HOUSE OF REPRESENTATIVES

Monday, December 13, 2004

The House met at 1.30 p.m.

PRAYERS

[MR. SPEAKER *in the Chair*]

LEAVE OF ABSENCE

Mr. Speaker: I have received communication from the following Members requesting leave of absence from today's sitting of the House: the Member for Caroni East (Mr. Ganga Singh) and the Member for Arima (Hon. Pennelope Beckles). The leave which the Members seek is granted.

PAPERS LAID

1. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Tobago Regional Health Authority for the year ended September 30, 1999. [*The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley)*]

2. Report of the Auditor General of the Republic of Trinidad and Tobago on a Value for Money Study of the operations of the Central Planning Unit of the Ministry of Works and Transport. [*Hon. K. Valley*]

   Papers 1 and 2 to be referred to the Public Accounts Committee.

3. Audited financial statements of the Trinidad and Tobago Electricity Commission for the year ended December 31, 2002. [*Hon. K. Valley*]

4. Audited financial statements of the Trinidad and Tobago Electricity Commission for the year ended December 31, 2003. [*Hon. K. Valley*]

   Papers 3 and 4 to be referred to the Public Accounts (Enterprises) Committee.

FUNCTIONS OF THE DIRECTOR OF SURVEYS (VALIDATION) BILL

Bill to validate functions exercised by the Director of Surveys for the period 18th June, 2004 to 1st October, 2004 [*The Minister of Agriculture, Land and Marine Resources*]; read the first time.

INTERNATIONAL CRIMINAL COURT BIIL

Bill to provide for the prevention and punishment of genocide, crimes against humanity and war crimes, to give effect to the Rome Statue of the International Criminal Court done at Rome on the Seventeenth Day of July, One Thousand Nine Hundred and Ninety-Eight; and for purposes connected therewith or incidental thereto [*The Minister of Foreign Affairs*]; read the first time.

ARRANGEMENT OF BUSINESS

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, we would do Motion No. 2 on the Order Paper, at this time. Motion No. 1 is to be deferred for some consultation.

Agreed to.

CUSTOMS ACT
(EXEMPTIONS)

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, I beg to move,

Whereas it is provided by section 56(1)(a) of the Customs Act, Chap. 78:01, that the House of Representatives may from time to time by resolution exempt from import duties of customs, goods, which are imported or entered into Trinidad and Tobago for use by any person for any purpose specified in the resolution for such period as the House of Representatives may determine:

And whereas by Legal Notice No. 44 dated March 28, 2003, the last Resolution in respect of the goods identified below came into effect on January 1, 2002 and expires on December 31, 2004:

And whereas it is expedient that certain goods be exempt from import duties of customs as of January 1, 2005:

Be it resolved that the House of Representatives, in accordance with and subject to the provisions of section 56 of the Customs Act, exempt from import duties of customs the classes of goods imported or entered for use in Trinidad and Tobago for the respective purposes set out in the List of Conditional Duty Exemptions given in the Third Schedule to the Customs Act, for the period beginning immediately after the expiration of the last such Resolution of Parliament and ending December 31, 2007.

Mr. Speaker, section 56 of the Customs Act allows the Minister of Trade and Industry to grant certain concessions to the manufacturing sector; basically, to exempt duties on imports used in the manufacturing process or for plant and equipment. In a sense, this section is anachronistic: it belongs to a paradigm past. It first came into being in 1951 and was confirmed, of course, during that period when the whole ethos was industrialization by invitation. In that period, you will recall, that the development planning done was the Arthur Lewis model of Industrialization by Invitation. As part of the attraction to locate here, companies were given exemptions from duty, with respect to the importation of capital equipment as well as the importation of raw material for the manufacture of whatever product.

These were given on certain conditions. The companies had to show an assessment. In the old days it was the Industrial Development Corporation that did the assessment and, at present, the Tourism Industrial Development Corporation (TIDCO). They would go through this rote: talking, looking at revenues to be foregone, levels of investments, the cost of the project, the state of the industry, including the number of existing concessionaires. There was the whole concept that these were concessions given to manufacturers.

At one time, one had to be an exporter to get concessions. If you were a manufacturer, but your market was, mainly, Trinidad and Tobago, you would not get them. They looked at the manufacturing process involved, how deep it was, whether a new technology was being introduced, the backward linkage, the forwarding linkage, the foreign exchange usage and earning and they looked at environmental impact—of course, that is becoming more significant today—and employment generation. This grew in an environment where we were saying that we wanted to develop the manufacturing sector in Trinidad and Tobago and, therefore, we were giving a concession.

If we were to look at 1959, when a similar motion was put to the House by the minister at the time, Mr. John O'Halloran, he made the point:

> "During 1951 when this island decided to attempt to be industrialized, Section 49A…"

Which is now section 56 of the Customs Act:

> "was introduced in the Customs Ordinance to facilitate the granting of duty free concessions to manufactured industries. It was a blanket Ordinance and as new industries came into being, Resolutions were brought to this House from time to time, which included raw materials and semi-manufactured raw

materials to be processed in those industries. The Government desires to continue this exercise, as it is imperative that industries operating here should receive some form of assistance until they have grown sufficiently large to permit them to operate without these incentives."

Mr. Speaker, they were seen as incentives in that old paradigm. From time to time, there were calls for an accounting of the real benefits coming from these concessions. How many jobs? How much foreign exchange? That is the old paradigm.

In today's world of globalization and liberalization, we see clearly that this is important to all manufacturers. As long as you are a manufacturer, whether you are producing for the local, foreign or extra-Caricom market, you ought to have a level playing field. You ought not to pay duty on your capital equipment coming in; you ought not to pay duty on your raw material coming in; you ought not to pay duty on your intermediate product. If you are an assembler and you have to bring parts from different parts of the world to assemble your product, you ought not to pay duty on that. The only exception which is allowed —and some of us would even argue in such a case—is if the particular raw material is produced locally. When I say locally, I am talking here about Caricom. One expects that if it is produced within the region that, in fact, you will favour the local production on the condition that the quality is good and the price is right.

We cannot tell our manufacturers that they need to move towards global competitiveness, that they need to be a global company and then try to give them a burden by telling them that as long as the product is being produced in the local market they have to buy it and it does not matter what it is. Up to two years ago, there was a situation where if the product was produced locally, the manufacture had to buy it or get a letter from the manufacturer of the product telling him that he could not supply in the quantities required; only then would he be able to import it on a duty-free basis.

Understand this, Mr. Speaker: I want to produce a product; I am being forced to buy your goods, which might be substandard, or failing in that, I have to pay the 20 per cent duty or what have you, that is the common external tariff. We looked at the situation and said that it could not be in the best interest of a country that wanted to be competitive. We approached the Cabinet and the Cabinet agreed that we could establish a private sector/public sector committee, manufacturers as well as persons from the Ministry of Trade and Industry, to set up a tribunal so that if a particular manufacturer wanted to import a particular product, that is

produced locally, for his manufacturing process, then he could approach the tribunal and make a case for the importation of that intermediate product duty-free. The local manufacturer would have to go there and argue his case, why he believes that this manufacturer must buy from him rather than import.

Mr. Ramnath: That is corruption; all your partners!

Hon. K. Valley: That is corruption? That is fairness; it is too easy to talk about corruption.

We are simply putting the manufacturer in a situation to be efficient and efficiency requires that he be able to source, without let or hindrance, his raw material or intermediate product from any part of the world. That has to be reconciled, of course, with our need to assist other manufacturers in their development. If another manufacturer makes a claim and says, "I can supply the intermediate product that manufacturer X needs"; there must be some logical method to sort that out. We found that the tribunal is the best method to do so.

This is an anachronism for another reason: by rote we come here, in some cases once every year, as in the old situation, to legislate this conditional duty-free exemption; on one occasion it was once every five years; on this occasion, it is once every three years. Two questions arise: Do we still need it in this modern environment? Way back in 1994, there was the issue with respect to the selectivity of giving the duty-free exemption, meaning that if you gave a manufacturer duty-free concessions for certain goods and the goods can also be used in the retail sector by the private citizen and the private citizen is not getting the product duty-free, you are discriminating. Given the way that trade agreements are going, they are even frowning on that kind of discrimination, selectivity.

More importantly, under the Structural Adjustment Loan as well as the Industrial Sector Loan there was a provision that this conditional duty exemption would be abolished by December 31, 1994, because, of course, they argued that it was discriminatory. What the Government at the time did, in effect, was to go through the Customs Act and zero rate all the capital equipment generally used in the manufacturing process; so we dealt with that. There were always one or two that would escape.

Then there was the issue of raw material. It is much easier for a particular raw material used in manufacturing, to be also used by the consumer; a case in point is sugar. What we did at that time was to reduce the level of duty, I think to 5 per cent on raw material; other countries went to zero. Then there was the issue of the

intermediate product which, again, we attempted to put at 5 per cent and, obviously, again, we would miss some. The feeling at that time was that we would continue with the conditional duty exemption, because of the fact that some would be missed, and it has continued up to today.

Obviously, it is about time we take a hard look at this to see whether, at the very least, we ought not to lengthen the period for the operation of the Resolution. At present, we are asking that it last until 2007. When I piloted a similar motion in 1994, we asked for a period of five years because we believed that if one has a duty exemption it should be for a long enough period. If the particular company is no longer manufacturing, there is an audit procedure which ought to take care of that. As we move more towards a removal of duty, one will see that there will be little need for this Resolution. In the meantime we have to do it, we are asking that it last until 2007 and, hopefully, by that time there will be no need for a further conditional duty exemption. In other words, all inputs into manufacturing will by then carry a rate of zero duty, as long as it is extra-Caricom. In any case, if it is within Caricom, it is already zero. Capital equipment is already zero. The difficulty, of course, is dealing with the intermediate product which is, generally, dual; it can be an input into manufacturing as well as it can be a finished product.

Mr. Speaker, one would see that this concept of levelling the playing field implied here under the new paradigm—because that is what it is—is in keeping with our quest to set the environment to allow our manufacturers to be as competitive as possible. From time to time there have been issues with respect to the competitiveness of our manufacturers, the competitiveness of Trinidad and Tobago. I had cause to comment in the budget statement that very early the Government realized that in order to face the global environment, it ought to do as much as possible to aid the competitiveness of our industry.

We took steps to have the Inter-American Development Bank (IADB) look at the competitiveness of Trinidad and Tobago. Their report was dated July 13, 2004: the Long-Term Development and Challenges and Opportunities of Trinidad and Tobago. The recommendations of that report are, at present, being implemented by the Government, mainly by the Ministry of Trade and Industry. The Government has gone micro, as a fact; that was one of the recommendations coming out of the report. Members will know that there are seven sectors, at present, we are looking at: film, marine, fish and fish processing. One would have seen the notice in the newspapers where stakeholders' consultations were being held. We simply want to be acquainted with the problems of the particular sector,

so that the Government, in its facilitative role, can do what is required. With respect to competitiveness as a whole; we believe that we are doing what is required.

On the last occasion I spoke of some of the things we were doing within Caricom and how they would benefit our manufacturers. We have spoken about the Trade Assistance Programme that the Government has to develop with the assistance of the manufacturers. We know some of the elements already; some of the things we would want to do. We have started doing some of the things: looking at the different markets and looking for opportunities for our manufacturers, but they have to assist us with respect to that. Quite frankly, I feel certain that in any index dealing with competitiveness, you will see Trinidad and Tobago rising.

That brings me to another issue raised here, from time to time, concerning a particular competitiveness index. Sometime ago, I think it was in 2001 or 2002, Mr. Sacks and Mike Porter started looking at the issue of competitiveness. They sent questionnaires to business persons in particular countries and used the answers as a survey to develop the competitiveness index. When they started that study in 2000 or 2001, I cannot remember, there were 80 countries in the sample and Trinidad and Tobago ranked 37. Since then, they have brought in other countries. As a matter of fact, at present, the sample size is now 104 and Trinidad and Tobago now ranks 51st. So that with an increase of some 24 countries, Trinidad and Tobago has moved 14 positions.

Obviously, one would see that if the 24 countries added were 24 developed countries, then Trinidad and Tobago is better off. If, on the other hand, the 24 countries added were 24 Third World countries, then the movement from 37 to 51 is relevant. What one has to do, in fact, is to use the original sample and the 2004 data and see whether Trinidad and Tobago improved or decreased in this ranking. When that is done, Members would see that Trinidad and Tobago, in fact, improved in its ranking; so as a fact, the country is becoming more competitive. We would not want to do anything to change the course of that.

Mr. Speaker, this Motion has often been treated as a formality in this House. I make the significant point—I define it as significant—that in this new paradigm we ought to look and see whether there is a better way of dealing with the manufacturing sector; whether we simply want to go across the board and zero-rate all inputs into manufacturing, all intermediate products, given that the capital equipment, by and large, is already zero-rated. In the mean time, we need to have this extended; the current Resolution expires January 01, 2005 and if this is not

passed, we would have our manufacturers complaining in January that they cannot clear their goods, they have to pay duty and, of course, the increased cost would have to be borne by the ordinary consumer and, obviously, we do not want that.

With those few words, I beg to move. I seek the support of this House for this Resolution. I thank you, Mr. Speaker.

Question proposed.

Mr. Manohar Ramsaran (*Chaguanas*)**:** Mr. Speaker, the Minister of Trade and Industry, in moving this Motion, mentioned in the second paragraph:

"*And whereas* by Legal Notice No. 44…"

that was done previously, he mentioned the words:

"the goods identified below…"

To me, this is misleading the Parliament. I have seen no list of goods that will be exempt and the Motion, in its body, mentioned "the goods identified below". Here we are, in Parliament, approving "cat in bag". This is unfortunate. The Minister spoke about competitiveness, development of the manufacturing sector, the global economy and reaching zero per cent, in due course. [*Interruption*]

Mr. Valley: Let me just help the Member, please. In the body of the Motion it talks about the goods identified below and in the Resolution it states:

> "for the respective purposes as set out in the list of conditional duty exemptions given in the Third Schedule".

That is the list identified below, the list of conditional duty exemptions, which you will find in the Trinidad and Tobago Legal Notices, Volume 29 or in the Act 78:01.

Mr. M. Ramsaran: Thank you. This is the point: You are coming to Parliament to debate a motion and you are told, when you ask the question, that it is somewhere and the Minister is not sure about it. I know where it is; it is in the Third Schedule attached to the customs law. This is about 12 pages long and we have various articles listed hereunder. I am sure the Minister would agree with me that by now most of these goods have been zero rated. When we come to Parliament, we must make sure that we let the nation know what we want to say and do.

I have listened to the Member and I did some research. I want to start by bringing the House to what takes place in Trinidad and Tobago, with particular reference to goods imported under the Third Schedule. Goods are being imported to assist industries by issuance of a Government minister's licence. These goods are imported, placed into private warehouses and are taken out as time goes by. I am convinced that because of what takes place in Customs, at this time, there is not enough attention being paid to duty free concessions on goods that come into this country.

Mr. Speaker, we know that goods are brought in under duty free concessions for certain industries; for example, for the local manufacturers. This is something that we applauded in the past. I want the Minister to answer this when he is winding up: we talk about the development of the manufacturing sector, but here we have the global economy indicating to us the removal of subsidies and trade barriers. Where do we stand in this? For example, Cabinet approved the importation of building materials free from customs duties and then it was stopped because it was understood that Caricom was not considered. I have since learned that the Attorney General, at this time, is looking at the legal requirements before this can be made law.

This points to the direction I am talking about: making certain rules and regulations without studying the effect that these things will have on the country. We are talking about a global economy. On the one hand, we are talking about the removal of subsidies and trade barriers, encouraging Caricom, getting Caricom goods to come into Trinidad and Tobago and vice versa but, on the other hand, we have this question of goods imported under the Third Schedule. How does this fit into the whole question of the growing trade pattern with the global economy? I ask that question and I want a fair answer, not only a political one.

The Member talked about the competitive index. This was done in 2001 with a small sample, but what was this questionnaire about? Was it about the cost of competitiveness? Competitiveness will include the cost of goods. Transparency International recently reported that Trinidad and Tobago has gone way ahead of other countries in the corruption index. Trinidad and Tobago ranks way above every neighbouring country, as far as corruption goes. That is under the watch of this Government, so this will, of course, affect the competitive index.

Mr. Speaker, since 2001 to today, crime has doubled or trebled in numbers unprecedented before. Will this affect the competitive index? When the Member is winding up maybe he will tell us that criminal activities in the country will add to the cost of goods. I am sure the Member for Port of Spain North/St. Ann's

West would know that every manufacturer in this country now has to hire extra security guards to look at their place of manufacturing. Will this increase the cost of the production of goods? Will this not increase the cost of what we want to export and be considered in the competitive index?

The increase in gasoline prices in Trinidad and Tobago after 2001 affected the transportation industry, which, I am sure, in the minds of the Opposition, caused an escalation in the cost of living never seen before in Trinidad and Tobago. Will this not also add to the competitiveness index? So when the Member tried to throw stones at the Member for St. Augustine when he discussed the competitive index, it is much more than just more countries coming in. More countries or less countries, under this Government, we have seen an erosion of what passes for living in Trinidad and Tobago.

Another issue, of course, is the cost of inputs. When you look around this country, what do you see? The cost of living in every sphere that affects the labour in these industries has increased. The people who are, to me, the main input into local manufacturing: the labourers, the people who produce, are the ones suffering because of this Government. How dare the Minister comes to this House and talk about the competitiveness index? Traffic jam—people from Central and South Trinidad, coming into Port of Spain to work have to take two to three hours to reach their production centres, their workplaces. These people are so poorly paid that they have to spend sometimes three, four, five hours to and from their homes to their places of work. This will add to the cost of the input into completion of goods, which will definitely affect the competitiveness index.

We talk about developing the manufacturing sector; this is not only to come to Parliament and remove the duties on goods. The Minister did not deal with off shore today, but the fact is when goods are imported into this country they are duty free and the Customs and Excise Department is seen as a revenue collector. I know of officers who examined containers recently and they were empty. They asked me: Why would a container come in empty? My answer to the young custom officer was that there were many reasons; one was, of course, money laundering. This happens especially in the area where goods are imported under the Third Schedule, because people believe once goods are duty free the whole emphasis on examination and bringing to account is not there, because they are covered by a minister's licence.

Especially for the clothing manufacturers; you may find a container coming all the way from Taiwan, Japan or China and when it comes here it is empty. You wonder why; were these goods pilfered? But the lock was there; the seal was not broken; these goods, actually, came empty from the country of origin, and this has something to do with money laundering. You pay for the goods, no goods, and the money will be used for other things; this is a serious issue. I witnessed such an occurrence. Sometimes officers may decide to go against the tide and examine goods that are duty free. It is the norm to allow these goods into the manufacturer's possession without examination.

Today, when you look at the customs, all the members of administration are acting in their posts. For the last year, the Comptroller of Customs has been acting and all the senior officers. Custom officers are short of staff to do their daily chores by 80 officers. How then could this department, which is made up of three hundred and something officers, really man these areas? As I said before, they are so prone to think that they are revenue collectors and not preventive officers, they only look at collecting the duties. Because of the short staff of 80 officers—over 25 per cent of the officers in the division—there are vacant positions. If you add persons going on leave, customs will be operating with about 60 per cent of the staff allocated to them. What will happen? People would come in with these duty free concessions and with the whole emphasis on duty, they would close their eyes to that area. I wonder if this is not the avenue open for the smuggling of arms and ammunition in this country? Recently I heard the junior and senior Ministers of National Security talking about success, but yet everywhere you go in this country, you have people with guns available.

Yesterday morning I visited a very short street in my constituency where there were four hold ups in 24 hours. When I spoke to one of the gentlemen, do you know what he told me? He told me that four people surrounded the house; two took the daughter-in-law and one took his daughter. They held them in vantage positions and one pointed a gun at the man's face. He is 65 years old or thereabouts. They put the gun to the man's face and said, "Give me the money now and doh tell meh you have no money." If that man had no money, he would have been killed. So the message here is, "We must have some money for the bandits." Is it because of the ineffectiveness of the Customs and Excise Division under this administration, that arms and ammunition are brought into this country?

I ask that question, because I am very concerned. Customs Guards are short staffed by 75 guards. Do you know what is now alarming? I heard from very reliable sources that they are now hiring about 12 former custom officers to do work. They will not have the authority as the regular custom officers. When we talk about authority we talk about section 56(1) and this is where the House of Representatives would allow this. We have to go back to the customs laws. Section 67 states the duties of the Comptroller of Customs.

The Schedule is quite long with goods being brought into this country. Section 4 of the Custom laws, Chap. 78:01, states:

> "Any act,…or thing required by the custom laws to be done or performed with, by , to or before the Comptroller if done or performed with, by, to or before any officer appointed by the Comptroller for such purpose shall be deemed to be done or performed, with, by, to or before the Comptroller;"

Under this administration, do you know what happened recently? For seven days the Comptroller went to a Caricom conference either in St. Kitts or one of these islands and may be because of spite, I do not know, they did not appoint a Comptroller of Customs. The Acting Comptroller was out of the jurisdiction and there was no comptroller appointed in Trinidad and Tobago. I dare say, after having read section 4 and understanding it in my way—and people will interpret it how they want—but I believe that if there is no comptroller in the jurisdiction, things done in the Customs Department are null and void. I am putting this squarely on the shoulders of this Government, because the Deputy Comptroller was not the choice candidate to act in the position. I do not know; this is the information coming to me.

A couple weeks ago, the same thing happened. The Acting Comptroller of Customs was out of the country for a week or so and they did not appoint a comptroller. The most senior officer was asked to do certain things and, I understand, that under duress he did it. That is another thing we have to look at; the Minister of Trade and Industry seems to know everything. If, for example, a passenger is travelling through the airport or coming here and there is a false declaration or some ammunition is found in these goods, would the customs, without a comptroller, have the jurisdiction to deal with this offender? I am taking this very, very seriously; this is what is taking place, even as we speak. When this Government comes to Parliament and says something is simple, this is one time I am very concerned; that is when we on this side and the national community must wake up and understand what is taking place.

There is another issue that must be taken seriously. The concessionaire must operate within the confines of the law, as penalties are imposed for any breaches by the Comptroller of Customs. For example, if we look at section 37 of the Act it states:

> "Where any goods are ordinarily liable to duty at a given rate are allowed by law to be, and are in fact, entered at a lower rate of duty, or free of duty, on any special conditions, or for use for some special purpose, or because they are property of or intended for use by some particular person or functionary, and if such conditions are not observed, or the goods are at any time within two years of the date of importation thereof used for any other than the specified purpose or, being goods entered as aforesaid because they are the property of or intended for use by some particular person or functionary, are sold or transferred to any other person, the goods, unless the full duties thereon shall have been paid shall be forfeited, and the importer and any person who is knowingly concerned…"

to be fined.

Mr. Speaker, this happens; people cannot say that it does not. Goods are brought into the country under duty free concessions and because of the lack of personnel, would you believe in 2004 the Customs and Excise Department which started a computer-based manner of dealing with custom matters, have not moved an inch over the last few years? As a matter of fact, on Thursday and Friday the computers were down.

The fact is that goods are imported into this country and when we thought that by 2004 there would be just computers, we know what is happening. There is no such thing in the customs. I went on to the Internet this weekend and smaller countries than ourselves that are less competitive than us, according to my friend from Diego Martin West, have a computer-based customs and excise division. In Trinidad and Tobago, we have no such luck; nothing of the nature. Today, three years later, not a single thing has been done to improve the quality of customs. I am saying this against the background of keeping in connection with goods imported duty free.

People might ask: What is he talking about duty free concessions? When goods are imported into this country, especially in this sector, the duty might be small, but the CIF is very, very high. When these goods are re-exported, for example, in the same manner as they were imported, they are supposed to be duty paid. As I read before, the goods must not be used for any other purpose than for which they were intended. I remember once an oil company came into the country

and folded up after one year. They were leaving the country to the tune of $10 million or $12 million and the bill to re-export the goods came before me and I inquired. People hardly do that, because they believe that it is the whole question of goods free of entry and they are going back out.

The goods spent about a year in the country and were being re-exported. When the decision was made, the people had to pay over $2 million in duty, because they broke the regulations as outlined in section 37. [*Interruption*] Cloth? I will be reaching that issue in a while. This is the EU concessions; this is where we have money laundering galore in the cloth section. Do not get me angry as yet. [*Interruption*] We must not interfere in the running of our divisions as we are apt to do. I have warned this Government to be careful of doing that. Rather than bringing back 12 friends of certain people as custom officers, why not fill the 75 or 80 vacancies? I will not go into the revenue earnings of some of the customs officers. If you operate with 60 per cent of the staff, you must double up and work a lot of overtime, but the issue arises because of the short staff in the Customs and Excise Division. I want people to deal with that.

There are some issues that I must touch on before I conclude. In 2001 the UNC brought in scanners to modernize things; you want to assist importers; you want to make Trinidad and Tobago more competitive. We read in the daily newspapers, almost every week, about the delay in clearance of customs goods. How can you tell me that goods will arrive in Trinidad and Tobago on a particular date and the rent-free time, I think, is four working days and yet almost every container, every importation that is cleared at the wharves in Trinidad and Tobago, you must pay rent for. This will add to the cost of the goods; this will add to the inputs. In 2001, the UNC brought the scanner into the country to examine cargo, modern equipment. The latest report is that it is rotting on the port. Are they serious?

We have heard where the Government is now taking the Customs and Excise Division backwards in time. Things we thought were history, are now being reintroduced. Punitive measures are being taken against people. I was alarmed to hear in 2004, when we are talking about global competition, competing with Mercosur, the North American Free Trade Agreement (NAFTA), the Free Trade Area of the Americas (FTAA) and all these other trading blocs, that containers would come to something called a stripping station; they are being examined on the port and people are being told to repack them and then send them to the homes of the importers. This is backwards in the sense that we have a scanner on the Port

of Spain wharves rotting away. Why was it not put into operation? Three or four years in the country lying there; it came into the country in 2001!

I am convinced that this Government cannot govern and is not in charge of what is taking place in Trinidad and Tobago. It is as if the Government is running by "vaps" or automatic pilot; it is not in the lead. It does not know what is taking place. You hear from time to time, "Do not talk to me, talk to my permanent secretary." We have flooding in the area, "Do not talk to me; talk to somebody else." The buck stops with the Government. It has been elected to serve and to govern this country. We hear this nonsense taking place: whenever there is a problem it is somebody else.

I talked about the scanner and we see the Minister of Trade and Industry smiling. He should apologize to all the EMAs, TMAs and all these people who, on a daily basis, have to go to the wharves. I challenge any minister to go to the wharf to clear a small barrel; they will come back here exhausted. The Member for Tobago East is smiling; she knows. It is as if people must be punished for importing something. While the former government tried to free up these things, it is back to the old days of introducing punitive measures.

Mr. Speaker, what are we really being asked to support? We have to look in some book from 1938; something from 1959 bought by John O'Halloran, to debate a bill in 2004? I believe this list has been exhausted. I believe that it is no longer relevant. I believe that list has become irrelevant, because of the removal and lowering of customs duties over time. Why are they keeping these on the record? I do not know. Is it to allow people to import goods that are illegal into this country? Is it that they are allowing people to do things that cannot be touched?

We have to understand the whole question of importation in this country. We are what is called "a transshipment port"; we have described that many a times: into the country, out of the country. We have a thriving oil and petroleum industry, but, at the same time, we have a thriving cocaine industry, as was said by the Minister, himself, yesterday. Both trades are similar; not that I am saying that the multinationals are involved in the drug trade. Things come in and leave this country without proper supervision.

2.30 p.m.

Mr. Speaker, when one looks at the customs and how they are to manage the importation of goods under the Third Schedule, I made the point quite clearly that in this country customs officers have been trained and retrained to become guardians of revenue and nothing else.

The whole area around Trinidad and Tobago is not protected and I am sure that the Member for Port of Spain North knows that at one time Queen's Wharf was a thriving port for goods imported under the Third Schedule and re-exported into Grenada, St. Vincent, and the smaller countries. This was an illegal trade because the goods came in duty-free. They came in under concessions for the Trinidad and Tobago public and were re-exported without paying duty. Of course, it used to be a cat and mouse game with the customs and the relevant authorities.

Mr. Speaker, bales of cloth are imported under the Third Schedule and according to section 37 of the Customs Ordinance, these goods cannot be used for any purpose other than for which they were imported. And when they leave Trinidad and Tobago and go elsewhere, they must be duty paid before they are re-exported and this is where the corruption is. The rate of duty on raw cloth is about 60 per cent today and when you save that and re-export it to another country, the goods are not charged without duty.

Mr. Rahael: Mr. Speaker, just to correct the Member for Chaguanas. There is no duty on raw fabric entering Trinidad and Tobago.

Mr. M. Ramsaran: Mr. Speaker, maybe that is today. I have the customs tariff in front of me and what the Minister is saying is totally misleading. There are about 10 chapters dealing with cloth and each one deals with a different material, the way they were spinned and so on and I can go into the tariff. I think I remember the headings offhand. [*Interruption*] Zero-rated is different from duty-free. You laugh at something you do not know about. Duty-free, for your information, is when it is free on the tariff, zero-rated is when, by some Cabinet decision or something else you zero rate it, just as VAT is zero-rated by an Act of Parliament. Something free from VAT is different from zero-rated.

Mr. Speaker, here we have synthetic fibres, 5 per cent— [*Interruption*] I am glad the Member for Port of Spain North came into this debate and I hope that the Customs and Excise officials are listening to what transpires at the wharf and what is being said here in Parliament because maybe unknowingly, or knowingly, they are breaking the laws of Trinidad and Tobago. It is as simple as that, and this costs the Government much money.

Another question I would like to ask the hon. Member for Diego Martin Central is, what is the cost of the customs duties we give up on the schedule? Do we have any evidence to support that? What is the cost foregone? The value is different from the cost of duty. Value is the value of the goods, but I am talking about the duties foregone over the years that deal with this schedule. Do we have an idea, or do we just come here to say it is a simple matter to be approved?

Mr. Speaker, recently in the budget presentation, the Prime Minister said exemption at the airport will increase to $3,000. I do not know the reason but what I do know is that of the $24 million collected in revenue last year at the Piarco International Airport, the country will lose more than $20 million. I did some research over the weekend and on a daily basis $2,000 to $3,000 duty is collected at the airport and this is way below the $24 million collected last year.

Do we do things by vaps? Do we do research? Do we know why we do certain things? Was Caricom consulted in increasing that duty-free allowance to $3,000? To come here and talk about "Father of the Caribbean" and Caricom has me worried and although this will come to the Parliament year after year since John O'Halloran brought it in 1959, the question is: Did anyone take the responsibility to see what it is costing the Government of Trinidad and Tobago?

We come to this Parliament on a Monday and try to debate this piece of legislation, and I am worried and concerned about revenues being wasted—for want of a better word—based on the high price of oil. What will happen when the cost of oil drops or levels off to where we do not want it? Would we reintroduce the levy at the airport? Would we then look at the Third Schedule and ask where has the horse bolted?

Mr. Speaker, we have to be careful in times of plenty and as the economists say, these are resources left for us by our forefathers. Now that it is flowing, how should it be used? Should we just allow money to be frittered away to our friends? Should we allow it to go in the cloth business or other businesses, or would we prepare for the future and for the rainy day?

I am sure that if we do a costing of Schedules 44 and 45 of 2002, it would run into millions of dollars especially in the offshore sector where an elbow for one of the big pipelines costs hundreds of thousands of dollars. It is not a cheap business and with the duties foregone, it will run into millions. Why is the money not being spent where it will affect the quality of life positively in our country? Why is this not happening? In looking at the competitive index, why do we not see an improvement to effect the control of costs in the manufacturing sector?

People spend productive hours on the roads of Trinidad and Tobago. Imagine, in Caparo during a 10-day period, there were four sets of floods, four feet high, and yet we are here in Parliament debating the giving away of millions of dollars without apology and without accounting. There is no accountability, and I know the Minister will ask why vhat government did not do it, and why the other government did not do it, but we are in 2004 and we are talking about controlling our expenses and expenditure. We cannot be giving away the country's resources and believe that the Government is so good and things are all right. Wipe out the other parties from Tobago, said the Member for Diego Martin West.

I do not understand the irony of the politics in this country. I thought these people would have been put in the background and maybe one or two persons with some integrity would be allowed to talk about politics. Instead, we have boldfacedness passing for effective government in this country and when the Minister comes to Parliament and says this is a simple Bill, I know he really struggled to make some sense of it, but under the Third Schedule the controls are not as they should be.

I am warning the Minister and if he wants to listen he would listen, but the controls are not there as I would have liked to see them. The whole world is computerized and there is one section in the Customs and Excise Department that is computerized—the long room—and every time the computer system breaks down, it costs the importers hundreds of thousands of dollars. Ask them, they will tell you. They protest, they write letters, they do everything but nobody listens to them. Why do we not lead our government departments? Why do we allow them to run as if it is nobody's business?

I met a customs officer yesterday at a function and I asked him how things are going because I heard of what was taking place there and I am speaking in Parliament today. He told me he cannot start because he will not be able to finish. [*Interruption*] I met him at a children’s treat and he threw his arms in the air. The message that is coming across is that the people who have friends in the Government—I remember when we were in office and I do not know if it has changed, the Chief Personnel Officer had decided that leave buy out would not happen, but we have heard that certain officers’ leave has been bought out.

That is a big point because if someone’s leave of four or five months is bought out, the succession below is affected. It is as serious as that. For example, two persons may be the same age and one wants to become Comptroller of Customs at least for a day, or for four months and when one gets his leave bought out, the

chance for succession is not there and this will affect the morale and the psyche of the division. Maybe you do not know about that. You do not know about fair play and encouraging promotion. This Government does not know about that.

The customs officers should have a proper frame of mind to do what they have to do—and these things do not only happen in the customs division but in almost every Government department. It is not only payback time as Ministers, or nepotism, it happens all through. They have their friends controlling certain divisions and they are not controlling them in a way to improve the morale in the public service. So the customs is just a case in point.

I mentioned the 12 retired customs officers and you talk about unemployment and wanting to reduce it, but we have people who have retired and are being brought back into the system. Look at that. I do not know if you are aware of it or not. Please investigate it because I believe if you bring young officers in, it would help the morale of the division and I am sure that most young people today are computer literate, and now that they are going to computerize the whole service, moreso I am calling for the computerization of the Customs and Excise Department especially to deal with goods brought in under concessions. This is something that is a very sore point.

A concession is when one brings in goods for personal use. People do not know this, but I am sure the Members know that if you buy a car it cannot be sold before two years, once you get VAT off from the Parliament or the Ministry of Finance. The customs laws are the same. People who bring in goods like motor cars from abroad cannot transfer or sell within a time frame of I think, two years. But there is no control at all and this Government is talking about Vision 2020, and a simple area like the customs is left totally unattended.

Mr. Speaker, if you go to one of the ports of Trinidad and Tobago like Cedros—

Mr. Speaker: Hon. Members, the speaking time of the hon. Member for Chaguanas has expired.

Motion made, That the hon. Member's speaking time be extended by 30 minutes. [*Dr. H. Rafeeq*]

Question put and agreed to.

Mr. M. Ramsaran: Mr. Speaker, I am putting it squarely on the shoulders of this Government that the increase in crime, increase of lawlessness, and the insecurity in this country may lie in the way the protective services are being treated.

We hear about the police service, we look at customs, and I dare this Government if it really wants to look at how it can control the wharves and ports in this country, it must be done in a manner that would put the safety of our people first. I do not want to come to this Parliament again and report the types of crimes in this country and the quality of weapons that are in the hands of the bandits.

I went to Tobago recently, and anyone can see that the shoreline of Tobago is not protected and whatever comes on the shores of Tobago will affect the quality of our lives. When we talk about the Customs and Excise Department and the very important role of being able to survey or control the duty-free concessions in this country, we must take it holistically and the message that is being sent by this Government—especially to the senior officers—is not good.

I want to warn this Government again—and I know for a fact that the last few days when the country did not have a Customs and Excise Comptroller, people were fined at Piarco International Airport and it is going to be challenged in court. The people who were fined are going to declare those fines null and void and it is because of the carelessness of this Government. We have to understand that without a Commissioner of Police, people cannot act, even an officer on the street cannot act for the Commissioner of Police when there is no Commissioner of Police in the jurisdiction and the same obtains in the Customs and Excise Department.

I am sure I would have no problem in supporting this legislation but we would like to see who the concessionaires are. What are they going to produce and in what field are they? Are they still in the manufacturing of textiles? What are the raw materials used for? What is the value of the goods used? What is the cost of duties that the country will forfeit? When these things are done, then I will say the Government is working and it understands its role.

More importantly, when something is done in a particular manner for example, if the Member for Port of Spain North/St. Ann's West exports bales of cloth to Grenada and they are found on a boat in the Gulf of Paria, looking at the bale number we would know which consignment was brought into the country and track it back and see that the goods were illegally exported.

Concession is a very big word but it means that the Customs and Excise duties, purchase tax, VAT and so on have been removed to allow local manufacturers to use the same to produce quality goods at a reduced price for the citizens of Trinidad and Tobago, and they could be re-exported in a finished

product, but not in the same way they were imported. This is the most important point in dealing with the Third Schedule.

The Minister talked about industrialization in 1959 and the hon. John—I almost said Rahael—O'Halloran brought this. There is some similarity, a Freudian slip.

Hon. Member: They come from the same cloth.

Mr. M. Ramsaran: When this was brought to the country, it was to encourage our local manufacturers. I am sure the Minister, in 1959, had some vision, maybe it was to get people to do something locally to improve the unemployment rate and so on. Today I would hesitate in saying yes to this piece of legislation without checks and balances.

Poverty is on the increase, unemployment is on the increase, conditions of life in this country have deteriorated. When I used to come to Port of Spain a couple of years ago, leaving home at 6.00 a.m. I would reach Port of Spain at 7.30 a.m. Now, there is no such guarantee. Commuters tell me they spend two and a half to three hours in traffic jams on mornings and all these things add to the question of competitiveness.

Mr. Speaker, when governments give concessions and give up duty and resources there must be an exchange. What is the exchange? Maybe they do have, I do not know. I am in the Opposition and I am questioning. How will this piece of legislation improve the quality of life of our people? Do not tell me it will create employment for one or two persons, maybe it will, but we are looking at unemployment, poverty, flooding, burglary, rape, you name it, it is happening in this country.

I am not a prophet of doom and gloom, this is a Member of Parliament and other Members visit our constituencies and people would talk to us. Do you know what is frightening? The crimes that we are speaking about are not reported in the daily newspapers and we are given the impression that everything is okay.

A very good friend of mine came to Port of Spain recently—and I am sure our leader has not heard about it yet—the chairman of Divali Nagar, a good master of ceremonies. He came to Port of Spain and was robbed of all his cash and every piece of jewellery and people witnessed it and nobody raised a hand and it was reported to the police and you would not see it in the newspapers. What one sees in the newspapers are murders and kidnappings, nothing else. So we are living in a fool's paradise and when we give up money that can improve the quality of life of our people, we beat our chest.

I want to believe in exchange for the money which we write-off under the Third Schedule, that we see something that will improve the quality of life of our people, and I would be the first to congratulate the Government.

Recently I heard the police officers saved a kidnapped boy and there were praises. Mr. Speaker, it was not that the praises were for the policemen you know, it was the relief of the nation, they exhaled that at least one kidnapping was solved, but within a couple of hours, there was another kidnapping. [*Interruption*]

Mr. Speaker, do you see the reaction of the Members? We have serious issues taking place in this country and they clown away, and that is how they govern this country. They clown with serious issues of rape, murder, kidnapping, and flooding. You should go to Caparo today and see what is taking place. If you inhale there you would be inhaling faecal matter and also in Diego Martin. In the news last night they were calling a Member for Diego Martin to intervene in a problem.

Mr. Speaker, the Third Schedule is a very serious issue. It is not what the Member for Diego Martin Central glorified about and even tried to berate my colleague, the Member for St. Augustine, who was not here at the time, about the competitive index. If a real questionnaire is done to find out what caused our competitiveness on that index to drop, it is because of what I have outlined this evening. It is because of the level of crime.

How can a poor person in this country or a CEPEP worker who is receiving $700 a fortnight go to the market, where lettuce is sold at $6.00 a head? How can this piece of legislation improve what is taking place in the country? I went to Chaguanas on Saturday and this is supposed to be the busiest market in this country and it was empty. Something is wrong. What is wrong? PNM is in office.

Mr. Speaker, I want to let you know that I have real problems with this piece of legislation. It shows the general style of the PNM to govern without accountability and I put it to them that before they come to amend Legal Notice No. 45, they should tell us on this side what these two Motions will cost the taxpayers of Trinidad and Tobago.

3.00 p.m.

Mr. Chandresh Sharma (*Fyzabad*): Mr. Speaker, as we approach the end of the last month in the year and, perhaps, the second-to-last sitting of this Parliament, the question that must come to our minds is: Has the Government brought any legislation to this House that adds value to the lives of our citizens?

This particular legislation, like the others we have done in the last couple of months, is really demonstrating, very clearly, a Government without a vision. This Government has brought nothing to this House in the last year that has added any value to anybody's life.

Today, there are so many parts of our country under floods, and while we give exemption to capital equipment, heavy equipment, none is available to the citizens in South and Central Trinidad, and the Government continues to do it. It is not by accident that this particular Motion, section 56(1) of the Customs Act, Chap. 78:01—this is one of the few Motions that talk about where the resolution of the Parliament—the House of Representatives—must be obtained. Why is this so?

In discussing this matter, one has to revisit what obtained in the past. Today, Transparency International has demonstrated to the global community that Trinidad and Tobago is among the most corrupt in the world under the PNM Government. This is not news to us on this side. We are all aware that the PNM is the mother of corruption; the inventor of corruption. What obtained in the past? Some years ago materials were permitted to be brought into Trinidad and Tobago and no duties would be paid, and this really led to a number of beneficiaries, including persons who supported the PNM, taking advantage, in that materials were brought into the country, tax free, and were sold. Not only that, the bullet holes opposite me—you would recall a particular group was bringing in similar materials and in those materials they brought arms and ammunition and the country paid a big price for that. This group was aided and supported by the PNM. In fact, the events of 1970 and 1990 came about because the PNM government failed the people time after time.

In 1990, the PNM continued to bring down the Government by encouraging the activities that took place. That was very clear. Those who were involved demonstrated that. You would remember the demonstration—SOPO—led by the PNM.

What are some of the materials here? We are seeing building materials being exempted and we saw in Tobago, building materials that were exempted being used to construct the private property of a Minister of Government. So you see who is benefiting from these exemptions. How many more are there? We are seeing other Ministers of Government in other parts getting similar kinds of exemptions. [*Interruption*] The Member for Arouca South has been out of the country and is asking, “for what?” The exemption is not the question here. Who is benefiting from this? Is it the national community? The answer is “no”.

Mr. Speaker, this has been happening for a long time. You would recall in the early days under the PNM administration, there was something called the Industrial Development Corporation (IDC), and almost the same thing obtained. Exemptions were made available and were used across the country for personal growth and benefit. In fact, if you look at the last two to three years in particular, almost every report coming out of the office of the Auditor General points to corruption and mismanagement at the Government level. It is happening all the time.

Some of the materials to be exempted include, among many others, building materials. Where are these building materials going? Who is benefiting from them? [*Interruption*] The Minister is asking, "what building materials?" If you go through the list, a number of materials are identified: machinery, plants—

Mr. Valley: Mr. Speaker, I wonder whether the Member can point out in the Third Schedule where building material is identified.

Mr. C. Sharma: Look at your list. Look at Item No. 50, for instance. A number of machinery, equipment and material used in the manufacture of a number of things are being exempted. I want to treat with a few areas—building materials across the board. The taxpayers are giving up the benefits and the building materials are going where? We are not seeing a spread; we are not seeing an equal distribution of the construction of homes. It is going largely where the Government wants to have voter-padding—house-padding.

More than that, when you go further and you look at the materials used in these homes, in many of the homes we have seen in the newspapers, permission was not obtained from a number of the agencies. So here we are, giving exemptions to materials to build homes, for instance, but the appropriate permission is not obtained from the EMA, the Town and Country Planning, and other similar agencies. In addition to that, the very homes that are being constructed under this exemption are at a risk. The fire services have major concerns about them. Many are without fire escapes, without lifts. So here you are, giving exemptions; the Government is rushing to obtain it only for the selfish purpose of house-padding.

What are some of the other exemptions? Item No. 35 states:

"Machinery equipment and material for the manufacture of stock feed."

What is this stock feed for? Who is it going to benefit? Government is trying to kill the poultry industry. You have seen where it has allowed the importation of

chicken and not encouraging the local producer. So here, machinery equipment and material for the manufacture of stock feed is permitted, but what happens at the end of the day? You flood the market with chicken. Thousands of persons are losing employment. Business houses are being affected.

Item No. 36:

"Machinery equipment and material for the manufacture of fertilizers."

The Government is doing everything to kill agriculture. This House, in particular, as a collective body, fails to treat with the farmers who lose their stock as a result of the floods. Week after week Members on this side bring matters to this House and up to this date, farmers are not compensated, and when they were compensated—you would recall from the Member for Oropouche—they received $46 and $54. How is this benefiting? This legislation is going to benefit a few people. There are many Government Ministers involved in housing and similar kinds of construction and they are going to benefit largely from it. That is one area.

Item No. 37:

"Machinery, equipment, components and materials for the production and packaging of wood and wood products."

The Member for Diego Martin Central cannot come and hoodwink this Parliament every Friday. The Opposition has suggested to the Government: "Let us discuss some of these things before you bring them to the House. Do not try this backdoor approach all the time".

There are a number of issues here. Look at the teak plantation in this country. The PNM Government destroyed it. They gave it to all their friends and supporters. Today we are not adding value. Teak is one of the most expensive woods in the global market today. In fact, in the United States they use one-sixtieth of an inch of teak to complete their products. Again, the Government is not encouraging it.

The list goes on. Item No. 40:

"Machinery, equipment and materials for the manufacture of packaging of matches."

Again, a lot is allowed to be imported, and we are not developing the industry. This is why this particular Motion talks about:

"…for any purpose specified in the resolution for such period as the House of Representatives may determine."

It was not left to the Minister. Most times you would see "for the Minister to determine".

Item 42 states:

"Machinery, equipment and materials for the manufacture of tyres and tubes and for the recapping, remoulding and retreading of tyres."

Everyday in the newspapers on the front page, you see motor vehicular accidents. Many have pointed to the quality of the tyres, in addition to other considerations. Here we are, giving exemptions, but we are not encouraging the industry. At one time we had a very vibrant tyre manufacturing outfit called Dunlop in Point Fortin. That became Carlisle Tires, I think, later on. So the Motion brought to the House today is of no value to the national community and it is intended to treat with a selected few.

Item No. 43:

"Machinery equipment and materials for the manufacture of detergents and other cleansing and sanitizing agents."

One of the major concerns as soon as a flooding takes place is sanitation—using sanitizing agents on the households affected. Do you know the high cost of those products? And the Government does absolutely nothing.

Item No. 44 states:

"Machinery, equipment, materials and components for the manufacture and packaging of furniture."

At one time we had a very vibrant furniture manufacturing outfit in this country. We exported it. Today we are importing most of our furniture.

You see, this PNM Government is a screwdriver-type Government. They give permission to their friends and family to bring in any and everything. There is no encouragement, no growth. This Nedco, like a thief in the night they came and said: "It is exempt; we cannot discuss it in Parliament; you cannot ask questions about it." And it is only for PNM supporters. In fact, since they came into being, close to $100 million were given out by Nedco. The majority of it was given months before the election. When you look at where the offices were established, all are in marginal seats: Tunapuna, Moruga, Ortoire/Mayaro—that is why my friend from Ortoire/Mayaro sits here today—San Fernando West, and elsewhere—taxpayers' money.

This Government is setting up this country for a revolution. How long are we going to take it? People cannot take it! This is Christmas month! The last three years this Government has spent $60 billion of our money. The PNM feels it is their money: "I will spend it where I want". But there is none for the south/central constituencies. This is Christmas month, and without bringing you into the debate, Mr. Speaker, I remember when you were a Member of Parliament you would treat with children in your constituency, as we all do.

Item No. 45:

> "Machinery, equipment, materials and components for the manufacture of toys."

All the toys today are imported because the Government is killing the industry. Who is suffering? It is the poor children. They cannot obtain toys.

This Government is a total waste! Whose interest are they serving? Does the Government feel that by giving to CEPEP and the URP, it is the end of the day? Do they feel collecting moneys from the persons they allow these exemptions to, to give hampers, is the end of the day? Is that how they intend to remain in Government? They are adding no value to the lives of people, none whatsoever!

Item No. 46:

> "Machinery, equipment and materials for the manufacture and packaging of paints, enamels, varnishes, lacquers, synthetic resins and related goods."

Do you know how many housewives would like to paint their houses, even if they live in shacks? They cannot afford it.

Item No. 48—a very interesting one:

> "Machinery, equipment and materials for the manufacture of gramophone records and other sound or similar recordings."

This might sound as though it is before your time, Mr. Speaker, but we still produce them. The country has a wealth of talent, but a calypsonian by the name of "Cro Cro" who sings against the UNC is given hundreds of thousands of dollars, and others like the chutney artistes, are not given anything. The sum of $100 million was spent on Carnival and if you get Ricky Jai who sings something that benefits the entire nation, he gets no money.

So do you see where the Government is going? They are pushing people against a wall. It is going to start, you know. I am from Fyzabad. Mr. Speaker, you would recall in the late 1930s the revolution started in Fyzabad, and we will

not be able to hold back the people. When they push, they are going to push us all. We are getting very, very close to that, and the Opposition comes here, week after week, advising the Government: "You are going too far; you are pushing us too far." Wake up! Do not fool people with this legislation. You know, while we are debating this legislation, there are containers already on the sea that the Member for Diego Martin Central has given permission to bring into the country, as he always does.

Item No. 49:

"Machinery, equipment, materials and components for the manufacturer and assembly of pianos and organs."

We make pan our national instrument and we still do not have a pan factory here. Those involved in pan are begging the Government to assist them. It was under the UNC administration that we gave them money and started the process. The PNM is yet to finish it. Everything is political mileage. The acting Prime Minister drove down there and said: "Do not worry, we will give you." She appeared in all the print and electronic media, but they got no money.

Under the UNC administration, we started the process of making sure the musical instruments went to every school in this country. The PNM has slowed down the process. So you have to look at this in its totality. Under the UNC administration we were able to move the economy of this country on par with the global growth of the world's economy and were encouraging this kind of manufacturing at all levels. It was happening. Instruments that were going to the schools were locally manufactured. Certainly, we could not manufacture all of it so we had to complement it with imports. But tell me, what are we producing today? Are we producing any pianos? The answer is "no". Are we producing any organs or other instruments? The answer is "no".

Item No. 51:

"Machinery, equipment and materials for the manufacture and packaging of cosmetics, perfumery and toilet preparations."

Again, those who are doing it are really on their own. But do you know what happens at election time? The PNM goes to all the importers and the few manufacturers to collect cosmetics and other gifts to give to people to vote. Moruga was flooded with this in the last election—$5.00 gifts; flooded; every house received. When you look at what was intended, it is a very noble thing. What has happened from intention to execution? The PNM is killing everything.

Item No. 53:

"Machinery, equipment and materials for the manufacture of umbrellas."

There are 36 Members of Parliament here. Which Member of Parliament could say, of all the items I have identified thus far, they know of one businessman who is allowed this, who is doing well producing umbrellas, manufacturing wire products?

The Minister of Works and Transport, the Member for Ortoire/Mayaro, talks about the number of cars on the roads—too many cars. He wants to move from a 12-seater to a 25-seater; a foolish idea, without thinking.

Item No. 54:

"Machinery, equipment and materials for the assembly and/or manufacture of motor vehicles or parts thereof."

Everything again is imported. So you see this exemption is really for the selected few. The Minister should get up and tell us who is going to benefit from this. Why are we not producing motor vehicle parts here?

We have one of the most vibrant printing industries in this part of the Caribbean. Item No. 55 was intended to treat with them. It states:

"Machinery, equipment and materials for the manufacture and packaging of paper and paper products."

It was intended to mean printed products also. But we are importing everything because, again, under the PNM, there is no room for development, no room for growth.

On the one hand we have: "Machinery, equipment and materials for the use of the manufacture of tobacco and tobacco products", then we have the Minister of Health playing public relations with the lives of people, saying smoking is bad; smoking kills everybody, and then you want to encourage it. You have to make up your mind. It is either you want to encourage the production of tobacco products or you want to stem the growth of cancer, or whatever other related diseases may stem from it.

Item 57:

"Machinery, equipment and materials for the manufacture (including blending) of vegetable oils."

Mr. Speaker, do you know the cost of a bottle of cooking oil? It is almost like crude oil, you know. It is very expensive. Who really is this Government serving?

We have all the vegetables in this country. We are still importing too much. The Minister is doing absolutely nothing for this country. Face it. I am his colleague. If you go on the ground, like I do—I take a taxi and come to Port of Spain from time to time. [*Interruption*] They think they took back my Prado. I understand the Minister was behind it. The Ministers alone want to drive the BMWs.

Let us look at some of the other areas. We identified a number of materials for the housing sector, but item 61 states:

> "Machinery, equipment and all materials except items falling within Chapter 34 for use in the manufacture of polishes, creams and other products for polishing or preserving floors, furniture, metal, footwear and like goods."

This is intended to treat with the homes—a big industry. Again, we are not seeing the Government encouraging it at all.

I could go on with the list. It is a long list but, as I indicated, you cannot do this in isolation. It has to be holistic, if we are giving exemptions as we are required to do, because you want to encourage growth and development; you want to encourage a fairer distribution of the wealth of this country.

The Minister, in presenting the Motion, spoke about the charges that can be laid by the Comptroller of Customs for any violation of these particular exemptions. Would the Comptroller of Customs now charge the Minister whose property is obtaining materials that have been exempted under this provision? Or should we call upon the Minister to tell us of the cases where the Comptroller laid charges? And if the violations have been established, what will happen now?

The Motion continues:

> "…classes of goods imported or entered for use in Trinidad and Tobago for the respective purposes set out in the List of Conditional Duty Exemptions given in the Third Schedule to the Customs Act…"

This shall end on December 31, 2007.

The Government should indicate to this House what dollar value of goods will be exempted, or are intended to be exempted; where these goods will go; how the national community will benefit from them.

Chap. 84, section 2 states:

"Diffusing apparatus for sugar juice extraction."

What was intended for part of this procedure was that the waste material from the sugar would be used for the construction industry where resins and other materials would be added to create floorboards, wall ceiling, et cetera. None of this is happening. The bagasse is left to waste away. In fact, under the UNC administration I remember we had gone to the world's leader in low-cost housing, on the advice of the United Nations, to look at partnerships, and they were established. As soon as the PNM came—and you would recall how they came into government; not through fair practice—all of it was thrown out the door.

So that building materials continue to increase on a daily basis. In fact, if you look at a two- or three-bedroom single family dwelling house, it is in excess of $600,000. When you look at what is being built by the NHA—and Tarouba is a good example—those are intended for low-income families and the cost of producing those homes at this point in time, is close to $500,000. Persons earning $3,000—$4,000 a month, cannot qualify for a mortgage to purchase those homes. So the exemptions that are going to be obtained from the passage of this Motion, again are not going to benefit the national community. Who is it going to benefit?

I want the Minister to say, as they relate to housing, all the exemptions provided for in this Motion, how they will reduce the cost of homes for citizens of Trinidad and Tobago. I want the Minister to say in other areas, in the basic necessities that should be in every home—cooking oil, for example—how the passage of this exemption will lower the cost of food items. I want the Minister to say how this will lower the cost to children going to school as it relates to their uniforms, school books or shoes, because part of the exemption provided for the exemption of equipment to produce shoes.

So you see, this is of absolutely no value to the larger national community of Trinidad and Tobago and, really, it comes back to the original point I made: What legislation has the PNM Government brought to this House that has added value to the lives of nationals? Show us where we can see it; where we can measure it.

As it relates to agricultural equipment, the Government is on a concert to destroy the agricultural sector, and it started in the early days, under the very early PNM administration, when they started the Crash Programme that became DEWD. It has a number of names, and today, as we talk now, this Government would have spent close to $150 million before the end of this month on the URP, and it is only jobs for PNM supporters. Contracts are given left, right and centre. Materials are bought at all kinds of prices. There is no procedure, no accounting. It is affecting agriculture.

Then, on the other hand, $400 million was spent on CEPEP. It is contributing to the flooding of the country, according to persons in authority. CEPEP has only 5,000 workers earning $180 million and the remaining $220 million is going in the pockets of the contractors and PNM supporters.

Thank you.

3.30 p.m.

On the Third Schedule there is a list of duty exemptions. I do not know who prepared this brief. Item No. 6 on machinery, equipment and materials for the manufacture of building products. When we were in government we could not be unprepared like you. We had to know what we were coming to say. You are an embarrassment.

Item No. 7.

"Machinery, equipment and materials for the manufacture of leather and leather goods."

That is a huge industry. We are importing everything. We are not even doing the packaging in Trinidad.

Item No. 8.

"Machinery, equipment and materials for the manufacture and packaging of headgear."

Our culture in this country—it is beautiful to see our women in their beautiful head gear at different seasons such as Easter, Christmas and Divali. You are killing that industry, too.

Item No. 9.

"Machinery, equipment and materials for the manufacture of footwear".

How many times have children come to you with their parents who cannot afford school shoes? I am sure for the year we do it a hundred times as Members of Parliament. If shoes were prepared here more people would be able to afford them. We want to encourage our children to play but some children have only one pair of shoes. For physical education they have to wear the same shoes. The Government is killing the industry.

The other item deals with:

"Machinery, equipment and materials for the manufacture of telephonic and telegraphic materials."

This is a huge industry. In Trinidad and Tobago, we have one of the highest usage of cell phones. Everything is imported. We manufacture absolutely nothing to assist the industry. This industry is waiting to receive the Government's assistance.

The Government wants to fly an aircraft to Costa Rica and Cuba. Not one flight has been economical. Every flight is 25 and 30 per cent. Even when the minister leads a delegation, it is a failure. Let me tell you where we are going. We are going to privatize BWIA, again, under this PNM Government. The PNM has a history of privatizing airlines because they make a mint. On the last occasion the minister was a consultant. I do not know what he will do this time. They made millions of dollars. Perhaps the media and independent thinkers have to play a role in this. Does the international community know how this Government wastes money daily?

The Member for Diego Martin West campaigned in Tobago yesterday and said that we were spending $70 million per day in Tobago. That is his money. Vishnu Latchmansingh left a huge estate; apparently, he got some. They are spending $70 million, taxpayers' money, but we are spending. The money does not belong to you and I. We are guests in this country. It would not be too long. I do not intend to be a guest in this country. I intend to be a citizen who works very hard and contributes. Do not run those aircraft three-quarter empty.

Item No. 11.

"Machinery, equipment, materials and components for the manufacture of electrical goods, electrical and electronic equipment,…"

This item is very instructive. When we were in government we were approached by a number of local manufacturers. We had one concern, to ensure that every light pole in this country had a streetlight. One way of doing that was to manufacture them locally; if not all, some. Today we are importing all. The Government is not encouraging the industry. This Government's job is to close down any manufacturer. The few who are doing business, that is, in spite of the Government's support—these are not high tech things that we cannot manufacture locally. In the country no street light is available. During the last local election all went in PNM areas.

In certain areas, Ortoire/Mayaro is a good example, they went to put street lights but when they discovered that the area was supporting the UNC, they took

them down. How shameless could the Government be! That is our street light. You are supporting Panday and "dem", take them down. Pay the contractor three times. Do you think people will stomach that?

Item No. 12.

"Machinery, equipment and materials for the manufacture of non-electrical stoves, ranges, heaters and refrigerators."

Some of this is happening, but not enough. Why? The Government is not supporting the industry. Every house should have a stove and a refrigerator, but some areas do not have electricity so they cannot have the refrigerator.

Item No. 13. I am sorry that the Minister of Health is not here. On the last day I asked when a minister tells a lie how do we treat it and I was pulled up. You must not say, when "he tells a lie", it is when he tells an untruth. The Minister said that under CDAP we have distributed 72 million tablets. Have you noticed that they have withdrawn the advertisement after we raised it? Something was circulated today about free medication under CDAP. If you suffer from the following diseases you are given free medication. A total of 72 million tablets is a frightening thing. You will encourage kidney failure. If 300,000 persons received 72 million tablets, every day they had to digest about 20 tablets. Everybody would have kidney failure courtesy the PNM. When you want to lie to the national community you have to be careful. Instead of treating with the farmers who are flood victims to ensure that they can produce organic food so there would be healthy citizens, you kill the industry with CEPEP and URP and no compensation for farmers. Shame on you! The time will come when you will have to receive these tablets.

The other one deals with:

"Machinery, equipment and materials for the manufacturing and packaging of drugs, pharmaceuticals and medicinal preparations."

What are some of these preparations? What encouragement is the Government giving? How is the Government facilitating the process? If you talk to the local manufacturers, especially those getting into herbal medicine, a global industry, people are moving away from the traditional medicine to herbal use, exercise, yoga, meditation, eating well and having good governance. The quality of your governance represents the quality of health care and the life of citizens of this country.

The Government has a no caring attitude. All this Government is interested in is spending money. Money is no problem. There is no problem in Tobago. There is no problem north of Trinidad. There is a problem in south. Penal/Debe was toured by the Prime Minister and at this time not a cent has been given. The Minister said that at the next Cabinet meeting he would raise spending to $1 million. What a shame! One hundred thousand homes have been affected and you would spend $1 million. Do you know that is $10 a house? Are you fooling the community with that? What will happen when those people come to Port of Spain and block the roads? You are forcing them.

The next one is:

> "Machinery, equipment and materials for the manufacture, processing, packaging, storing and transporting of petroleum and petroleum products and petrochemicals."

For a gas producing country, the quality of gas is very poor. The diesel is of the poorest quality. There is a high input of sulphur in it. When you drive behind a diesel vehicle, the black smoke is because of the quality of diesel. We have the manpower and intelligence.

Another one is:

> "Machinery, equipment and materials for the manufacture of jewellery."

At one time we had a very good jewellery practice in this country. People came from North America, Canada and the United Kingdom to buy jewellery. Today none of it exists.

Item No. 22, talks about:

> "Machinery, equipment and materials for the manufacture of pens, pencils, chalk and crayon."

It was the dream of Dr. Eric Williams, the first prime minister, that every child should have free education regardless of where he was. Under the Panday administration it came into being. We did not stop there. We made sure that when children were unable to carry their book bags because of the number of books, we standardized it. Today many of our schools do not receive their supplies. Why is this so? The Government is not encouraging. Why do we have this legislation? The more I look into this the more the question begs. Who is this legislation intended for? Who are the PNM supporters that are given permission to bring in containers upon containers of goods that qualify under these exemptions? Does the national community know about this? The answer is "no". I suggest to the

Government that when you bring legislation in the future, cause it to be printed in the newspapers. Stop those advertisements that show your faces and ministries and indicate to the national community what you will bring to Parliament. Ask for comments and suggestions. Let us involve the country in the governance of Trinidad and Tobago.

Mr. Speaker: Hon. Members, the speaking time of the hon. Member for Fyzabad has expired.

Motion made, That the hon. Member's speaking time be extended by 30 minutes. [*Dr. A. Nanan*]

Question put and agreed to.

Mr. C. Sharma: Mr. Speaker, the extension came at a very good time. I thank Members on both sides. It brings me to Item No. 28.

> "Machinery, equipment and materials for the manufacture of spectacles and spectacle frames."

Do you know how many people in this country need glasses and cannot afford them? Minister of Health, tell us. This Minister is totally unfit to be a minister. Do you think that people would be proud of you? Citizens cannot afford glasses and we have provisions for the manufacture of those and it is not taking place. It is all because of the PNM. Do you know the cost of a pair of spectacles? Do you know how many children come week after week to our constituency offices with letters, barbecue tickets and raffles to raise money to get glasses? You laugh. This is what the PNM does. You laugh at poor people. How shameless can you be! This is Christmas. What a shame!

Under the UNC administration we established the yachting capital in the Caribbean. Vessels came to Chaguaramas from all over the world. We had created an industry. Captains love the teak in Trinidad.

Item No. 31.

> "Machinery, equipment and materials for use in the boat and ship building industry."

You killed the industry. All have left and gone to the other islands. You destroyed the teak industry and gave it to your PNM people who know nothing about it. They cut down all the teak. Do you know that we have some of the best teak in the world? Look at what you have brought this country to? Continuing with this list will only add to the frustrations of the national community.

Item No. 32.

"Machinery, equipment and materials for use in the manufacture of industrial chemicals including brake fluids".

I do not think that there is one brake fluid manufacturer in this country at this point in time.

It really begs: Who is this legislation intended for? Who will benefit? How will it change people's lives? Will this help them to have a better Christmas? Can they look forward to a better 2005? Have you brought a single piece of legislation to this House? Are you spending money that is benefiting the national community? Everything is political, from the jobs offered anywhere to the appointments. Every week in the court you see a matter of discrimination. Think of the thousands who cannot afford to go to court. What are you doing? Why are you bringing us out to Parliament week after week? To do what? To fool the national community that you have a sitting in Parliament that is adding value to nobody's life? You have no thought-out legislation. You are without vision.

The Minister of Health caused a document to be circulated. It is called *Health Quest*. It is printed locally without any tenders. It costs more than $50. I bring this point to your attention.

"Surgery Waiting List

The Ministry of Health is currently on a drive to clear up the backlog of surgeries at our public health institutions.

If you are on a waiting list for surgery, we would like to know your status, in order to expedite this process."

You are asking that? The Ministry of Health is asking this? Are you serious? You do not know? What a shame! What are you doing, Ministers? We should do some soul searching today. We should adjourn this Parliament; go down on our knees and ask: What is this Government doing? Why am I here? How foolish can you be? In December 2004, you are asking us to tell you if you are waiting on surgery. You are importing doctors from all over the world only to destroy the medical institutions in Trinidad. For what purpose? You give out 72 million tablets. No wonder you laughed at the poor man when I said that he needs glasses and he could not afford it. You can afford contacts and go to Bascombe Palmer, the institute, and get your eyes corrected but the poor man cannot do it. The poor man is the majority in this country.

Private institutions apply for exemptions on their medical equipment and in return, they do free surgeries and discounted surgeries, but you are not assisting them.

"If you are on a waiting list for surgery, we would like to know your status.."

Half the country is waiting. You came here and said that people are waiting until 2007 for appointments.

You wanted to score political points, but you cannot. You can only fool some of the people some of the time. The day you read this letter you brought the whole ministry here. When the PNM is in government—except when they want to terrorize the UNC—the public gallery is empty every other time. It is a sign. People are losing faith in the process. The front pages of the newspapers carry very little of what happens in Parliament, except when Ramnath was thrown out. I have not seen in the last 12 years; more so in the last three years; I want to bring that as current as possible, in one year, any front page daily newspaper saying that the Government passed a piece of legislation that will bring benefit to half the population or 5 per cent.

The Government is totally useless. This is a business government. It is who could do things for me and who could run my ads. Where are these advertisements coming from? Look at this! It is coloured. Whose money paid for this? [*Interruption*] You are not seeing the colour. You need glasses. This is how we are wasting money. I do not like it. This is a total waste of money. We keep wasting. The time will come when people will have to take to the streets and courts. How will I go back to Fyzabad and tell the people of Fyzabad—it is not UNC.

When you become a Member of Parliament in the UNC, unlike the PNM, you are a Member of Parliament for everybody. On the PNM's side you must have a party card. In another place the Member for St. Augustine raised the point that you cannot get employment in URP because it is party cards. Two weeks ago the PNM had a convention in Chaguaramas. Two weeks before that anybody who wanted URP "wuk coulda get". Condition? You had a 10-days, but you had to be in Chaguaramas for two days. The general secretary who is a minister in government said that their membership was growing from "x" amount to 60,000. How is it growing? Did he tell the national community? It is taxpayers' money. It is CEPEP and URP. When you apply for the job, PNM membership has to be applied for. When the PNM is in government and CEPEP and URP exist, membership goes up.

It is very clear that today, the exemptions brought by the Government are intended to treat with a selected few. This will not benefit the national community. This is payback time. The PNM Members of Parliament and others have to host Christmas parties and distribute hampers. The passage of this will help them in hosting same. You will recall that on a previous occasion, I think the Member for Port of Spain South boasted to the national community that he had given out 4,000 hampers. When an examination took place, they came from a number of oil companies. I do not have to tell you that it was the Minister of Energy and Energy Industries. I would be looking in the print and electronic media to see PNM Ministers giving out hampers and toys. The Member for Diego Martin East is confirming. When he was Minister of Works and Transport, he collected large sums of money for same.

In another two or three weeks we will be entering the dry season. During that time there is a large cry from many areas for pipeborne water. Part of the exemption provided for materials for the construction and manufacture of water tanks: If this is encouraged—because the PNM is unable to cause water to flow in the taps—the cost of water tanks has to be reduced. The price of water tanks keeps going up.

I remember under the UNC administration during a meeting with the business community some business houses were quarrelling with us. They said that since we came into government they had to stop the production of water tanks. There was no need to buy water tanks. Water was available on a daily basis to almost 85 per cent of the homes in Trinidad and Tobago. As soon as the PNM came into government, notice the advertisements. Water tanks are selling all over the country. It goes hand in hand.

Once the PNM is there, water shortage. Water tanks and pumps will sell. Drive through any part of this country and you will see truckloads of water tanks. It is a case where the PNM has no intention of lifting the standard of living of the people of this country. No piece of legislation that they have brought this far can show differently.

As we enter the dry season the need for air condition units will increase. You have seen paid advertisements by local distributors complaining that the Minister of Trade and Industry and Minister in the Ministry of Finance has caused it to change. It is felt by many that the Minister is not treating with them fair and square. The country from which they import some of the parts to manufacture the air condition units is where the others are bringing them from. The exemption is not benefiting.

This takes fans into consideration. Do you know of any fan that is made in Trinidad? All are imported. Some might be assembled. Do not mix it up. Sometimes you do not know the difference. What is the purpose of this legislation? Is it to encourage sectors to develop? Is it to encourage the manufacturing to develop and by extension create employment; a spread of revenue and expand the economic pie so more will have? This will not do that.

This is only treating with a few; and those few can be seen at certain places and writing cheques as well.

Mr. Speaker, I really wish that the Government would reconsider the Motion at hand this evening, and I suggest that closure to this debate be adjourned and that we go through this and demonstrate to the national community that what is intended here, will benefit the national community.

I thank you very much.

4.00 p.m.

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, I am tempted to say, I beg to move.

Mr. Speaker, my mother taught me to be charitable so I shall be. I will start first by making the point that the last amendment to the list of Conditional Duty Exemptions was done in 1990. It is contained at page 15(31) of Volume 29, Trinidad and Tobago Legal Notices.

Mr. Speaker, you will recall that in 1990, the PNM was in opposition. Some Members over there were in government at the time. On this list of Conditional Duty Exemptions, we will start with an initial list of 83 dealing with capital equipment, machinery and equipment, a number of different industries. Most of them at this time, in fact, are spent. As I said, all capital equipment is now zero rated so that part of it is not really necessary. Raw material by and large—those that we can identify—clearly relate only to industry. Again, that is zero-rated. It is only those which are dual in nature. In other words, it can be a finished product as well as a raw material that is still subject to duty.

I make the point also that as we move to more liberalization one would find that all extra-Caricom imports—in other words—let me put it differently—any product that is not produced within Caricom would be duty-free. We are moving from a situation where the purpose of customs was to collect revenue—I like the concept used by my colleague—I wrote it down—protectors of revenue, basically

that is what he was saying—moving from that paradigm to the paradigm of customs facilitation. I would return to that concept when I am dealing with the contribution of the Member for Chaguanas.

As we move to a situation of liberalization, for example, as we get deeper into the Free Trade Area of the Americas (FTAA), one would find that there would be no need for a list of Conditional Duty Exemptions. I make the point more and more that is becoming anachronistic. Because what you are going to have is a situation where anything that is not produced within Caricom would be able to come within Caricom on a duty-free basis. Only in a situation in which a product produced within Caricom is competing will there be a need for some level of duty, and even the level of duty will be trending downwards.

The purpose of the legislation before us is, in a sense, as my 'old man' used to say, peradventure. There are still some items that would benefit from the Conditional Duty Exemptions.

The second point is that my friend from Fyzabad— I thought he would have gone through every item on this list. He went through it in a manner misrepresenting what was being said. The item on the list states if you have—he quoted item 32, for example:

"Machinery, equipment and material for use in the manufacture…".

If you are the manufacturer of industrial chemicals, including break fluid, then you can bring in your stuff and pay zero duty. That is all this is saying.

Then he went on, on house building. I challenge him, whether there is anything here dealing with house building. The closest he came—he said 50 or 15. I looked at them and, of course, that was not relevant. At 70 we see:

> "Building materials for first installation of approved extension in approved industrial enterprises."

In other words, if you are putting up a factory for manufacture of whatever, and you are bringing in material or if you are bringing in material for initial building or on an approved extension of that building, you can bring it in free. That is what it is.

Mr. Ramsaran: Thanks for giving way. Let us accept what you are saying is true. What control is there that these materials would not be used in building a house?

Hon. K. Valley: Mr. Speaker, my colleague from Chaguanas has been a custom officer for some time. He is well versed in their ways. I think, perhaps, he is giving us information.

One expects in this society that Customs would ensure, via the audit procedures and so forth, when it comes in, it would be used for the purpose intended. It was that Member who made the point that if it were not so used, then you had to charge the duty on it.

Mr. Speaker, the Member went on to make the point that if you brought something in under the duty exemption and then you were to send it to another country without importing it into Trinidad and Tobago, then exporting it to another country, that you were subject to the duty.

Mr. Speaker, from time to time, I have had cause to deal with that thinking of Customs; a thinking that I must say I find extremely baffling but then, it comes from the orientation as the Member said, that the whole orientation is a protector of revenue, that they must collect revenue and they fail to understand that the paradigm has, in fact, changed and it is now one of facilitation. In my own case, at the Ministry of Trade and Industry we had to employ an individual, a change agent, first of all to deal within the Ministry, but to deal with certain organizations such as Customs because with that "head", unless we can change it, we are not going to get anywhere. There are a number of organizations and, yes, we are coming from a situation where we were a protective environment to one of openness and so forth, and although we are making the change by way of laws, the "head" is not there as yet, and we have to change that and it is a task.

The Member also spoke about my having to tell him how much revenue we are foregoing. That is a nil issue today. In the old regime, in the old paradigm that was relevant and I can tell him—he made the point that he asked for it on a number of occasions and he never got it. Mr. Speaker, that is not so. This is the third time I am presenting this Motion and I take the Member back to Monday, December 19, 1994 when I presented a similar Motion in this House and provided the information. Even then, the world had already started to change but even then, I found it necessary to provide the information. I said:

"I have information here for the period 1992, 1993 and up to July 1994."

In 1992, it was providing information on the approvals.

> "…the proposed employment was 1,003; capital expenditure was $231.3 million, the proposed foreign exchange earnings were $148.8 million. For 1993, 68 approvals; proposed employment, 1,650; capital expenditure $451.1 million…"

and so forth. Then we went on in terms of foregone taxes, if that is what the Member wanted to know.

> "In 1986 Government subsidized the local manufacturing sector in terms of duty exemptions to the tune of $235.5 million for machinery equipment and raw materials. By 1990, the total subsidy amounted to $950.6 million. In 1990 approximately 800 beneficiaries utilized the system. The total duty forgone on imported inputs in 1992 amounted to $826 million and $673 million in 1993."

I provided that information. And, then, we were talking about subsidizing. No longer is it so. Today, we are talking about levelling the playing field: that a manufacturer in Trinidad and Tobago must be on the same basis as a manufacturer in the United States. A manufacturer in the United States does not have to pay duty on capital and on capital equipment. Capital equipment is made right there and if a manufacturer in Trinidad and Tobago has to compete with that manufacturer, he must not be exempted. It must be free duty and the same thing on his raw materials and whatever is in his manufacturing process. It is not a question of taxes, because if he does not do it he is not getting any taxes in any case. Understand that! So it is a change in paradigm. In the old paradigm you were saying, look, you want to invite the industry to come here and so on. I know it is difficult for you because you grew up with: "customs must only collect revenue, collect revenue, and collect revenue". It is gone! Customs must facilitate trade and commerce. That is what they have to do today. That is the world. That is why you moved from custom reliance and custom duties to value added tax. Understand where we are going.

The Member also made the point that I came and said this is a simple matter. If I were saying that then I am on good grounds. This is not the first time this Motion is being presented.

One of your former colleagues—I am sure he is still your colleague—the former Minister of Trade and Industry came to this Parliament with a similar Motion in 2001. He came late in March when the manufacturers were complaining that they could not have cleared their goods for the whole year.

Mr. Speaker, the Minister of Enterprise Development, Foreign Affairs and Tourism, Hon. Mervyn Assam, said when he entered this honourable House that afternoon to move a motion which, although very important for our manufacturers, and by extension, the economy, was rather a simple motion.

Mr. Speaker, all kind of chat. I sat here—let me tell you what he said:

> "In order to gauge the effectiveness of our grant of concessions to the manufacturing sector since the passage of the last resolution, a study is being undertaken to report on the performance of concessionaires. This study is expected to be completed shortly, providing, inter alia, the statistics on revenue foregone, benefits to the economy derived from the grant of concessions, an assessment of the impact of the concessions on the performance of the various subsectors, and the achievement of the objectives that we set when the original grants were, in fact, given."

The point I am making is that this was merely political "ol' talk". First of all, it is wrong to call these people concessionaires. It is every manufacturer who qualifies. It is not a select group. I made the point in 1994, the only qualifier is environmental impact. The only factor that will be taken into consideration is the impact on the environment.

When I was asked by Mr. Sudama, the Member for Oropouche at the time—he was making a similar case as the Member for Fyzabad, that we were using these concessions to benefit our friends, that is, selectively, in other words. And I made the point that the only yardstick is the impact on the environment; as long as we have the manufacturing process then automatically he qualifies for duty reduction. At that time we gave a duty reduction of 45 per cent on raw material and zero-rating on the equipment. The same debate! I made the point that there was complete transparency with respect to the grant of these concessions. It is done by TIDCO. Every manufacturer, because, the basic concept, I repeat, is that you must have a level playing field. We cannot ask a manufacturer in Trinidad and Tobago to be paying duty on his capital equipment coming in or on his raw material coming in, and then ask him to become competitive worldwide. We cannot do it and we are not doing it. This is throughout Caricom. This is not simply in Trinidad and Tobago.

Let me quickly deal with some other issues. The Member spoke about some of the difficulties in Customs. I think it is known, yes, Customs has its problems but what are the realities.

When we were in Government in the period 1991—1995, we brought in that ASYCUDA system and I thought we were making good progress. The Member should really be telling us what happened during the period 1996—2001.

If, today, we are short of some 200 customs officers—you were there. What had happened in that period—and as though the country was on autopilot—you

come back and meet a situation where every Monday morning the Comptroller of Customs has reached retirement age, and has got to go. Yes, we have to bring in new people but there must be some people to train these new people. He is complaining about the shortage of staff and at the same time complaining that we brought back 12 better ones who will act as consultants to help in the training of new ones when we bring them in.

Mr. Speaker, the Member honestly appeared as though he had this debate; he went to his custom friends and asked, "What are your problems?" and came to the House.

Mr. Ramsaran: What is wrong with that?

Hon. K. Valley: Nothing is wrong with that. But this is an issue dealing with the manufacturing sector and it is not a griping period.

Customs is one of the institutions that are earmarked for fundamental reform this year as part of the institutional building to assist us in overall competitiveness.

Mr. Speaker, I do not think I have much more to say. I do not think there is anything more that I need to say.

The Member for Fyzabad asked who is the legislation benefiting. Let me say that—his colleague said it is important not only for manufacturers but also for the economy. It is benefiting the economy of Trinidad and Tobago because by providing these concessions, ensuring that the manufacturers can get their inputs and capital equipment duty free we make them more competitive, thus allowing them to penetrate new markets as well as to gain further access to existing markets. By doing that they earn income, meaning that they can then employ more persons in Trinidad and Tobago and/or raise the salaries of their existing staff to the extent that they export the earned foreign exchange to the benefit of the economy. They then pay more taxes. Remember, in the old time they used to get tax credit for extra-Caricom exports. No longer is that so, so that the more they export there are more taxes paid, they benefit the Treasury. They benefit Trinidad and Tobago. More persons are employed or they are paid better because of what they do.

That is the purpose of this legislation and that is why we ask Members to come on a Monday because, yes, we know we are getting into the Christmas season, we have to end the Parliament for Christmas but it is important that come January 01, 2005, this is in place so that the manufacturers can clear their goods and go about their business. It is as simple as that. We are not

trying anything on anyone. We are not fooling anyone. This is something they are doing since 1951. They were doing it for one reason then; they are doing it for another reason now. In both instances, it is to deepen the industrialization process in Trinidad and Tobago.

Mr. Speaker, I commend this resolution to the House and I beg to move.

Question put and agreed to.

Resolved:

That the House of Representatives, in accordance with and subject to the provisions of section 56 of the Customs Act, exempt from import duties of customs the classes of goods imported or entered for use in Trinidad and Tobago for the respective purposes set out in the List of Conditional Duty Exemptions given in the Third Schedule to the Customs Act, for the period beginning immediately after the expiration of the last such Resolution of Parliament and ending December 31, 2007.

Mr. Speaker: Hon. Members, by agreement between the Leader of Government Business and the Chief Whip, and with my consent we will go to tea now and come back at 5.00 p.m. The House is suspended.

4.25 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

CARIBBEAN COMMUNITY (REMOVAL OF RESTRICTIONS) BILL

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole House.

House in committee.

Mr. Chairman: Hon. Members, the list of amendments circulated today is the final list of amendments. It is the only list that we are dealing with. Any list that may have been circulated previously is withdrawn.

Clauses 1 to 3 ordered to stand part of the Bill.

Clause 4.

Question proposed, That clause 4 stand part of the Bill.

Mr. Valley: Mr. Chairman, I beg to move that clause 4 be amended as follows:

In paragraph (c) in the proposed:

(a) subsection (2)(a), delete the words "in paragraph (a) or (b)" and substitute the words "in subsection (1)(a) or (b)";

(b) subsection (2)(b), delete the words "in paragraph (a) or (b)" and substitute the words "in subsection (1)(a) or (b)".

Question put and agreed to.

Clause 4, as amended, ordered to stand part of the Bill.

Clauses 5 and 6 ordered to stand part of the Bill.

Clause 7.

Question proposed, That clause 7 stand part of the Bill.

Mr. Imbert: Mr. Chairman, I beg to move that clause 7 be deleted.

Mr. S. Panday: What is the rationale for the deletion of that clause?

Mr. Imbert: The Bill will come into effect when it is assented to by the President, which will be very close to December 31, 2004, so we have gone right through and removed the commencement dates and just left them for the time the President assents to the Bill. The Bill will take effect when the President assents to it. We thought it was redundant and useless.

Question put and agreed to.

Clause 7 deleted.

Clauses 8 to 11 ordered to stand part of the Bill.

Clause 12.

Question proposed, That clause 12 stand part of the Bill.

Mr. Imbert: Mr. Chairman, I beg to move that clause 12 be deleted.

Question put and agreed to.

Clause 12 deleted.

Clauses 13 and 14 ordered to stand part of the Bill.

Clause 15.

Question proposed, That clause 15 stand part of the Bill.

Mr. Imbert: Mr. Chairman, I beg to move that clause 15 be deleted and replaced as follows:

Section 9 of the Act is amended by—

(a) inserting after subsection (1) the following subsection:

(1A) Notwithstanding subsection (1), and subject to such requirements as may be prescribed by regulations made by the Minister under section 44, an immigration officer shall allow to enter Trinidad and Tobago—

(a) a national of a Member State who is seeking to exercise in Trinidad and Tobago any of the rights or privileges conferred on him by the Immigration (Caribbean Community Skilled Nationals) Act, 1996;

(b) the spouse and immediate dependent members of the family of the national to whom paragraph (a) applies for the duration of the permission given the national under the Immigration (Caribbean Community Skilled Nationals) Act, 1996;

(b) inserting after the new subsection (1A), the following subsection:

"(1B) Notwithstanding subsection (1) and subject to such requirements as may be prescribed by regulations made by the Minister under section 44, an immigration officer shall allow to enter Trinidad and Tobago—

(a) a national of a Member State who is seeking to exercise in Trinidad and Tobago the right of establishment or the right to provide a service conferred on him by the Caribbean Community (Movement of Factors) Act, 2004;

(b) subject to the Caribbean Community (Movement of Factors) Act, 2004, the

spouse and immediate dependent family members of the abovementioned national establishing an economic enterprise;

(c) subject to the Caribbean Community (Movement of Factors) Act, 2004, the managerial, technical and supervisory staff of an economic enterprise of a national."

Dr. Rafeeq: Mr. Chairman, has the Caribbean Community (Movement of Factors) Act, 2004 been passed?

Mr. Imbert: That has been not yet been laid or debated in this Parliament.

Dr. Rafeeq: Is it permissible to do something like this?

Mr. Imbert: It has been done before on at least two occasions.

Mr. S. Panday: You are referring to a non-existent Act.

Mr. Imbert: This does not take effect until that legislation is passed. You all did it. I checked.

Mr. S. Panday: So this Bill does not come into effect until—

Mr. Imbert: That clause does not come into effect until the movement of factors legislation is enacted.

Dr. Moonilal: If the Bill is not passed consistent with this, will you go back and amend this?

Mr. Imbert: That is right.

Question put and agreed to.

Clause 15, as amended, ordered to stand part of the Bill.

Clause 16 ordered to stand part of the Bill.

Clause 17.

Question proposed, That clause 17 stand part of the Bill.

Mr. Imbert: Mr. Chairman, I beg to move that clause 17 be deleted.

Mr. S. Panday: Mr. Chairman, you said that clauses 7 and 12 have been deleted because it is so close to the time. What is the rationale for deleting clause 17, which comes into effect at the end of 2005?

Mr. Imbert: The Heads took a decision that the legislation would come into effect in January. To have a commencement date of December 2005 does not make much sense, so we are taking out all the commencement dates and going with when the President signs.

Dr. Rafeeq: Are you saying that this Bill will come into effect when it is assented to?

Mr. Imbert: This is subject to the point that you raised, which is the movement of factors legislation, which we have not yet debated in this House. The clauses that deal with that cannot come into effect, but the rest of the Bill comes into effect. You will see that this particular one refers to that clause.

Question put and agreed to.

Clause 17 deleted.

Clauses 18 to 20 ordered to stand part of the Bill.

Clause 21.

Question proposed, That clause 21 stand part of the Bill.

Mr. Imbert: Mr. Chairman, I beg to move that clause 21 be amended as follows:

In 3(2), third line, delete the word "such" and insert between the words "a" and "state", the words "qualifying Caribbean Community";

Delete the words "of a qualifying Caribbean Community State" after the word "national" and before the word "who".

Dr. Rafeeq: Mr. Chairman, I understand the point they are trying to make. "National" is defined here already in clause 19. Somehow it does not read fluently. It will read this way:

"(2) This section applies to a national who presents on entry to Trinidad and Tobago, a passport issued by such a state…"

Mr. Valley: You have to include "of the Caribbean Community".

Mr. S. Panday: It is defined already in clause 19(a).

Mr. Valley: He is right. Instead of "state", it should read a "Caribbean Community state".

Dr. Rafeeq: Or a "qualifying Caribbean Community State".

Mr. Imbert: You have to delete the word "such" and replace it with "qualifying Caribbean Community". That is the fourth line of 21(2).

Mr. S. Panday: Does it not make it clumsy to come back at the end—the last two lines—"which satisfy the conditions for recognition of Caribbean Community skills qualification"?

Mr. Imbert: Not really. Why do you say so?

Dr. Rafeeq: [*Inaudible*]

Mr. Imbert: Are you satisfied, Member for Caroni Central?

Dr. Rafeeq: Yes.

Mr. S. Panday: Yes.

Dr. Nanan: Besides the Caribbean Community (Movement of Factors) Act, 2004, this Bill also makes reference to the amendment to the Tourism Development Act. You will have to consider that also.

Mr. Imbert: Can you tell me to which clause you are referring? Can we come back to it?

Question put and agreed to.

Clause 21, as amended, ordered to stand part of the Bill.

Clause 22.

Question proposed, That clause 22 stand part of the Bill.

Mr. Imbert: I beg to move that clause 22 be amended as follows:

In the proposed section 4(2):

Delete the words "of a qualifying Caribbean Community State";

Delete the word "such" and insert after the word "a", the words "qualifying Caribbean Community".

Dr. Rafeeq: I have a little difficulty. Are you also deleting "of a qualifying Caribbean Community State" in line 4?

Mr. Imbert: Yes.

Dr. Rafeeq: Well then, something is wrong there as well. It will read, "or any other state together with a certificate issued by the Government". Either you put "the government of such a state" or leave "government of a qualifying Caribbean Community State".

Mr. Imbert: The deletion is at the top, not at the bottom.

Dr. Rafeeq: The amendment did not say so.

Mr. Imbert: Accepted, but it is the first place that the words appear that we are deleting them, not in line 4.

Dr. Rafeeq: Mr. Chairman, it would read like this:

> "This section applies to a national who presents on entry to Trinidad and Tobago, a passport issued by a qualifying Caribbean Community State or any other state together with a certificate issued by the Government of a qualifying Caribbean State".

Do you want to put "of such a state" at the end?

Mr. Imbert: We do not want to confuse the certificate issue with the other "qualifying Caribbean State" a line up. We want to make it clear that the certificate is only issued by a qualifying Caribbean Community State. "Such a state" could refer to the qualifying Caribbean Community State or the other state, which is not what we want to do.

Question put and agreed to.

Clause 22, as amended, ordered to stand part of the Bill.

Clauses 23 to 27 ordered to stand part of the Bill.

Clause 28.

Question proposed, That clause 28 stand part of the Bill.

Mr. Imbert: Mr. Chairman, I beg to move that clause 28 be deleted.

Question put and agreed to.

Clause 28 deleted.

Clauses 29 to 30 ordered to stand part of Bill.

Part VII.

Question proposed, That Part VII stand part of the Bill.

Mr. Imbert: Mr. Chairman, I beg to move that Part VII be deleted.

Question put and agreed to.

Part VII deleted.

Clauses Renumbered.

Question proposed, That all clauses be renumbered accordingly.

Question put and agreed to.

Dr. Nanan: I made reference to Caribbean Community (Movement of Factors) Act, 2004. Clause 6 of this Bill makes reference to the Tourism Development Act, 2000 and on the Order Paper there is an amendment to that Act, which makes reference to a new definition for ground tour operations or destination management companies. This cannot come into effect until this particular Act—

Mr. Imbert: You are right. Very good!

Question put and agreed to, That the Bill, as amended, be reported to the House.

House resumed.

Bill reported, with amendment, read the third time and passed.

ADJOURNMENT

The Minister of Trade and Industry and Minister in the Ministry of Finance (Hon. Kenneth Valley): Mr. Speaker, I beg to move that the House be now adjourned to Friday, December 17, 2004 at 1.30 p.m. On that day, the Government plans to debate the Copyright (Amdt.) Bill, as well as the Births and Deaths Registration (Amdt.) Bill.

Mr. Speaker: Before I put the question, there is a matter to be raised on the adjournment. I now call upon the hon. Member for Nariva.

Biche High School

(Failure of Government to Open)

Mr. Harry Partap (*Nariva*): Thank you, Mr. Speaker. The matter I wish to raise in this honourable House speaks specifically to the failure of the Government to take appropriate steps to open the Biche High School. This has resulted in serious inconvenience to the children of Biche and environ, who are of secondary school age.

Construction of the Biche High School began in January 2000 under the UNC government, headed by the distinguished Member for Couva North and former Prime Minister, Basdeo Panday, against the background of 11-year-olds leaving their homes at half past four in the morning to attend school. These children

return home after 7 o'clock at night. That is the level of treatment of children of the rural poor coming from the PNM.

Two years and three months after their Commission of Enquiry into the construction of the Biche High School and the submission of the Commission's report, not a single recommendation was implemented. The PNM's concern is not about the children of Biche; it is about locking up people. It is about prosecuting and persecuting people, so they handed the report, not to a team of engineers who could work on implementing the Commission's recommendation, but to a team of lawyers, to find ways to prosecute people. I do not know if to attribute this to the incompetence and weakness of the Minister of Education or to political spite, vendetta, vindictiveness, victimization, malice or shortsightedness of the PNM. Some of my colleagues say all.

5.30 p.m.

The People's National Movement (PNM) is yet to decide on the reason for the continued closure of the Biche High School. In 2001, it was poisonous gas escaping, endangering the lives of students and teachers but, believe it or not, not the villagers who live less than 100 feet below. Then it was doomsday. It was the collapse and blow up of the hill. Next it was the slippage of the land. We are now hearing about geothermal activity with ponds of water under the building.

Mr. Speaker, I traverse my constituency on a regular basis and there had been no investigative activity on the site since 2001. Are we to believe the hon. Minister and Mr. Arnie West, gazed through the earth, under the building, and saw ponds of water because there were no activities?

Hon. Minister, the large Grand Etang Lake in Grenada nestles on the top of a hill 600 feet above sea level. It has been there for centuries. You are now using, as an excuse, ponds of water on a 100-foot hill to deny the children of Biche a state-of-the-art secondary school. What a travesty!

Mr. Speaker, it is obvious to all and sundry that what is happening with the Biche High School is a continuation of the bitter and vicious propaganda campaign launched by the PNM in 2000, against the construction of the Biche High School and all the other secondary schools placed in rural communities to allow children easy access to universal secondary education right there in their communities.

The PNM saw it as building schools for "douens" and parrots. The UNC saw it as empowering our young people. It is regrettable that four years after the school

was constructed, the PNM still believes its propaganda and influences its sycophants to give currency to their lies and innuendos about a collapse and blow up of the seven building complex. The PNM propaganda is that the school is built on a fault line and this is a threat to life and limb. They omitted to say, however, that the Point Fortin Junior Secondary School and the Barrackpore Senior Comprehensive School were built on fault lines and these fault lines are even bigger than what had been observed in Biche.

With the earthquake two weeks ago, measuring 5.4 on the Richter scale and Biche nearing the epicentre, the Biche High School remains solid as a rock. [*Desk thumping*] No new cracks were observed. In the old building, there were hairline cracks. The Member for Diego Martin's house has hairline cracks. Do not tell me no because I know it is true. No new cracks were observed in the building. No part of the hill came tumbling down and the complex did not collapse.

The people of Biche and I are convinced that there are no poisonous gases in or around the Biche High School. If there were poisonous gases, the MTS security guards on the compound would have complained and they would have moved out, or they would have been dead by now. They are still there. I hope Ray "CEPEP" Braithwaite does not go there and threaten them and force them to say that they are suffering from nausea. I hope he does not do that. The air there is clean.

If there were poisonous gases in the environment surrounding the school, they would have affected the villagers living at the base of the hill. No such thing happened. There was really no need for a commission of enquiry into the construction of the school. The PNM had to invent ways to discredit the UNC. It did not matter what the investigation was about, it only mattered that there was an investigation. It did not matter that the UNC did nothing wrong in giving the children of Biche a secondary school. It only mattered that the public be given the impression that we did something wrong. It did not matter that the enquiry cost taxpayers millions of dollars. It only mattered that the UNC be discredited. The PNM does not care about the children of Biche, they only want to prosecute and persecute people.

I warn them on that side, they will not be allowed to use these enquiries and investigations as weapons of political destruction against the UNC. The backlash awaits all of them on that side. Every morning those 200 children have to get up and wait at the roadside for transport into Sangre Grande; 17 miles away from home—Sangre Grande, Rio Claro or Manzanilla. Their tears will fall on the PNM.

One month ago, 20 children were injured when the school bus which was taking them home overturned at Coalmine in Sangre Grande. Thankfully, there was no loss of life. It could have been worse. The injured received not a word of comfort from the Minister. The question of compensation remains unanswered.

At present, there are two bridges leading out of Biche, which can collapse at any moment. This, combined with a series of serious landslips on the Plum Mitan Road, threatens to isolate that rural community and prevent children from accessing their secondary school.

Last Monday, residents expressed their anger and frustration at the failure of the Ministry of Works and Transport to take remedial action. It was a fiery display of frustration and there is more to come.

Mr. Speaker, the issue is not substituting maxi-taxis for buses. The issue is forcing children to risk their lives to travel long distances to get a secondary education when there is a state-of-the-art building in their district.

The hon. Minister may bring data to suggest that despite the call of the people of Biche for the opening of the high school, the dropout rate had been nil. That data is not relevant to our argument. What will be relevant is the data on regularity and punctuality of the students of Biche and its environs at those secondary schools. That will be the critical data to support our call for the opening of the Biche High School. I hope the Minister does not hide that data.

A former PNM Member of Parliament for Nariva, Mr. Hardeo Hardath, supports the opening of the Biche High School. I am sure many of the Members opposite support the opening of this school. I have an open letter to the hon. Minister, which I hope you have read, published in the *Guardian* dated December 04, 2004 at page 30. Mr. Speaker, if you permit me, I would read some excerpts. This is what Mr. Hardeo Hardath says:

> "Biche High School is one of the most beautiful schools built in this country. It is very congenial for students to study in peace and tranquillity…
>
> Parents and students are desperate and would like to have the school repaired and opened soon.
>
> The Biche Presbyterian School is in good condition and should be cleaned, painted and furnished. It should be opened next term to alleviate the problem of children having to travel to either Cushe Government or Biche RC."

These are 5-year olds.

> "Think of the students of Biche and adjacent areas and open the schools."

He is talking to the Minister.

> "In closing, I would like you to know that the Biche High School was scheduled to be built in 1975..."

He told me when he approached the first Prime Minister, Dr. Williams, he told him: "Dem people eh ready for dat yet." I hope you all are not doing the same thing.

> "after repeated representation, but it was not. It was built when the UNC came into government, but that should not matter now. It was built for the education of the children of these rural areas."

The Government should not try to punish the children by punishing the UNC. It is not punishing the UNC. I concur with Mr. Hardeo Hardath, former Member of Parliament for Nariva. I call on the Minister to do the decent thing and open the school so that our children will be able to attend a school in their community. Thank you.

The Minister of Education (Sen. The Hon. Hazel Manning): Mr. Speaker, the Member for Nariva has raised an issue on which we spoke at length when he headed a delegation to my office on November 17, this year. Nevertheless, I welcome the opportunity to report to this honourable House and in so doing, to report to the nation, the Government's actions regarding the Biche High School.

The hon. Member uses the phrase "failure of the Government to take steps to open the Biche High School". The word "failure" connotes non-performance, lack of success or some cessation of a vital function. If we apply this to the charge laid by the Member for Nariva, it implies that the Government has had no success, or we have ceased in our efforts to take steps to open the Biche High School.

Mr. Speaker, for the record, I will show to the contrary. Over the last few years we have taken steps to address the situation at Biche and we continue to do so. I will show that we have taken steps to reduce the inconvenience, with respect to school transportation, which the students of Biche now experience. I will state categorically that the students of Biche have not been denied access to their education because of the situation on the site of the Biche High School.

I will show that this Government is doing what it takes to ensure the safety of all the students of Biche. I talk about safety. If you noticed, the Member on the other side did not speak about safety. This Government will not compromise on the issue of safety at the site of the Biche High School. We have been working

constantly, since assuming office, to address the Biche issue. In fact, the Government has never ceased taking steps to resolve a problem that was created by those on the other side of this House.

Firstly, when this Government recognized the difficulties regarding the occupation of the Biche High School, this Government established a commission of enquiry to investigate and report on its findings. The report was presented to the President of the Republic of Trinidad and Tobago on Monday, September 16, 2002. It has been posted on the Government website since then. The report revealed that as early as November 1999, at the soil-testing stage, there were problems. Gas bubbles were first seen in March 2000 and the first landslip occurred in July 2000. [*Interruption*] The question is: Why did you continue to build?

Mr. Speaker, did those on the other side care about safety? Did they heed the warning signs? Nothing was done about these signals, not one thing! The commission observed in the report "the seriousness of the gas emissions was not taken seriously enough." Mr. Speaker, those who could have done something to ensure the safety of the site failed to take the necessary precautions at the time. The Government, however, takes the situation at Biche very seriously and it takes seriously the safety of the children of Biche, the teachers and other school personnel who may have to work there. This is no politics! The Government, therefore, is taking all the necessary steps to implement the recommendations of the commission.

Four days later, on September 20, 2002, Cabinet accepted the recommendations of the commission of enquiry by Cabinet Minute No. 2116. This is what the commission of enquiry had to say. I quote:

"If the Biche High School is to be occupied, the following must be done:

- All the reports must be studied in their entirety, especially those which recommended closure of the school for health and environmental reasons.
- There should be continuous air monitoring under the supervision and direction of the EMA and PAHO.
- There must be a proper assessment of the soil conditions to address the issue of water in the soil undermining the support of the foundations.

- Structural engineers must look at the integrity of the present structures, whether the measures which have been suggested in the past have any value and the cause of the cracks in the building.
- Any efforts at mitigating must primarily take into consideration the interests of the children for whom the school was built and then the cost thereof."

Mr. Speaker, following Cabinet's acceptance of the report, the Government immediately did two things:

i. Through the Ministry of Education, arrangements were made to have the children of Biche, who were of secondary school age, placed in schools closest to Biche. We also made provision for school transportation.

ii. A draft terms of reference for the Biche High School Assessment Study was prepared and by December 19, 2002 it was completed and a site visit conducted with the EMA. The EMA then reviewed the document and submitted its comments on December 24, 2002.

So important, it was on Christmas Eve day.

The final terms of reference were prepared and submitted to Cabinet for approval on January 22, 2003. Cabinet Minute No. 209 of February 06, 2003 accepted the terms of reference. Cabinet further recommended that offers be invited to conduct the assessment study on the Biche High School.

In March 2003, a tender package was completed by the Secondary Education and Modernization Programme Coordinating Unit and forwarded to the Central Tenders Board, requesting it to invite tenders. This was done and tenders were invited locally. When tenders closed on July 03, 2003 only two tenders were received. The number of responses was inadequate. As a result, the Ministry of Education, in consultation with the Central Tenders Board, reviewed the situation in detail and agreed to invite tenders internationally.

On October 29, 2003 a memorandum was sent to the Central Tenders Board, informing them of the decision. The revised tender documents were sent to the Central Tenders Board on December 2003.

During this year, 2004, we have worked with the Central Tenders Board and the Ministry of Foreign Affairs to identify companies capable of undertaking the required range of assessments and to invite tenders internationally. One query was obtained from a potential bidder requesting additional information on the terms of reference. The terms of reference then had to be recalled, revised and re-issued.

On November 01, 2004, and for the third time, the revised tender documents were submitted to the Central Tenders Board. The Ministry of Education was required, as a condition precedent to the issue of invitation for proposals, to submit nominations for an evaluation team. We have received all nominations requested and have notified the Central Tenders Board.

On November 17, 2004 I met with the hon. Member for Nariva and concerned citizens of Biche including Councillor Glenn Ram who is also Chairman of the Biche Parents Action Group; Mr. Albert McKenzie, a Lay Minister and former teacher and Mrs. Kamla Ragoobar, a concerned parent and shared all this information with them. They raised their concerns regarding the opening of the Biche High School and the Biche Presbyterian Primary School and the inconvenience of children of Biche of secondary school age being unable to attend school in Biche.

Mr. Speaker, the Ministry of Education is very aware of the situation at Biche. So aware are we, that we were able to have representatives of the Public Transport Service Corporation (PTSC) present at that meeting. We were able to inform the members of the Biche delegation that the commission's report was on the Government website and we were able to provide each member of the delegation with a copy. The Ministry of Education has been monitoring the retention rate for students of Biche and was able to advise the delegation that the retention rate is high with no more than five out of the 139 students from Biche dropping out over the period 2001—2004.

The Ministry of Education was proactive and ensured that representatives of the PTSC were present. They apprised the group of ongoing efforts by PTSC to provide effective transportation. They also received feedback from the group. Several of the suggestions put forward by the delegation were noted by the PTSC and agreement was reached on one of the solutions, which is the use of maxi-taxis instead of the regular buses to transport the children of Biche.

At the meeting we enquired whether there were maxi-taxi operators in Biche since our practice is, wherever possible, to have the residents who operate maxi-taxis involved in the transportation of their children. The group told us that there

were no residents of Biche operating maxi-taxis. The PTSC agreed to make arrangements for the children of Biche to be transported directly to the school by maxi-taxis in the new school term. If the child is going to SWAHA, the child will leave Biche and go straight to SWAHA.

Mr. Speaker, so aware are we of the Biche situation, we were able to present figures to counter a perception that the students of Biche are dropping out of school. We know the schools in which the children of Biche are placed. We monitor the situation. The meeting with the Member for Nariva and the Concerned Parents Action Group on November 17, 2004 concluded with the exchange of contact information and a commitment to keep in touch. Members of the PTSC have been in Biche talking to members of the community.

Mr. Speaker, I told the Member for Nariva and the Concerned Parents Action Group, when we met, that I do not intend to place the school children in any environment that is hazardous. I stand by that decision and I repeat that until advised otherwise by expert technical advice, no way am I going to expose the children of Biche to the environment of the school site. [*Desk thumping*]

On this side of the House, we stand firm on the issue of safety. Was there concern for safety by those on the other side? Had there been such a concern, the findings of the report might have been different and the comments of the Attorney General might have been different. The Attorney General's comments on the main issues and inferences from the commission's findings indicated that the site was unsuitable and that this circumstance would have been apparent very early in the construction process. Further, that the building as completed was not fit for its intended purpose.

Mr. Speaker, those who built the Biche High School knew the risks, yet they chose to ignore the safety of students and teachers. They failed to act responsibly. Page 26 of the commission's report indicates that gas and oil emissions and landslips and soil erosion due to water in the substrata exist and the risks of earthquakes were due to the presence of geographical faults. These are serious concerns especially in the light of nature's unpredictability at home, regionally and internationally. We are experiencing landslips in Trinidad and Tobago.

In addition, Mr. Speaker, Government sought the advice of senior counsel and they have confirmed the recommendations of the commission of enquiry. They have agreed that the school should not be opened until the recommendations of the commission are adhered to. They added that if the recommendations cannot be observed, then the school should not be opened at all. [*Interruption*]

Mr. Speaker: Please!

Sen. The Hon. H. Manning: Just one more paragraph.

Mr. Speaker: I want to inform the hon. Member for Oropouche that as long as I am here, I will direct this House. Okay? That comment that you just made is not appreciated at all. [*Interruption*] If you believe it, keep it to yourself. Do not say it. Please continue.

Sen. The Hon. H. Manning: Mr. Speaker, I have just one more paragraph.

The report further identified consultants and contractors who should be sued for negligence and breach of duty to provide fit and adequate premises before being contracted to do so. [*Desk thumping*] The report of counsel is before the Cabinet for its directions with respect to enforcement action, which is open to the Government with respect to those who have been identified by counsel to be culpable.

Thank you very much, Mr. Speaker.

Question put and agreed to.

House adjourned accordingly.

Adjourned at 5.57 p.m.