a number of issues with respect to the Provisional Collection of Taxes Order, 1993, the first one being—because we have had this problem in the past—that this order came into effect on November 27, 1993. It has imposed certain new taxes; it has varied some other taxes. My question is: Will this order which came into effect on November 27, 1993 in respect of revenues only be applied in 1994? Because you are collecting revenues this year for purposes of expenditure next year. If that is going to be the case, what guarantee does this House have that the revenues which are now collected will be put into a fund and utilized only next year? What guarantee do we have that the revenues will not be collected this year and utilized to meet a deficit this year?

This shows a weakness in our system of accounting and reporting to this House. In fact, when a provisional collection of taxes order is issued to collect revenues during the course of a current year, but revenues are related to a subsequent year, to be spent in a subsequent year we must have—in the same way that we put up a special fund for road improvement—a special fund into which these revenues will go, collected from November 27 until December 30, so that we are sure that these revenues are not manipulated and applied to expenditures in 1993, which will be against the intent of this Provisional Collection of Taxes Order.

I am proposing here today that the next time the Minister of Finance comes to this House, he must, first of all, tell us that there is special accounting for these revenues which are collected this year but are, in effect, revenues for 1994. Therefore, we must account for those revenues and we must look at the application of those revenues because, let us assume that no budget is presented in the whole of 1994, then these revenues will be collected for part of this year and the whole of 1994, and therefore, this is not a budget for a 12-month period; this will be a budget for a 13-month-and-four-day period. In which case, to come here and talk about a budget for the service of Trinidad and Tobago for the year January 01 to December 31, 1994, is a complete misnomer and a deception. So I want to make that first point which falls within the realm of proper accountability for the moneys which Parliament gives approval for raising and for what time period those moneys will be applied.

We are asked to approve on the basis of the fact that these moneys are for revenue purposes, and therefore, I want to suggest to the Minister of Finance that against each item of collection here, whether it is amendment to the Real Property Ordinance, the Bailiffs, Companies, Summary Courts Evidence, and so on, under

each item of provisional revenue collection, we should have an estimate of the revenue that is supposed to be collected. Therefore, we would be in a position to judge. I want a breakdown. Because if we are telling the country, the purpose for this is revenue collection, we want to know how much revenue, and whether the revenue collected is justified by imposition and whether the administrative machinery that is required to collect it is in place. That is the only way we can come to some sort of general judgment as to the efficacy of this Provisional Collection of Taxes Order.

That is another suggestion I would have liked to make to him, but he went elsewhere. Probably he has more urgent business to look after, than to be in this House when a matter for which he is responsible is being debated. You could understand the others not being here—the Prime Minister is never here—and some of the other people. but this is a Minister who is proposing a measure here today in the House, and then he leaves the House arbitrarily and he goes about his business.

They give the Opposition the short end of the stick in this House. What is more urgent for this Minister of Finance than to have this order approved today? Why is he not here? What does he consider more urgent than parliamentary business? You see the contempt in which this Parliament is held by the Ministers of Government? That is the kind of behaviour that induces people of this country to regard this Parliament as a big joke, that fellows come here just to “kicks” and not be serious about the business of the people.

3.20 p.m.

The Provisional Collection of Taxes Order is something that comprehensively outlines things that are merely mentioned in the budget speech. It is the hidden impact of these measures. In fact, the only way one would know is when one goes to transact business that is affected by these measures. That is the only way that members of the public would know what hit them in the 1994 Budget.

Therefore, when one takes the whole plethora of impositions contained in this budget into account, one cannot but come to the conclusion that this is an onerous, oppressive budget that is calculated to bring more and more pressures on the general public, particularly, the middle and lower income groups in the society.

Some of the impositions are for service—at least I think they are—but the service has to be acquired by the high income earner, the corporations as well as

by the small man. Since the charge is the same, then one can see the great impact this would have on the lower income earners of the country.

It is a vicious budget, to say the least. When this budget was being prepared, and these measures were being proposed and discussed, I would have liked to know what was going on in the minds of the Minister of Finance and his advisers. What principles of budgeting were followed? What principles of taxation did they have in mind?

One of the principles of taxation is that when one prepares taxes, there must be a significant element of equity, that is, that those who are best able to carry the burden, those who have the ability to pay, it is on them that the burden would primarily fall. When one goes on a spate of indirect taxation, as has been done in this budget, then what one is doing is making that system of taxation grossly inequitable. This is one of the problems with this Provisional Collection of Taxes Order. It reeks of inequity, as a system of taxation.

As I proceed, I would show the inequities in the system. We have thrown overboard the whole question of ability to pay. It is taxation *carte blanche*—for everybody in all classes, in all groups and in all regions of the country, in all circumstances and conditions.

Then, another principle is that there must be an element of certainty. When one comes to the 0.25 per cent levy, one would understand how foolish such a measure is.

Hon. Member: That is an unparliamentary word.

Mr. B. Panday: Foolish is a word.

Mr. Valley: It is unparliamentary.

Mr. B. Panday: Show me.

Mr. T. Sudama: Madam Speaker, that is the only word I can find to describe, not only the Members on the other side, but also the measures they propose.

Mr. Humphrey: Stupid, ignorant.

Madam Speaker: I think the Member is aware of parliamentary language, since he is an experienced parliamentarian.

Mr. T. Sudama: Madam Speaker, maybe I do not know enough of the English language to find another word to describe this kind of imposition.

Madam Speaker: I think the hon. Member has a very good command of the English language.

Mr. T. Sudama: The measures must not be arbitrary.

Mr. B. Panday: Use the word the Member for Fyzabad used; that is the word the Member wants to use, but just do not say it.

Mr. T. Sudama: The Member for Fyzabad has a certain leeway.

Madam Speaker: Would the Member for Oropouche carry on with the debate.

Mr. T. Sudama: Madam Speaker, the Member for Fyzabad is pundit and I am not, so he has certain licence.

What we see in this Provisional Collection of Taxes Order is a kind of arbitrariness. The Minister of Finance has sought to impose a tax on whatever transaction he can—grossly arbitrary in his selection of what he is going to do and how he will attempt to raise these revenues.

As I said, when the Provisional Collection of Taxes Order is presented, at the side of each item I would like to get an idea of how much revenue he hopes to collect for the period in question. So, as we look at it, we would be able to identify whether, in fact, these measures are revenue raising or whether there is some other social policy attached to them.

Madam Speaker, as you know, a system of taxation can try to achieve a number of objectives, and only one of them is revenue raising. A system of taxation can have a deterrent objective, where one does not care so much for the revenue raised, but by taxing certain transactions one hopes to discourage that kind of transaction. I hope that was the intent when the Minister placed that large taxation on the clubs in Trinidad and Tobago.

I hope it was the intention to discourage the undue tendencies to gambling in this country—which, in some respects, is related to criminal activity—and not just to raise revenue. He did not say so, but I assume that, perhaps, at the back of his head, he had a social objective in mind.

Then, the Minister imposed a system of administration of taxes—and taxes in themselves—for the convenience of members of the public. Once there is a greater degree of conveniences, there would be a greater degree of compliance; it stands to reason. With all these taxes and the complexities that we have here, I am wondering whether, in fact, this is going to make for the convenience of the

taxpayer. I have something particularly in mind. There was an Inland Revenue Division in San Fernando which served as a southern division, and which was an easy point to reach because San Fernando is a focal point for so many districts of South Trinidad due to the way the taxis and public transport system are arranged.

Do you know what the Government did? It took that revenue office and placed it quite in Marabella, so that people now have to take two and three taxis to reach Marabella in order to get the services of an Inland Revenue Division instead of taking one taxi. Do you know why that was done?

Mr. Valley: The people of Marabella do not have to pay anything now.

Mr. T. Sudama: Did the Minister of Local Government do that? If he did not do that, he should review that decision. Look at the inconvenience to which people in South Trinidad are placed in having to go quite to Marabella to transact taxation business. The Government ignores that. It does things at the behest of whatever interest is pushing it, not for the benefit of the citizen.

The Government also serves the interest of the economy in terms of the taxation system. I would draw particular attention to this corporation tax, where all small businesses, sole traders, everybody, are required to pay the 0.25 per cent levy on gross sales. I ask: How much money does the Minister expect to get from this? Does he expect to get \$3 million from expanding the net involving those who are liable for business levy? *[Interruption]*

3.30 p.m.

The Minister says that he might collect \$3 million. What would it cost him to collect that \$3 million? He might be good enough to tell this House. As the Member for Couva North rightly says, when there are collectable moneys from those who owe various banks, their debts are forgiven. Here you might be spending more than \$3 million in terms of the fees, the cost of wages to officers and the difficulty you will have in assessing people for what is likely to be their turnover, and the 0.25 per cent business levy.

If it costs about \$3 million to collect \$3 million in additional taxes by this imposition, what sense does it make? The Central Bank, as the Member for Tobago East advises me—I am going to talk a little more about that on Friday—in order to deal with a high-handed and arbitrary decision of the Central Bank, it is going to cost the taxpayers of this country in the vicinity of \$500 million.

They are not thinking of saving money there. They want, in local parlance, “to dig out the eye” of the small business on the side of the road, the parlour vendor, the ice cream vendor, the doubles man or the coconut vendor. The Government is

ignoring the vast waste and expenditure that go on in other parts of the system. How could you justify that to the public?

This is why I really want to find out what is the rationale behind imposing this business levy to bring into the net all these people I mentioned, and whoever else the Government wants to target. I want the Minister to explain to me how his Inland Revenue officers are going to estimate the sales of a doubles vendor in order to impose this 0.25 per cent levy on his gross sales.

Mr. Mottley: Ask the Internal Revenue Service of the United States how they do it.

Mr. T. Sudama: They are going to impose arbitrary figures and put more pressure on poor people here. It does not matter how they get the money. Their view is they are getting it, and what inconvenience and what arbitrariness they employ in raising revenue, their duty is to raise it.

Mr. Mottley: Only the poor salaried man must take the bounce?

Mr. T. Sudama: Saith must take the bounce, too. Why are you forgiving Saith? And you are talking about the poor salaried man. What class interest do you support and what are the iniquities that you induce in this country as a result of Government policies?

When we talk about revenue raising we are not just talking about dollars and cents. I remember clearly, when I sat here from 1988 to 1991 and almost every Friday the Member for San Fernando East rose in this House to say that the NAR Government was a dollars and cents government. The Member for Laventille West was a good supporter in that—accusing the NAR Government of being a dollars and cents government and having no thought about the condition of people and the hardships and suffering they were experiencing. Every day the Member for San Fernando East got up in that House, from 1988 to 1991, it was the same song he sang. Today, what do you think they are doing? Same letting go of the dollars. It is only cents they are going after. “Peewats” they are going after and ignoring the larger corruption in this society. And talking about, why should we only target the poor salaried man? My view is that everybody should pay a fair amount of taxation.

The value added system of taxation which they have imposed ensures that every man—employed, unemployed semi-employed, pensioner, student everybody—pays once you enter into a transaction. You have to enter into a transaction for almost everything, so that everybody pays and contributes in that way. Now they are imposing these improbable taxes. I find the Minister of Finance is being badly advised.

While I am on the point of discussing Value Added Tax, I would like to know whether the Minister has considered—in terms of people who will report and account for value added taxation—raising the vatable ceiling from \$120,000 to perhaps, \$150,000 in light of the fact that since 1989 or 1990 when VAT was introduced, transaction prices have gone up for the same volume of real transactions.

If you were selling 1,000 items in 1990—now you are selling the gross of that because import prices have increased and all the charges have increased—that may have gone up by 25, 30 or 40 per cent as the case may be, between 1990 and the present time. Therefore, if you wanted to provide some measure of relief to the small business people in Trinidad and Tobago, raise the ceiling, for a number of people will be caught in the net of VAT because of the higher increases in prices that they have to pay.

I urge the Minister, in view of the representations that were made, to consider whether the ceiling of \$150,000, where you have not accounted for Value Added Tax, should be raised to a ceiling of \$130,000 if you really want to assist small business in Trinidad and Tobago. They have made the point. It is a valid point being made on all sides that if you want to deal with the unemployment problem, one of the critical areas where employment is generated is the small business sector.

Therefore, if you want to assist, then you do things to relieve that small business sector of arbitrary impositions. If you do that you will be helping them and, therefore, as a result of greater activity on the part of the small business sector you are going to have more income generation and more employment generation, particularly employment generation. The Minister seems to be targeting these small business people, giving a little with one hand but taking away much with the other hand, therefore, I am not sure that the small business element will benefit.

As we look at these measures we see certain things that may strike us as contradictions. The first is the size of the increases of some of these items. It is true that these amounts may not have been changed from the 1930s or 1940s, yet today people are faced with having to pay an increase which is five times what they were accustomed to paying—sometimes 600 per cent and more. For example, on one item under real property where there is a charge of 60 cents, that is now substituted to \$15.00.

3.40 p.m.

As you go down the line you would see that the size of this increase in certain cases is onerous. That again brings me to the question of whether the Minister has really thought out the consequences of this.

For example, where companies used to pay \$40 to file a return, they would now pay \$80. This is a 100 per cent increase. The question is: Is this an incentive, or a disincentive? The more the Government taxes, the greater the disincentive would be for people to file returns. You would see fewer and fewer companies filing returns because they may feel this imposition is too high.

Now to the question of passports and the charges which have been levied. The Government might feel that the present type of passport is not satisfactory, but people have already paid for them. Some passports may have many years left and if it wants to reissue a validly held passport because that would ensure that there would not be forgery at the same level, why is it charging people for a decision that it has made? I believe that if people have paid for a current passport and the Government wants to reissue one, then the Government should stand the cost of that replacement.

When one sees the heavy charges involved with respect to the replacement of a lost or misplaced passport, \$500; for a child, \$450; a stolen passport, \$150; a tampered passport, \$400 and \$350, one would ask: For what are these charges? Are they to discourage would-be holders? In many of these cases, these are genuine problems that arise. If the Government wants to ask people to be more careful with their passports, all well and good. However, in many cases the loss cannot be helped; it is beyond their control. I am saying that perhaps it is a little too punitive to be charging people for things which may not be in their control.

The cinematograph and video entertainment licence has gone up from \$1,000 to \$1,500. I wonder whether the Minister is aware of what is happening in the cinema industry today. When last has he been to the cinema to see how many patrons there are? If it is a valid form of recreation, why is he taxing these cinemas out of existence? Many of them have gone out of existence already.

People are going to cinema less and less because when they park their vehicles, they are not sure to meet them when they come back outside. People are not venturing out to the cinema, although it is a useful form of recreation. The more taxation that is put on that industry, there would be less and less investment in the cinema industry and that avenue of recreation for people would be closed.

We want to know what is the objective of taxation. Is it to eliminate certain industries by increasing the imposition, or what really is the objective? As I go through this Provisional Collection of Taxes Order my mind begins to ask questions. Why have these levies been made? Was it an act of arbitrariness? Was there some method or purpose in it? Was it just revenue raising, or were there other objectives in terms of raising this?

I go on to air mail postage rates. A letter is a form of communication that is really used, by and large, by the poor people. What is the relation? Is it a question of user charges, that he is relating the increase to the cost of service? If that is the case, how am I to know in this Parliament that that is in fact the objective? I must know what it costs to provide the service, if he is telling me that the increased rates are to meet the increased cost of service. I do not know what is the increase in the cost of service. I am at a loss to know what is the purpose for increasing these rates, except as I said the Minister wants to put further pressure on poor people, which seems to be his intent.

Motor vehicle and road traffic taxes have been dealt with extensively. If there is any element in this Provisional Collection of Taxes Order which qualified as vicious and oppressive, it is the imposition on the poor motorists. They are subject to all kinds of hazards, such as the condition of the roads, the theft and banditry of motor cars which are not safe even under lock and key in one's garage; the rising cost of gasoline and car parts with the devaluation of the TT dollar. In the absence of a proper public transport system, the motorists of this country really have to pay through their nose. When one looks at these taxes, it makes one weep for the poor motorist for what he has to undergo for the benefits that he derives from public expenditure.

Here we are putting a sales transfer tax, adding to the licence fees and taxes for motor vehicles and maxi-taxis, and the whole range is in this Provisional Collection of Taxes Order. The motorist has been identified as a target which this Minister of Finance is going after. And all this is happening in a situation where the Government is giving itself exemption from motor vehicle duties and taxes.

The public is very conscious of this and the people are talking about the inequity of the system. How could the Ministers of Government deal with themselves in one way, and when it comes to imposing taxation, they are imposing them on the motorists in an oppressive way. How can this be justified? These impositions are concerns for all motorists.

I heard the Minister talk about refunds for those people who had paid the transfer taxes before the amendments were proposed and decided upon. I ask the Minister: What is the procedure to be put in place so that people would get their refunds? My suspicion is that refunds may be only spoken of and proposed but in fact, people would get so much difficulty getting their refunds, that they might just forget it.

3.50 p.m.

That is another way of collecting taxes and making a subsequent amendment and not having the administrative machinery to execute those amendments. People have come to me and have said, if that is the case, they are going to the Licensing Office for a refund. When they go to the Licensing Office, they are told: "What refund? We do not know about any refund. What are you talking about? We have no knowledge of any amendment to this order, so where is the refund going to come from?" When they pass this today, what procedures are they going to put in place to ensure that people get their refund, or would it take them a year? Would they get interest for the time the money is kept?

I have been asked to raise a question about the business levy under the Income Tax Ordinance. We are asking people to put foreign currency into local banks and they are being told that they would induce greater savings in foreign currencies. What happens in a situation where a bank, for one reason or the other, becomes bankrupt and a person has his money, in foreign currency, in that bank? Is there any insurance for a foreign currency account in a local bank? If there is not, what they are telling people is that they put foreign currency in a local bank at their own risk. They know when they put money in Trinidad and Tobago currency, it is covered up to \$50,000, for any account, by the Deposit Insurance Corporation.

Do we have any coverage for foreign currency accounts? If not, tell the country that we do not and that they put foreign currency in a Trinidad and Tobago bank at their own risk. Level with the people! It is not that I have any foreign currency account or any money. It is not that I am making a special plea for myself. I am making a plea for all those who may have been wrongly induced to put their money into a local bank thinking that it is safe and at least covered up to a certain amount. If it is that the money is not covered, perhaps the Government can tell the country so, candidly, and people will know where they are in terms of the risks they take.

Concessions are given to small approved businesses where they have greater access to credit from the commercial banks and financial institutions, by having part of their interest, 50 per cent, on these loans, a tax deductible expense, and other concessions. May I inform the Minister of Finance that this applies only to approved small companies. In the agricultural sector, when one takes the total number of people employed at the small holding level, there are very few approved small companies.

So that this target of trying to make more credit available will not reach any large section of the farmers. Ninety-nine per cent of them are not incorporated. In

addition, to be incorporated you have to be approved, so, who will benefit from this measure?

In other business categories of retail, there are retail enterprises whose sole traders are not incorporated—there may be some partnerships—operating at that level. They are not incorporated; they cannot be approved and, therefore, they are not entitled to benefit from whatever relief or concession that is provided here. I want to get some clarification from the Minister of Finance as to what extent he will broaden this category of approved company. Will he change that categorization and allow people who are unincorporated, but who have identifiable businesses with a history and a record of performance, to benefit from this access to credit? He cannot work at cross purposes.

If the Minister wants to encourage the small business sector, which is an area where substantial employment can be provided, then he must give the fullest encouragement to that sector, in the light of their retrenchment practices and policies that will intensify next year. I would like to get from the Minister some clarification, and if not clarification, some assurance that his Government is moving in this direction.

I cannot, for the life of me, understand the rationale behind this financial transaction tax. When I looked at the Ninth Schedule, I saw 160 different types of transactions of financial institutions and on almost all of them, in addition to the current charges, there will be added 15 per cent, which will go into the coffers of the Treasury.

On whom will this burden fall? The corporation which has to pay the tax on financial services will pass it on to its customers.

Madam Speaker: The hon. Member's speaking time has expired.

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

Question put and agreed to.

Mr. T. Sudama: That is the point I want to make. The high income earner, the corporate citizen, the high income professional will pass this tax on financial services on to their customers. It is the poor man, who is the worker, the salaried person, the man who is trying to eke out a little livelihood as a vendor, whatever he may be, who cannot pass it on—he will have to bear the full brunt of it.

I have a report here of some of the charges being made for services provided: Duplicate Statement of Accounts—\$7.50 per sheet, and they will add 15 per cent

more; Interim Statement—\$10.00; Certificate of Balance—\$15.00; Statement of Interest Earned—\$15 and \$25; Voucher Search—\$20; Cheques deposited and subsequently charged back to customer's account—\$20.00.

They have put a charge on that of 15 per cent. As you go down the list, you see the phenomenal amounts that the banks are charging. Cheques sent on collection—\$25; Delivery orders on airways bill—\$15; Endorsement of documents as attorneys—\$25; Holding charge—\$30 per month; Handling charge—\$100. All these things are now going to carry an additional 15 per cent to be borne by the poor middle and lower income groups of this country.

4.00 p.m.

My question to the hon. Minister of Finance, as I asked on a previous occasion is: Do you feel that the banks in Trinidad and Tobago are making too much profit? If it is the banks that you want to target, and I hardly think so because I know the association between the PNM Government and big business, I do not have to reiterate that to you.

If you feel that the banks are making too much money—as I said the moneys they made last year were as a result of the windfall profits they obtained from currency transactions because of the devaluation of the Trinidad and Tobago dollar—then why do you not design a specific tax to deal with windfall profits on foreign exchange transactions?

This would not then be borne by customers of the bank, particularly the lower income ones, if that is a concern to you. If that is the case, then we ought to have a differently targeted system of taxation for the financial institutions of Trinidad and Tobago. They have not done that and here they come with this *carte blanche* tax on financial services which applies to everybody regardless of the circumstances of the customer of the bank.

We view this taxation in particular, as well as the motor vehicle tax, with much alarm as to how it is going to impact. When I make these suggestions and talk about relief in certain area, relief in certain impositions which are contained in this order, the Minister of Finance is going to respond, "Well, if I want relief in this area or in the other area, what areas must I tax? Where must I get the revenue to offset that?" Well, one thing I will tell you: You must not write off bad debt willy-nilly. The National Commercial Bank would have shown a bigger profit than it is showing currently. You ought not to write off bad debts willy-nilly, because when you give a personal guarantee for a loan, it is not confined to the assets of the company for which you borrowed. A personal guarantee covers all

your assets. Even if the company for which you borrowed goes bankrupt, then the bank could come after any of your other assets.

Mr. Robinson: Including your salary as a Minister.

Mr. T. Sudama: Exactly. Why is it that they are so quick to write off, especially where Ministers are concerned? Then they talk about how they are strapped for revenue and they cannot get revenue from this source and the other source. Madam Speaker, as I said, it is different strokes for different folks. They want to kill the vendors on Independence Square trying to eke out a little living there, and yet a man who has a \$12-million debt or whatever it is, with the stroke of a pen his debt is written off and he gets the advantage. *[Interruption]* The planner of the budget, I understand, the man who talks directly to Washington and then relays the message to the Member for St. Ann's East.

This is why the PNM Government has been brought into disrepute—because of the way they deal with different classes of people. One policy is for the rich and another for the poor. When election time comes, they “run” a little URP; the “bread” is running and immediately after election, they go back to their real policy.

With respect to the alternative sources of revenue, you have an in-bond sales tax; you are targeting certain types of liquor sales to get revenue, and that is why I would have liked to know the estimated revenue for each item; then we would have been able to make a better assessment as to the viability of the revenue raising measures in the Provisional Collection of Taxes Order. But we do not have that. I do not know how much tax you expect to raise from in-bond sales by a 5 per cent increase. Two million dollars?

I sat down and enquired, why is it the Government did not put a higher tax on beer? That will serve a number of purposes. Do you know how much the beer industry makes? If there is any industry in Trinidad and Tobago that is doing well, it is the beer industry. Do you know who owns the brewery? One of the Syrian backers of the PNM Government.

Beer in Trinidad and Tobago is one of the cheapest items you can get internationally. To purchase a beer for three dollars—I am not suggesting that you should overtax your commodity which is the poor man's drink—you could serve two purposes if you put up a little tax: you will force people to drink a little less, so it has a social purpose, and at the same time you will be raising an enormous amount of revenue.

If you put a 5 per cent tax on beer, that is only 15 cents on a pint—that is at the retail level—you would be able to rake in millions of dollars of revenue,

rather than the piddling \$2 million you are trying to get from the in-bond sales tax. At the same time you would be serving a number of objectives; for one, you would have been trying to balance your revenue and your expenditure. I do not know if you have been to that brewery, Madam Speaker. It operates 24 hours a day, the demand is so high. Therefore, as a Government, you should look at those areas where demand is high and where you can get some revenue without too much of an imposition on the people of this country.

But you cannot look at beer, because if you only talk about a beer tax, Anthony Sabga would be down on you like a bullet. This is the interest that runs the Government of Trinidad and Tobago. Instead of looking at these areas, here you come and put all these impositions and different kinds of taxation, particularly to impact heavily on the poor, middle income people.

4.10 p.m.

So what I am suggesting here, like the Member for Couva North, is a complete review of these measures, a proper justification for them, which we really have not got. We have not had a proper justification for the impositions we are asked to approve; we do not have the full facts. This is why we are proposing, and we have proposed before, that a special committee of Parliament be set up to monitor the implementation of the Budget, both on its revenue and expenditure sides. We make that appeal again today, because otherwise, what we are being asked to do here is “to buy cat in bag”.

The Minister comes, he gives us some kind of superficial justification, he does not even give estimates, we cannot go into these figures and analyze and examine them and look at the rationale, and particularly probe into the interests which are to be affected one way or another by these measures. So we come here, we talk, we debate, in whatever way we can; finally the Ayes have it and everybody goes back home, and we are none the wiser as to whether this budget is meeting the needs, whether it is justified, whether the provisions of revenue collection are justified.

For all these reasons, we on this side believe that the Minister of Finance should come back to us. When he does, we want him to be part of the full debate. We do not want him to just present and somebody else take over. If the Minister is responsible for this, he should come and justify himself and his proposals fully, in front of a Parliament or a parliamentary committee. Come here and tell us!

If the Minister justifies his measures—we on this side are not unreasonable people—his budget and his revenue collecting measures and the impact they will

have, we will lend the Government our full support. Because we see ourselves in this Parliament as dealing with the business of the nation; what promotes the interests of the people of Trinidad and Tobago is our interest, and our responsibility. That is how we see our role, regardless of what the other side may think, especially the Member for Diego Martin Central, who is always accusing this side of being irresponsible, obstructionist and so forth. We see our role in a different light. *[Interruption]*

If it is not the Member for Diego Martin Central, it is the Member for San Fernando East, who is always accusing this side of being obstructionists, irresponsible, making all sorts of statements designed to bring the country into a state of civil war. We are not about that; we are about the business of the people, and we will lend support to measures which we are convinced will operate in the interests of all the people of Trinidad and Tobago—including the business classes, the entrepreneurs, the farmers, the small business, the salaried, the wage earner, the vendors and the unemployed. Our business is to see that everybody benefits from the policies pursued by any government in power.

As we debate this Provisional Collection of Taxes Order, nobody on this side is satisfied that what has been presented to us is justified, and will in fact derive the revenues that are claimed for it, which I myself questioned in the budget debate. Therefore, we are in a situation today, where, while we debate this measure, we really cannot lend our support to it.

Thank your very much.

Mr. Ramesh L. Maharaj (*Couva South*): Madam Speaker, I would just like to make a very short contribution to this debate. It has to do with the question of the legitimacy of the Government in trying to impose these measures on citizens, when it is quite clear that the persons who will feel the full brunt would be the weaker section of the community.

In his budget speech the Minister of Finance said these measures were to strengthen and protect the revenue base of the country. When one looks at some of the measures, and from the amounts given to me by the Minister of Finance, one sees that the Government expects to raise:

Transfer Tax	—	\$40 million
Business Levy	—	\$3 million
Transaction Tax	—	\$9 million;
In-bond 5 per cent Tax	—	\$2 million; and
Administration Fees	—	\$20 million

In determining the imposition of any tax, I think parliamentarians must consider whether these measures are reasonable and look to see what has happened. If I may deal with some of the measures. I would like to deal, for example, with the imposition in respect of real property.

One sees that in respect of the increases to bring lands under the Real Property Ordinance, where there has been no previous transaction, the increase is 316 per cent. So that, with the stroke of a pen, if a poor person has a problem with his title to land, in order to get a title to the land—because he has to get a certificate of title in order to go to the bank to get a loan—the increased amount he will have to pay, from what it was, is 316 per cent.

In respect of bringing lands generally under the Real Property Ordinance, that is in other cases, one sees that the increases range from 941 per cent; 1,288 per cent; 1,983 per cent; 4,066 per cent.

We also see that if one has to register, transfer or mortgage where the consideration does not exceed \$480—that is to say if a man has to borrow money to get a mortgage and to register that mortgage and the mortgage does not exceed \$480—well, hon. Members could imagine the kind of person who would go to register a mortgage of \$480: not a rich Minister who could have debts forgiven, but a poor man—the increase is 2,400 per cent. Where it exceeds \$480 but does not exceed \$960, the increase is 1,150 per cent. Where it exceeds \$960 but does not exceed \$2,400, the increase is 733 per cent. That is the Government which cares—cares for all, it says.

One goes down and one sees that the increase under the Real Property section is 108 per cent; 316 per cent; 1,983 per cent; 316 per cent.

When it comes to the section under “Bailiff”, the increase there is—and I have taken some trouble to have these figures worked out—3,025 per cent.

The important thing here is not what it was and what it is now; it is the percentage of the increase, because these are measures which will affect an ordinary person. Therefore, when a government is going to increase taxes, there must be some rationale, some basis in order to increase them. There must be some criteria. It must not be a figure just taken out of the hat and they say, “All right. This seems to be low. We will just put it at that figure.” We have not heard from the Minister the basis, criteria, or rationale for these increases.

4.20 p.m.

If one goes to deal with the question under “Registrar General”, section 13, one sees that:

“For entering a memorandum of satisfaction of a registered judgement or for discharging a *lis pendens*—”

That has to do with if an action is pending and one wants, in effect, to give notice of charging one’s property—people with litigation—the increase for that is 400 per cent. For the registration of any other deed or document not provided for, an increase of 300 per cent. A copy of any deed or document per page—that increase has gone up by 100 per cent.

One has to bear in mind that it is going to cost much more for people who go to get services. We have the situation where these people may be unemployed; they may not be earning any money; they may be vendors; they may be seamstresses who will also have to pay this business levy tax. Whether they are vending in Port of Spain as fruit vendors or doubles vendors, or vending at the airport in Tobago, wherever they are, they are going to have to face the brunt of these matters.

I do not understand the kinds of increases in some of these matters. It is not good enough for the Minister to say that in some cases there will be a discretion as to whether they want to do it or not. A man who has been occupying a piece of property has to get a deed for the property and there are problems with the title. He may want to pass it on to his children; he may want to make a deed of transfer; or he may want to ensure that it is brought under the Real Property Ordinance. It is something which he has to do if he has to perfect his title.

Also, one sees that for a copy of any map, et cetera, there is an increase of 185 per cent. A certified copy of any corrected extraction—150 per cent. For examining any deed or document, the increase is 300 per cent. To search the index, the increase is 300 per cent. Heartless, cruel! To search a single Town and Country Planning book, the increase is 300 per cent. Any transaction!

If a poor man goes to the bank and he wants a loan, or he has to send his children to school or he has to do any mortgage, or he has searches to be done, these are the kinds of increases that the lower income group will have to face. Here is where the weak will get weaker and the strong will become stronger.

Mr. Imbert: It is \$10.

Mr. R. L. Maharaj: Madam Speaker, it is easy to say \$10, but to some people \$10 is like \$10 million; therefore, in times like these, I think it is very heartless for one to consider it as \$10 or \$5.

The point is that these are measures under which they expect to raise this kind of money. Therefore, the important question arises, if the Government wants to have these moneys raised, they cannot with any legitimacy come to raise these moneys from poor people, which will, in effect, attack the poor people and the lower income grouping, without telling this country whether they are justified in raising these moneys or whether they could have got them from another source.

Where there is the forgiveness of debt to a Government Minister by a state-owned company, it raises serious questions. For example, the business levy—\$3 million. The seamstress and the vendor do not have to bear that burden if moneys which are owed to state-owned companies are recovered and not forgiven.

The transaction tax of \$9 million—the poor man would not have to pay that if that \$9 million could be taken from forgiven debts. The in-bond—5 per cent, \$2 million. That does not have to be imposed if state-owned institutions do not arbitrarily forgive debts—and the debts belong to the people of Trinidad and Tobago. The administration expenses—all these expenses—Provisional Collection of Taxes Order, all the percentages I read would not be necessary if these debts were collected. I am inviting them, because there are certain things which have to be said in this country and they are going to be said. They will not be said here today. But I am inviting the Government to withdraw some of these measures. This \$20 million that they expect to get from the administration expenses and these taxes, if the state-owned corporations and banks recover some of the taxpayers' moneys, these measures would not have to be imposed on poor people.

Therefore, we are suggesting that the Government take steps to have those and other moneys collected from persons who are better equipped to pay, instead of imposing these hardships on poor people.

It has not been denied by a Government Minister that there was a recommendation by a state-owned bank that debts in respect of which he signed a personal guarantee, should be forgiven. Take for example, if an ordinary man in Trinidad and Tobago cannot pay his debts, he signs a guarantee and his property is put up for sale. He is then brought to the court on a judgment summons and, if he does not pay the amount, he goes to jail. A man who takes a mortgage from a bank and signs a guarantee—if he does not pay and the property is put up for sale, the bank goes against him on the personal covenant. If a judgment is given and he does not pay, he goes to jail.

Mr. Valley: Madam Speaker, the information coming out suggests that there is no decision yet with respect to this matter. Therefore, I am saying that if the hon. Member has other information, he should not hide behind the parliamentary walls, he should say it outside. I am objecting.

Mr. R. L. Maharaj: Madam Speaker, if he wants me to go into details, I will do so, but I am saying that the chairman of a state-owned bank has announced that that bank has decided to forgive the loan and is recommending to the other banks that form the consortium that they should do likewise. That has not been denied.

Mr. Valley: Madam Speaker, I have seen no such information. The only information one saw is that some source indicated that such—

Mr. Robinson: Madam Speaker, on a point of order.

Mr. R. L. Maharaj: The point I am making is that there is no denial by the Minister. There is no ministerial statement denying that; therefore the country should be told.

Mr. Robinson: The Member for Couva South has made the point I was going to make. It is the responsibility of the Government to make a statement on this matter. The Minister cannot be allowed to intervene in the debate in this fashion.

Mr. Valley: Madam Speaker, I am sorry, but that has to be the height—I nearly used a word that is unparliamentary. This is a matter between an individual and his bankers. If an individual cannot have privacy in his dealings with the bank, then I do not know what is happening with this society. To suggest that the Government ought to make a statement on this matter—a matter relating to an individual with his bankers—is quite—

Mr. B. Panday: Look! The hon. Minister has caused the Member for Tobago East to talk out.

Mr. R. L. Maharaj: Madam Speaker, when a person becomes a Minister, there are no private dealings. His bank accounts are with the Integrity Commission. He is not a private Member and he cannot hide behind the shield of a private Member.

Mr. Valley: Madam Speaker, this Government is on record as saying that we want strengthening of that integrity legislation. It is the last government that allowed loopholes in that legislation. Until that is changed, the privacy of an individual, a Member, must be protected.

4.30 p.m.: *Sitting suspended.*

5.05 p.m.: *Sitting resumed.*

Mr. R. L. Maharaj: Madam Speaker, when the adjournment was taken, the hon. Member for Diego Martin Central had made the point that this was a private

transaction. May I just respond to him by saying that it is very surprising, nay, astonishing that the Member for Diego Martin Central could even consider that this matter is private, especially as—apart from shareholders of Trinidad and Tobago owning those shares—the Government, representing the public, owns shares in the bank.

Therefore, the bank is owned by the people of Trinidad and Tobago. So that there could be no question of any private relationship, especially where you have a Government Minister being involved. That involves the public. Therefore, if the Government is coming to this House to ask for approval of measures which would mean that the people would have to pay taxes, the people must have confidence in the Government that the taxes they are paying will be properly utilized; they must have confidence that these taxes are really necessary.

In that context, I think it was a condition precedent for the Government, on this occasion, having regard to what has been publicly disclosed—because this is not being said here for the first time; this has been public knowledge for the last few days—one would have expected that the Government would have made a full statement on this matter in order to demonstrate to this Parliament and to the national community that these things are not correct, that all the relationships are above board and therefore the people of Trinidad and Tobago are not prejudiced.

What this amounts to is that \$30 million of the people's money is taken away and put into the hands of a private individual, but this same Government is saying that you must pay tax, "band your belly" and pay it, whether you can afford it or not. That seems to me to be totally unjust. It produces grave pangs of injustice and it lacks all sense of legitimacy.

So we are saying on this side of the House that we cannot really feel satisfied until, not only that the Government makes full disclosures in these matters, but also appoints an open commission of inquiry, in which all the circumstances surrounding the forgiveness of debts would be brought out to the population; we would see the criteria which have been used as the basis for recommendation for forgiveness of debts. We would want to know what public officials are involved and we would want to know what criteria were used, so that the ordinary man in the street would have confidence in the Government. Because if there is no confidence in Government, or in institutions, we are in a serious state of affairs.

There are many things sometimes which are better not said. I believe that we, in this country, at this time, are at a very important crossroad and we ought to look at it very carefully. This is not a party matter. If we want to save this country, we cannot in one breath say, "Listen, we are going to tax you"—when we are not

showing any example and are condoning the forgiveness of debts of \$30 million, when poor people have to face the consequences.

The other aspect of the matter that I would like to talk about is this financial transaction tax and with the financial institutions. I want the Minister to tell us, if these taxes are going to be imposed, what measures the Government has in place to ensure that moneys earned from this and also moneys which are held by these financial institutions are not going to be manipulated in such a way that they can be used to back up, or can be used as collateral security at times for indebtedness of public officials.

You see, I am sorry the hon. Minister of Public Utilities is not here. I have a letter—perhaps I can expect him to respond—from Mr. Errol McLeod, President General of the Oilfields Workers' Trade Union, addressed to Mr. Marshall on November 21, 1993, which deals with this very point. It says:

“Our intelligence also tells us that an attempt is being made to involve T&TEC Workers' Pension Funds in an act to bail out a top Government Minister from his indebtedness in respect to the Southland Mall in San Fernando. In this particular matter, we shall be communicating directly with our T&TEC membership, T&TEC's Chairman, the Supervisor of Insurance and the Minister of Finance. Of course, the OWTU will not sit idly by and allow the workers' hard won benefits to be manipulated to suit the whims and fancies and cover the tracks of those who now hypocritically pontificate on the virtues of morality in public affairs.”

There are many other matters. These financial institutions which hold pension funds, what assurance do we have that these matters will be corrected? Moreover, what measures do we have to ensure that in the state-owned companies there are not people who may belong to a political party and also occupy positions in financial institutions where there are interlocking directorates? What measures do we have to ensure that there will be no conflict of interests between a person who holds a position as a chairman of a statutory authority, also holds a political position and is chairman or a director of a financial institution? These are matters which, in effect, could destroy confidence in the institutions of government.

I felt very distressed over the last few days. I want to announce in this House that I have certain information which has come to hand and I am using my discretion in this debate in not mentioning many of these matters. I would say that I feel very distressed and I hope that the Government would come out and level with the population on matters which strike at the root of parliamentary life in our country, which strike at the root of public confidence in the institutions of government. I do not think that the Government will have that chance again if it does not do so now.

In the meantime, I would ask the Government to consider the withdrawal of this measure because it cannot really have legitimacy until the country knows the necessary details of what has happened over the last few days.

Thank you very much, Madam Speaker.

5.15 p.m.

The Minister of Finance (Hon. Wendell Mottley): Madam Speaker, the Members of the other side raised a number of matters which I propose to deal with. The first matter was raised by the hon. Member for Couva North—the Provisional Collection of Taxes Order, insofar as it seeks to impose a business levy on persons who are self-employed and sole traders and therefore bring them within this net.

The first instance is that we have moved a particular amendment in which we are seeking to not have everybody, but to have people, as with VAT whose turnover is in excess of—I believe it is—\$120,000. It is not that every single person is caught in the net.

I think the arguments went even further. The Member for Couva North—

Mr. Sudama: Are you saying that those businesses that are not subject to VAT would not pay the business levy?

Hon. W. Mottley: Madam Speaker, I would go back to what I said, in that gross sales other than emolument income will confer exemption from business levy in the case of persons whose gross sales or receipts in the preceding year did not exceed \$120,000. We are not picking up everybody. What we are trying to do is to have a system that is administrable because it would cost too much to try to monitor every little kaiser ball vendor. We want the House to understand, very clearly, why we want to go this route. The business levy has been successful. It was a tax that came out of the efforts in other parts of Latin America, to try to pick up people and businesses which year in, year out, were thriving.

The business levy has met that objective, in that it is bringing into the tax world a number of businesses which, hitherto, escaped the net altogether. It is not only businesses that form corporations that are in the same vein. We have a very unjust situation where an ordinary unmarried teacher who gets \$3,000 per month, with no mortgage, has to pay an income tax in excess of \$500 per month, and a coconut vendor who can easily sell 500 coconuts per day could earn \$400,000 per year. Even after he takes out the cost of purchasing those coconuts, he has an income that would be unreported and go scot-free. But, at the same time, the up-front, open nature of a salaried worker, be it a teacher, welder and so forth, is inequitable.

Even if it is \$200,000 it is still an inequitable situation. Therefore, this is why we are attempting to draw the line and say that anyone who has a turnover in excess of \$120,000 should be brought into that net, hence this particular measure which we believe is in the interest of equity, and the bearing of burdens.

The question of the passports: We believe that the general population ought to know the facts. There would come a time when other countries would not recognize these old passports that we have. If we propose to do nothing about it, they would just not recognize them and travelling to those countries one would end up in some room, being searched and queried, because the facts are that Trinidad and Tobago passports, easily forged, have become associated with the drug business, arms running and so forth in some of the large countries.

Therefore, we have brought in these new passports; they cost this extra amount of money. We are putting up the price to the ordinary citizen, and we have discussed the matter with the major countries to which Trinidadians and Tobagonians travel, and we have given this deadline after such discussions. If the passports go beyond that date, we have taken reasonable steps, so to speak, of having a rebate. That, we think, is fair and equitable to all parties concerned.

The in-bond tax: I think it was the Member for Oropouche who raised this issue. Quite frankly, we see this as a temporary measure. I do not believe that the in-bond tax would be a permanent fixture in our tax landscape, but we are observing that right now 60 per cent of imported alcohol in Trinidad and Tobago is sold at Piarco. Of the scotch that we all drink, 60 per cent is purchased at Piarco.

The facts are that the law permits only, I think, two bottles per annum. The ASYCUDA system of computer registration of all these documents is being proven in San Fernando; it is going to be introduced at Piarco next. We are all going to be put onto a declaration system and we would be open to the customs officer being able to see exactly what we have declared in terms of whisky or whatever in purchases for the particular year. Ultimately, after that is introduced, we believe that a large element of the problem would disappear and, hopefully, at a later date we would be able to remove this particular measure.

The Member for Couva South raised some very alarming scenarios in terms of tax increases. He talked about percentage increases of 316 per cent, merciless tax increase imposed on the transfer, for instance, when it comes to dealing with RPO registration and so forth. This particular measure is merely to tidy up a situation in which the value of the land being traded is no more than \$2,400. I want to know

what land in Trinidad and Tobago is being traded and registered in value under \$2,400 that is going to represent this criminal increase in taxation on the poor.
[Interruption]

I do not think that even the Member for St. Augustine would agree to that.
[Laughter] I hope I was not the cause of that.

The transaction taxes: A number of these taxes having to deal with the payments in banks and financial institutions cannot be said to represent a high degree of taxation on the poor, as was represented by Members on the other side. In the course of receiving a bank statement and so forth, most of these charges are, in fact, made by the banks to businesses for the performance of services that the banks render. The transaction tax is essentially a tax on businesses, and not—as represented by the other side—a tax on the weak, humble and the poor. Similarly, the in-bond tax dealing with \$2 million—

5.25 p.m.

Mr. Sudama: Does the Minister think that these taxes will be absorbed by the business concerned and would not be passed on to the customers?

Hon. W. Mottley: Madam Speaker, a 5 per cent tax was put on milk and the Prime Minister was able to show that that is being absorbed by businesses. I have no way of guaranteeing that the same would apply.

In addition, there has been much discussion on the transfer tax for vehicles. This side has been sensitive in that some of those criticisms are justifiable. We have attempted to modify the measure even at some cost to the anticipated revenue, to take off some of the hardships that might have applied.

The facts are that it is not every day the ordinary man contemplates trading a vehicle. In all of these circumstances, either the transactions could be postponed—where a relatively new vehicle is involved, the highest incidence of the tax is on vehicles under two years old that are being transferred. I do not believe that there are many poor and destitute, almost to the point of being vagrants, who are regularly trading vehicles under two years old.

The Members on the other side have overplayed their case. There is not any justification for some of the cries that they make.

In addition, it was the Member for Oropouche who was not correct in saying that the benefits—we are talking about small companies. The order grants exemption from corporation tax to 50 per cent on the interest earned by financial

Provisional Collection of Taxes
[HON. W. MOTTLEY]

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institutions on loans to approved small companies and persons who carry out commercial farming on approved agricultural holdings.

The Member for Oropouche was not correct in saying that this benefit applies only to approved small companies. Any farmer who farms less than 100 acres can apply to have his farm designated an approved agricultural holding for a 10-year period and can get the benefits of this—again, the benefit of real live importance to a very wide cross-section of the community.

Finally, there is the general question that is being raised. I will only say that this whole matter of the applicability of these measures has no validity, because a particular matter concerning the Minister cannot stand the light of day and especially since all that has happened so far is a discussion based, from what I can gather, on a newspaper report in which it is clearly not established. It is a report only and it is not established that there has been any forgiveness of loans at all. That has not been established and therefore, that matter is not germane at his time.

Madam Speaker, I beg to move.

Question put and agreed to.

Resolved:

That the Provisional Collection of Taxes Order, 1993 be confirmed subject to the following modifications:

That clause 38(2) is amended by deleting the words “and 36” and substituting the words “36, 37(a) and 37(b)”.

SUSPENSION OF SITTING

The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley): Madam Speaker, I know the Minister is on his way. The definite urgent matter starts at 6.00 p.m. So we have asked him to be here for that time. Therefore, I suggest that we suspend for 10 minutes.

Madam Speaker: The sitting of the House is suspended for 10 minutes. Members, if you all wish to come back earlier just let me know.

5.30 p.m.: *Sitting suspended.*

5.40 p.m.: *Sitting resumed.*

RISING CRIME RATE (Insecurity)

Mr. Trevor Sudama (Oropouche): Madam Speaker, I have raised this matter not because I want to score points or put the Government on the defensive,

but because of the genuine concerns of people whom I meet in my constituency and elsewhere on a day to day basis, and the palpable fear and anxiety under which they live.

I have taken the trouble to take a cursory glance at the press and look at some of the reported cases of the particular kind of crime we are discussing. They are crimes of violence, robbery with violence associated with burglary and car stealing. When one sees this one wonders. These are merely some of the reported cases. We are not talking about the vast number of cases that do not reach the press. In fact, the majority of cases of this nature do not reach the press, especially if they happen in the remote areas.

We are dealing with a big and significant problem. We have seen this evidence during the last two months; we have seen an upsurge that is alarming. When citizens of this country go to bed—they can have as much burglar proofing as they want—they go to bed in fear and anxiety, because the bandits are breaking and cutting open the burglar proofing and coming in and not only robbing the families, but also terrorizing them and in many cases taking away their motor vehicles.

There is much trauma among the population. I merely want to read this to disclose to this House what has been the stock response of the police. We all acknowledge that fighting crime is a multi-faceted problem, but there is the question of urgency. We would like to know from the Government how that is being dealt with. The impression that we get is that there is no sense of urgency on the part of the Government and the police in this matter.

I just had a cursory glance at the newspapers over the last month. Here are some of the crimes that have been reported:

November 15	\$65,000 robbery at Bank of Nova Scotia, Ciperio Street, San Fernando.
November 19	Robbery at Republic Bank, Eastern Main Road, San Juan.
November 20	Proprietor of bakery in Debe, robbed at 2.00 a.m. and his family beaten up.
November 25	Seven off-duty policemen robbed by bandits of cash and jewellery at a club in Morvant.

Rising Crime Rate (Insecurity)
[MR. SUDAMA]

Wednesday, December 15, 1993

Even policemen are not immune now to this criminality.

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| December 1 | Man robbed at knife point of \$15,000 in cash at 1.00 p.m. at Diego Martin Main Road. |
| December 3 | Police constable chopped and robbed on Cipriani Boulevard in Port of Spain.

Woman held and robbed of car as she was about to drive into her home in broad daylight. |

I believe it was around the same time your home was burgled, Madam Speaker? I am not sure. Even the Speaker of the House—nobody is immune to the banditry.

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| December 4 | Eight patrons and a proprietor robbed at gunpoint. Car taken away at St. Julien in Princes Town.

Theft of \$40,000 cash from jewellery store in Sangre Grande and a man was found dead on the floor of the premises.

\$60,000 robbery at Dollar Rescue in San Fernando. |
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This seems to be a special occasion.

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| December 6 | Robbery at Bank of Nova Scotia, Eastern Main Road, San Juan. |
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All these robberies are accompanied by violence, either shooting or the threat of shooting, using of knives and other harmful implements.

- Robbery at D & S Eastern Main Road.
- Robbery of \$19,000 from proprietor of gas station at Pointe-a-Pierre Road, San Fernando.
- Proprietor and employees of boutique robbed at Gulf City Shopping Centre Complex.
- Man robbed of his car on Eastern Main Road, Barataria.
- Two salesmen robbed of \$5,000.
- Man robbed of motor car, cash and jewellery at Westmoorings.

There is no respite. It is an everyday occurrence throughout Trinidad and Tobago.

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| December 7 | Motor car taken at gunpoint in Reform Village.
Taxi-driver robbed of car at Pleasantville.
Salesman robbed of \$3,500 in San Juan.
Gas station owner and attendant shot at Royal Road, San Fernando at a gas station. |
| December 8 | Store in San Fernando broken into and \$50,000 worth of goods stolen.
Owner of furniture store in Debe and family beaten at 4.00 a.m. |

The bandits broke the burglar proofing and when they could not get the car started, they proceeded to smash its glass. On the same night there was an attempt to steal a car at Debe; when the bandits could not get the car started, because the man had taken out the rotor, the owner was threatened. He was inside his house and he was told, "Make sure when we come back tomorrow, that your car could start or else."

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| December 10 | Robbery attempt at Park Street, Port of Spain branch of First Citizens Bank.
Gas station proprietor robbed at his home in Debe at 7.00 p.m.
Three motor cars stolen. |
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That was on the same day that the Head of the Divine Life Society was being cremated on the banks of the Caroni River. As far as I am aware no recovery has been made.

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|-------------|---|
| December 11 | Bandits kill man at San Fernando Recreation Club. Proprietor/Contractor in Mohess Road, Penal held up, beaten and robbed.
PH driver held up at Trincity. |
| December 12 | Woman robbed of her car at gas station in Tunapuna. |

These are merely some of the reported cases in the press that we are talking about. Around this Parliament building, Mrs. Mendonca of one of the departments here had her car stolen, and nobody knew. This is within the precincts of the Parliament. Nowhere is safe and no one is immune. There is a rampage.

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You see some of the reports such as bandits on the rampage; bandits shoot two in robbery attempt; bank bandits leave empty-handed; bandits having a field day; bandits kill man in South. This is going on and on. These are merely the reported cases. In my constituency over the last month there were 25 cases of robbery with violence, burglary and theft of motor cars. Most of these cases never reached the press.

The question is: we are in a situation like this; what are we going to do? You would expect that the police should be in a position to at least give some kind of assurance when contacted, but invariably the answer is that they have no vehicles and they cannot pursue anything. There are times when, if they could have reached the premises within 10 or 15 minutes, the bandits could have been caught.

Whether there is a vehicle available or not, we would not be able to say. That is the stock response. Here we have a police service that cannot respond; they say they have no vehicles and people are at the mercy of bandits who are fully armed. Bandits are on the rampage, engaging in all sorts of violence and criminal activity. You would never believe that this is a population of 1.2 million people, a so-called peace-loving parliamentary democracy.

5.50 p.m.

When you read the newspapers and see the reported cases of banditry and you have an idea of the unreported cases, you would want to know if this is perhaps somewhere in the Wild West of America of the last century. People are afraid. People do not leave their homes in the night in Trinidad except it is absolutely necessary. Their freedom of movement is restricted. People do not have the enjoyment of their property, whether it is a motor car or anything else. Once the bandits come, they are not going empty-handed. In such a scenario, what we are hearing is the odd statement, but there is no definitive action, no concrete action, no positive approach to dealing with this immediate problem.

We are not hearing anything from the Government. All they are apparently concerned with is forgiving debts. They are not concerned with dealing with security, with the grave and increasing insecurity of so many of our citizens. People are living in fear. What kind of society are we creating, where the bandits seem to be running the show, the policemen are on the defensive or do not care, and the Government seems to be inert in this whole situation? The Government Members seem to sit back and fold their arms and allow this situation to continue.

It is amazing, you know. People go to the police and there are three responses.

- (a) When you telephone them, they have no vehicle to come.
- (b) When the people go there to report in person it is as if the victim is the culprit. They are put through all types of interrogation, in spite of all the trauma they have suffered.
- (c) They are told, "If you hear something let us know", as if it is the duty of the citizens to pursue criminals and to let the police know what they have heard as a result of their investigations.

This is where we have reached in Trinidad and Tobago. Do not forget that on the Ministry of National Security we spend about one-fifth of the total budget. If citizens are insecure, and if throughout the length and breadth of Trinidad and Tobago there is this rampaging banditry, what are we spending this money for?

We have raised the issue of 24-hour patrols in the area. There was an army/police patrol over a number of months, and the situation had died down a bit, but for some strange reason the army and police patrols have gone out the window and the bandits have come into their own again.

We would like to know what the Government, the Ministry of National Security and the police service are doing to relieve our long-suffering citizens of this agony of crime, particularly crimes of violence with robbery, burglary, thefts of motor cars and all the terror and trauma to which the citizens of this country are being subjected.

Today, I hope that the Government will say something positive and concrete and give assurance, not with words, but with deeds that something is being done and that people can sit in the security of their homes without fear of attack.

Thank you very much.

The Minister of National Security (Sen. The Hon. Russell Huggins): Madam Speaker, first of all permit me to apologize for my late arrival. It could not have been avoided.

Madam Speaker: I do not think it is the hon. Minister's fault actually. The Motion was adjourned until 6.00 p.m.

Sen. The Hon. R. Huggins: I thought I would apologize for fear I am accused of being discourteous to this House.

One thing that I have discerned from the comments made by the hon. Member for Oropouche, and I can only hope it is also something that other Members of the Opposition would observe, is that there is, in fact, a great need for certain

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reforms to take place in the police service where accountability for the actions of police officers would be given high priority.

As you may no doubt be aware, this Government attempted some time earlier to bring certain changes that would deal with the problems that citizens encounter insofar as they relate to the attitude of police officers who receive reports and are sent out on investigations. It was made clear by the Government that unless and until a system is put in place where police officers are held responsible for, in some cases, their ineffectiveness, in other cases their bad attitude towards citizens, then I am afraid that it is a problem that is not going to be raised only in this Parliament, but also in subsequent parliaments.

In that respect, I am going to plead again, principally with the Opposition, that they should seriously start to consider our proposals to reform the whole system of management of the police service. I can say without fear of contradiction that unless that is done, we will continue to have problems there.

Mr. Maharaj: Madam Speaker, on a point of order, I think that the hon. Minister is saying—

Mr. Valley: Madam Speaker, on a point of order, this debate is between the person who raised the issue—*[Interruption]*

Madam Speaker: No, no, hon. Members.

Mr. Maharaj: The Minister is talking about proposals which have been made to the Opposition.

Mr. Valley: Do not mislead the House.

Mr. Maharaj: I can always stand on a point of order.

Madam Speaker: Proceed, please. In matters like these, if one checks the Standing Orders, one would find that they are quite clear. These matters can be thrashed out elsewhere.

Sen. The Hon. R. Huggins: Thank you, Madam Speaker.

The Government recognizes that there is, in Trinidad and Tobago, at this time, a problem with crime. The Government is, in fact, taking certain initiatives to deal with it. One such initiative, as I mentioned in another place, is that by Friday we will be stationing at a new facility at Mausica, 100 police officers from the Service Support Unit who will have the responsibility for 24-hour patrolling of the entire East-West Corridor from Matura to San Juan.

Effective today, a corp of the Service Support Unit was placed at the new facility that was handed over by the San Juan Businessmen's Association yesterday. This will also be extended to Marabella where another group will be placed to deal with the southern area. We have to recognize, whether we like it or not, that we have limited resources, and that the Government is trying its best to maximize their use.

6.00 p.m.

Thanks to a generous corporate citizen we have been provided with 15 vehicles which we will place at the disposal of the Service Support Unit to be operated out of the Mausica Police Station. In addition, on Friday, December 17, 1993, at 10.00 a.m., 100 motorcycles will be handed over to the police service and these will be distributed throughout certain specified police districts. These motorcycles will be used to police certain special communities, from which we have had complaints about crimes taking place in broad daylight. The reason for the late handover of these motorcycles is that it became necessary to train police officers to ride them.

In addition to that, the police service has in fact increased manpower on the streets of Port of Spain. As a matter of fact, almost half the Finance Branch has been removed from desk jobs and placed on the streets. There is, in fact, an increased presence of police officers on the streets, not only in Port of Spain, but in San Fernando and Chaguanas as well. This we intend to make more permanent in the sense that only recently the Cabinet agreed to the creation of an additional 137 civilian posts in the police service, bringing the civilian posts to a total of 484. This, again, is with the intention of relieving more police officers of office duties so that there will be a greater presence on the streets.

We are at this time also looking at ways and means of addressing one of the matters that were raised in the *Scotland Yard Report*, that is, reducing the amount of paperwork police officers are required to do in taking note of crimes committed. The amount of time spent by uniformed officers in stations recording crimes will be reduced, so that their presence on the streets will be for a larger part of the day than at present.

It is therefore quite unacceptable to make a statement that the Government is not doing anything to deal with the crime situation. As I have said, yes, we recognize that there is a crime problem, but we are working assiduously to address it. I can only hope that it is addressed sooner than later.

Mr. Sudama: Madam Speaker, before the Minister finishes could he answer two questions? Firstly, is it the intention of the Government to bring back the

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joint police/army patrols? Secondly, he mentioned a Special Support Unit with additional personnel being established at Mausica, San Juan and Marabella. Does he have any plans for the southern area of San Fernando, whether it is Penal, Fyzabad, La Brea, Barrackpore, Princes Town, where we have widespread criminal activity taking place?

Sen. The Hon. R. Huggins: Madam Speaker, there are no immediate plans for stationing units, such as the Service Support Unit in some of those areas, but we have plans to increase the strength of the police based in certain outlying areas like Penal and so forth. That is going to be one of the results to flow from the civilianization of the police service. As I said, that process has already started.

Insofar as the joint police/army patrols are concerned, again, it is all well and good when we hear, not only Members of the Opposition, but other citizens as well cry out for the Ministry of National Security to use army personnel in some of these patrols. For, from the moment I gave authorization for joint patrols, I started getting numerous letters, and not only from citizens, but principally from attorneys far and wide.

It is not legal for a soldier to lay a hand on any individual. You may have soldiers going out with a police officer—it may even be at the request of the police officer to assist him in apprehending someone and then I get a flurry of letters threatening legal action from attorneys, claiming that whilst they have no problems with police officers having the authority to arrest, that does not apply to soldiers.

I seem to recall again when I made a proposal that the Defence Force be given certain powers in aid of the civilian authority, so that putting the police and soldiers together to assist in curbing crime would be more effective, there was a big uproar that we should leave soldiers to deal with unrest, and we have police to fight crime. One has to make up one's mind as to what one really wants. I have no problem whatsoever with putting soldiers out on the road, but I thought I would let you know what I am faced with when they try to assist the police. One of the greatest letter writers, in that connection, is right here with us today.

I thank you.

ADJOURNMENT

The Minister of Local Government and Minister in the Ministry of Finance (Hon. Kenneth Valley): Madam Speaker, in moving the adjournment this evening, I want to thank you most sincerely for your invitation to a Christmas

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luncheon on Friday at 11.30 a.m., and bearing in mind the invitation says up to 2.00 p.m., I beg to move that the House do now adjourn to Friday, December 17, 1993 at 2.15 p.m.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 6.10 p.m.