HOUSE OF REPRESENTATIVES

Wednesday, February 10, 2010

The House met at 1.30 p.m.

PRAYERS

[MR. SPEAKER *in the Chair*]

LEAVE OF ABSENCE

Mr. Speaker: Hon. Members, I have received communication from the hon. Paula Gopee-Scoon, Member of Parliament for Point Fortin requesting leave of absence from today's sitting of the House. The leave which the hon. Member seeks is granted.

STANDING ORDER 12

Mr. Speaker: Hon. Members, I wish to briefly address you on the matter of Standing Order 12. Under this Standing Order a Member seeks to adjourn or put aside the pre-arranged business of the House to have discussed a matter which in his or her view is a definite matter of urgent public importance. Simply put, the Member is seeking an emergency debate. In deciding whether or not to approve a request for emergency debate, the Chair is guided by the Standing Orders, authorities and practice and nothing else.

I bring this to your attention because of the following statement which appeared in the editorial of the *Sunday Express* February 07 this year:

> "the PNM-appointed Speaker, whenever called upon by Opposition MPs to align parliamentary attention with pressing public concern, has typically displayed partisan inclination to avoid discomfort or embarrassment to the Government." [*Desk thumping*]

Although I know that this is not the view of this House but only the opinion of someone who is obviously self-opinionated and who displayed a profound ignorance of the rules of the House, I think that it is necessary for me to briefly highlight two of three elements which are generally misunderstood, that must be satisfied in order for the motion to be accepted.

For a matter to be urgent under this Standing Order, the matter must have arisen suddenly in the nature of an emergency and must be raised at the first available opportunity.

A matter which has been continuing for some time cannot be raised through an adjournment motion. This element of urgency as defined under this rule is critical in order to legitimize a request to give priority to a debate on the matter.

Note also, that for a matter to be of public importance under this rule, it should be larger than an individual constituency or regional grievance. So if for example, only the constituents of Fyzabad are affected, the matter would not qualify. Additionally, as most of you are aware, once there exists another convenient parliamentary means available for debating the subject of the application within a reasonable short time, a Speaker is required to take that into account.

In this regard, you have often heard me refer you to Standing Order 11 where any matter for which the Cabinet is responsible may be raised by any Member who has obtained the right to raise a matter on the motion for the adjournment. In this case, three clear days notice must be given. As an aside, there is also Standing Order 17(1) which deals with urgent questions.

These rules were not devised by me to avoid discomfort or embarrassment to the Government, as the editorial writer suggests, but have existed long before this House appointed me to this august Chair and they are common to all parliamentary democracies. Interestingly, since 1995, there were 157 attempts to raise matters under this Standing Order and 11 were successful, 10 of which were accepted by this Speaker since I assumed the Chair in December 2002.

In the application of these rules, Speakers throughout the Commonwealth know that their decisions will please some and displease others. That is the nature of this job. However, it remains the safest and wisest course for a Speaker to follow the rules and that is precisely what I intend to do as long as I occupy this Chair.

In a recent ruling, the Deputy Speaker explained that comments on the performance of the Speaker are not uncommon and are to be expected since many persons are uninformed about the rules of this House. However, she strongly advised against comments that the Speaker was biased, unfair or unjust in the performance of his duties.

The words of the editorial referred to, therefore, revealed not only the manifest ignorance of the author, but also his flagrant disrespect of the Office of Speaker and could only be intended to damage this office. It was once said by a wise man:

> "It is what we think we know that keeps us from learning and displays our ignorance."

I therefore expect that persons writing on behalf of all newspapers will take the time to do the necessary research on matters like these before writing. Indeed they are invited to communicate with the office of the Clerk to obtain the relevant learnings. I also know for a fact that many of the more professional parliamentary political reporters do in fact call before writing. It is the prudent thing to do.

PAPER LAID

The Administrative Report of the Ministry of the Attorney General for the fiscal period 2006 to 2007. [*The Attorney General* (*Sen. The Hon. John Jeremie SC*)]

STATEMENT BY MINISTER

"PM Caught"

The Prime Minister (Hon. Patrick Manning): Mr. Speaker, I refer to an article on the front page of the *Express*, Wednesday February 09, 2010, entitled, "PM Caught". I would like to advise this honourable House and members of the national community that when the Water and Sewerage Authority introduced its restrictions on the use of water, on Thursday of last week, Mrs. Manning who normally sees about the management of the household gave a very clear instruction to the Head of Household who received that instruction and duly transmitted the instruction to all the relevant personnel involved in the maintenance of the grounds.

The article this morning, therefore, it is factual, I think it is, came as a great surprise to us and while we are investigating what may have gone wrong, a decision has been taken to terminate the services of the contractor with immediate effect and invite a state enterprise, the National Maintenance Training and Security Company Limited, to come and provide those services to the Prime Minister's residence and Diplomatic Centre.

Thank you.

FINANCE BILL

A Bill to provide for variation of certain duties and taxes and to introduce provisions of a fiscal nature and for related matters, [*The Minister of Finance*]; read the first time.

PUBLIC ACCOUNTS (ENTERPRISES) COMMITTEE

(REPLACEMENT OF MEMBER)

The Minister of Works and Transport (Hon. Colm Imbert): Mr. Speaker, I will move this Motion although I do not want to be part of the business of the other side.

I beg to move the following Motion:

Be it resolved that this House appoint Dr. Tim Gopeesingh, Member for Caroni East to serve on the Public Accounts (Enterprises) Committee to replace Mr. Kelvin Ramnath, Member for Couva South.

I had nothing to do with this.

Question proposed.

Hon. Members: Division. [*Laughter*]

Mr. Speaker: The rules call for a division.

The House divided: Ayes 20 Noes 7

AYES

Imbert, Hon. C.

Manning, Hon. P.

Nunez-Tesheira, Hon. K.

Kangaloo, Hon. C.

Abdul-Hamid, Hon. M.

Ross, Hon. J.

Swaratsingh, Hon. K.

Parsanlal, Hon. N.

Beckles, Miss P.

Mc Donald, Hon. M.

Hunt, Hon. G.

Le Gendre, Hon. E.

Browne, Hon. Dr. A.

Callender, Hon. S.

Jeffrey, Hon. F.

Hospedales, Hon. A.

Joseph, Hon. R.

Hypolite, N.

Sinanan-Ojah-Maharaj, Mrs. I.

Moonilal, Dr. R.

NOES

Warner, J.

Ramnath, K.

Gopeesingh, Dr. T.

Sharma, C.

Partap, H.

Baksh, N.

Peters, W.

Dr. Moonilal: What is the point of that?

Mr. Manning: "Gopeesingh is de man. All yuh eh understand de game all yuh playing yet."

Question agreed to.

1.45 p.m.

TRINIDAD AND TOBAGO REVENUE AUTHORITY BILL

Order for second reading read.

The Minister of Finance (Hon. Karen Nunez-Tesheira): Mr. Speaker, I beg to move,

That a Bill to establish the Trinidad and Tobago Revenue Authority and for related matters, be now read a second time.

The creation of the Trinidad and Tobago Revenue Authority is about the people of Trinidad and Tobago to whom Government owes a duty of care. It is about Government fulfilling its commitment to safeguard the well-being of the citizens of Trinidad and Tobago. It is about Government ensuring the protection of our nation's borders and facilitating competitive business with a view to securing a superior quality of life for each and every citizen of Trinidad and Tobago. This duty of care to ensure that we, the people of Trinidad and Tobago, achieve our fullest potential is embodied in our Vision 2020 Strategic Plan, the pillars of which speak to:

- Developing an innovative people;
- Nurturing a caring society;
- Enabling competitive business;
- Investing in sound infrastructure and environment; and
- Promoting good government.

The creation of the Trinidad and Tobago Revenue Authority is consistent with all of these objectives.

The Bill before this honourable House is designed to bring greater transparency, efficiency and effectiveness to the management of revenue collection in Trinidad and Tobago. The method taken to accomplish this objective has been tried and tested with good success in almost 50 countries throughout the world, including Botswana, Canada, Guyana, Jamaica, Kenya, Malawi, Malaysia, Mauritius, Mexico, Peru, Singapore, Tanzania, Uganda, United Kingdom, Venezuela and Zambia.

The administration of revenue collection in Trinidad and Tobago falls within the purview of two divisions in the Ministry of Finance. The Inland Revenue Division has responsibility for the collection of domestic taxes, that is to say, income tax, corporation tax, petroleum taxes, stamp duty, value added tax, property taxes and other miscellaneous taxes, such as import surcharge and green fund levy, while the Customs and Excise Division is charged with the collection of customs duties and excise duties.

The Customs and Excise Division also has an important border protection function. Between these two divisions, more than 90 per cent of Government's revenue is collected. At present, neither the chairman of the Board of Inland Revenue nor the Comptroller of Customs and Excise, as receivers of revenue, has any involvement in the determination of how that revenue, which is collected by their respective divisions, is spent. Their responsibility is to collect the revenue and transfer it to the Consolidated Fund. The determination of how revenue collected is expended, rests with the Parliament of Trinidad and Tobago based on the recommendations or consent of the Cabinet. It is critical in understanding the Bill before this House that these basic factors are borne in mind.

The Bill before this House raises the question as to why a fundamental change in the framework of the management of the collection of revenue in Trinidad and Tobago is being proposed at this time. Permit me to address the major issues confronting the environment within which revenue is collected in Trinidad and Tobago.

First, it is necessary to examine the increased complexity of managing revenue collection in the 21st Century. Trinidad and Tobago is a very open economy. We have a vibrant energy sector in which many of the major companies are branches of international companies. We also have a vibrant financial services sector and it is the intention of this Government to continue to nurture this sector so that it makes a significant contribution to employment as well as the economic development of the country. The complexity of managing revenue collection in

this environment is a moving target with significant and fundamental changes taking place. The administration of revenue collection must therefore be able to meet the many challenges a new environment has brought with it.

Secondly, it is critical that the collection and receipt of money in the public sector should keep pace with revolutionary changes that have taken place in the way that money is made and transmitted. For example, a significant amount of money is made in the intangible arena of services and is transmitted around the world by a click of a mouse. We believe that we must be in a position to ensure that those who benefit from the services that Government provides pay their equitable share of the cost of those services.

Third, it is important to examine the purposes for which money is used in the modern world. Money is moved between countries and used sometimes for illegitimate and illegal purposes. Trinidad and Tobago has been strengthening its money laundering legislative framework in keeping with international best practices and the recommendation of the Financial Action Task Force. Effective revenue collection with rigorous compliance and enforcement is one way to contribute to the protection of the national interest.

Fourth, it is the nexus between revenue administration and national security. This is especially important with regard to the border protection element of customs administration.

Fifth, it is the legitimate expectations of the population in terms of the level of service, equity and transparency in the delivery of services, especially services which impact on the life of all our citizens and have implications for their quality of life.

Sixth are the concerns that we all have as a country for transparency and equity in the handling of Government resources. This Government is committed to the principle that the responsibility for our country must be borne equitably. To ensure that this is done, it is necessary to guarantee frameworks within which the principles of fairness, integrity and transparency are embedded in the very DNA of the responsible institutions.

Seventh, the people of this country deserve excellence in customer service and to be treated with respect and sensitivity when they go about their civic responsibilities. It is clear that in this environment described and to achieve the goals to which we aspire, it is imperative that a revenue collection management framework should be guided by the following principles: it must be robust, proactive, flexible, anticipatory, transparent and agile at the very minimum. The

framework should be able to respond to the changing needs of our country as we rapidly develop. It should be able to protect our national interest and security while at the same time ensuring that the laws relating to revenue collection are applied transparently and equitably.

There are few persons who willingly embrace paying taxes, but taxes are the means by which a government provides a range of public goods and services. An efficient, effective and transparent revenue collection management framework will go a long way to facilitating voluntary compliance with our laws and making sure that responsibilities are shared equitably.

The means by which this will be accomplished is through well-trained, well-motivated and well-compensated staff. The human components of such a system, therefore, are critical. We must ensure best practice in terms of recruitment and selection; staff work rules; staff development; career development; performance management; staff compensation and rewards. Such a system is only possible in an institutional framework that gives employees an opportunity for continuous learning and development and an identity of which they can be proud.

The Government of Trinidad and Tobago is committed to creating an institutional framework within the Trinidad and Tobago Revenue Authority that would engender such an environment where information and communication technology would be maximized, where there would be established human resource policies and systems which promote human employee development and structure that institutionalize accountability and transparency. This institutional framework would facilitate organizational efficiency and effectiveness which will filter down to the external stakeholders, the customers, the taxpayers, to you the people of Trinidad and Tobago.

When we look at the current institutional arrangements, it is clear that these minimum requirements are not met and it is doubtful whether they could be within the present framework. The Inland Revenue Division and Customs and Excise Division are part of the Ministry of Finance and as such, part of the Trinidad and Tobago Public Service. The rules governing the administration of domestic taxes and customs and excise are therefore circumscribed by the provisions of the public service. Successive administrations from all political parties that have formed the government in this country have attempted to address the issue of public service reform and public service productivity, with very limited and sustained impact.

This Government is of the view that the challenges and risks are too significant to allow things to continue as they are and so we came to the revenue authority model of

revenue collection management. As I noted earlier, revenue authorities are not a new phenomenon. There are at least 50 revenue authorities in various jurisdictions. As a result of this wide experience in practice, Trinidad and Tobago has been able to benefit from the lessons learnt from the several revenue authority models applied in the various jurisdictions.

We have been able to conclude that while the models are essentially sound, we can identify certain pitfalls in implementation that need to be avoided. We have also been able to appreciate that the operating context of the country must be taken into account in order to stand a better chance of success.

I would like to share with this honourable House the method by which we arrived at this point. I believe that this chronology would demonstrate that the policy which informs this Bill is sound, rigorously thought out and carefully crafted. In 1993, the Government recognized that there were real technical and managerial problems within the Inland Revenue and Customs and Excise Division that could not be remedied internally. Technical assistance was therefore sourced from the United States of America, and in 1994, a team of three officers from the United States Customs was assigned to the Trinidad and Tobago Customs and Excise Division.

Further, in 1997/1998, a team from the United States Internal Revenue Service was assigned to the Inland Revenue Division with a mandate to assist in the reform of these divisions. This technical assistance resulted in the introduction of several initiatives, such as the establishment of the marine and canine units in the Customs and Excise Division and the large taxpayers' unit in the Inland Revenue Division. It subsequently became clear that while Government was making improvements, including investing in new information and communication technologies, we could not reap the full benefits of these investments in the existing institutional arrangements.

Accordingly, in 2002, Government appointed a committee to investigate the feasibility of establishing a revenue authority in Trinidad and Tobago. The committee was made up of representatives of government, including representatives from the Customs and Excise Division and current and former members of the staff of the Inland Revenue Division, the private sector and civil society.

The conclusions of this committee included an assessment that the present framework was deficient in the following ways:

- deficient human resource management;
- inadequate management capability, accountability and training;
- inadequate staff development training and accountability;

- lack of control over and accountability for budgetary allocations;
- inadequate employee compensation packages;
- high incidence of corruption and corrupt practices, especially within the Customs and Excise Division;
- inefficient systems for internal investigation and enforcement;
- inadequate information exchange and coordination between the administration and of various taxes levied;
- poor customer relations;
- anti-business rules and regulations;
- lack of appropriate information technology systems;
- poor physical infrastructure and accommodation;
- deficiencies in the legislative framework.

The committee recommended that the revenue authority model was not only a feasible approach but also a desirable one given the circumstances of Trinidad and Tobago. Therefore, in November 2002, Government accepted the Deane committee's recommendation, that a revenue authority be established in Trinidad and Tobago.

Subsequently in 2004, the Government secured the assistance of the Caribbean Technical Assistance Committee (CARTAC) to advise on the implementation approach to establishing a revenue authority. In 2007 Government also sought and received technical assistance from the International Monetary Fund, once again to make sure that we were meticulous in our implementation.

2.00 p.m.

After the IMF mission, we engaged experienced Canadian Revenue Authority experts, who had actually worked in the Canada Revenue Agency. In May of last year, we closed the circle when Cabinet created the Trinidad and Tobago Revenue Authority Management Company Limited as a special purpose company whose entire remit is to bring into being the best vehicle to meet the aspirations of the people of Trinidad and Tobago with respect to the management of revenue administration. So we have arrived at this place where we are seeking enabling legislation to bring into operation the Trinidad and Tobago Revenue Authority (TTRA).

The Authority should ensure a sound economic growth platform for the people of Trinidad and Tobago. It is in this context that the following characteristics are required

to ensure that the Authority is people focused, customer focused and employee focused in order to achieve its objectives:

(1) The TTRA would support and be fully consistent with the objectives of the Government of Trinidad and Tobago with respect to Vision 2020;

(2) It would reflect the very best features of revenue authorities in other countries;

(3) It would be a catalyst for reform and would promote and foster an improved business environment for Trinidad and Tobago based on transparent performance management and reporting;

(4) It would have a corporate character headed by a Chief Executive Officer;

(5) It would be responsible for all matters relating to its general administrative policy, organization, real property and other assets and human resources;

(6) Although established as a corporate body, it would be an agent of the State, fully accountable to Parliament, the Minister of Finance, as a member of the Executive, exercising general control;

(7) It would have greater flexibility and autonomy in its management processes;

(8) It would internalize high professional values, ethics and integrity in the core of the organization;

(9) It would reflect separate operational delivery for tax collection and customs, but would be fully integrated otherwise;

(10) Its organization and management would be overseen by a board of management which would have no role in the day-to-day tax and customs activities; that is, it would not be involved in case work. The board, nevertheless, would be accountable to Parliament through the Minister of Finance for management policies, including budget and human resources, for example, recruitment, compensation, promotion, training and discipline;

(11) It would contribute to the control and security of our nation's borders.

Mr. Speaker, I would now expand on some distinct characteristics of the TTRA:

Its organizational structure: In choosing an organizational structure for the TTRA, Government reviewed the establishment, structure and operating successes

of revenue authorities around the world and decided to benchmark our design against Her Majesty's Revenue and Customs of the United Kingdom. Based on comparative research and benchmarking for best practice, a functional model was established which identify the key functional processes that a modern revenue authority should pursue.

Its state-of-the-art technology: The Revenue Authority will be investing in state-of-the-art technology, which will form the foundation for executing the functions of revenue collection and the administration of the TTRA. In that regard, it would see the full implementation of both the automated system for customs data entry ASYCUDA Word, and the integrated tax processing system, ITPS, recently introduced at the Inland Revenue Division. As a result, the public and the business community can be assured of the high level of transparency and efficiency with which both IT systems operate would be maintained, become more efficient and in no way be compromised by service delivery.

Its corporate character: An element of the TTRA's corporate character would be its responsibility for human resource policies, including those related to recruitment, remuneration, promotion, training and development, performance assessment, conditions of work, discipline, termination of employment and superannuation benefits. These are not cosmetic, but fundamental changes from the way we do business at present, which would provide a true basis for reform and modernization of the system.

I come now to staffing for the TTRA. It will be an organization which stands at the heart of Trinidad and Tobago's revenue functions and as such must be staffed with people with the requisite experience, skill and knowledge to run the organization efficiently. This is consistent with the development pillar of promoting effective government.

In that regard, it is envisioned that all existing employees of the Customs and Excise and the Inland Revenue Divisions will be offered a voluntary separation of employment package and will be given the opportunity, like all citizens of Trinidad and Tobago, to apply in open, transparent competition for the newly-created posts in the TTRA, commensurate with their skills and competencies.

The decision to offer the separation package has been a major contentious issue. However, Government's decision was arrived at after a comprehensive analysis of the possible transition models for the staffing of the Authority and with regard to the transformation exercise.

I assure this honourable House that due consideration was given to the implications of each transition model on existing staff before a final decision was

made. It was determined that the transition model selected would allow the TTRA the authority and the flexibility to set the rules with respect to staffing and to ensure that all the initial staffing is based on competencies, skills and attributes required for the organization's proposed staffing structure.

Moreover, Government is committed to ensuring that the separation package offered is fair and equitable. I assure the employees of the Customs and Excise and Inland Revenue Divisions that job opportunities are available in the proposed TTRA. We are creating completely new areas such as risk management and internal affairs, and enhancing others such as human resource management capabilities.

Organizations have no memory; people do. Therefore, the skill sets that existing employees possess are integral to the successful integration of this government initiative. In fact, it is anticipated that the Authority will have a staff of more than 1,600 persons; a staff complement which currently exceeds the number of filled permanent established positions in the Inland Revenue and Customs and Excise Divisions combined.

Another feature is its highly professional and competent human resource system. The TTRA will be instituting measures to ensure that the best candidates are recruited to the staff of the TTRA. Such measures include the formulation of job descriptions, which incorporate requirements consistent with the strategic goals of the TTRA; a rigorous recruitment strategy, which includes appropriate screen mechanisms such as background checks and, if necessary, psychometric tests. Of significance, Mr. Speaker, will be the institution of a performance management system which demands continuous assessment and is linked to advancement in the organization as well as opportunities for growth and development.

Human capital profile has been developed for the leadership of the organization as well as for all staff. Members of the leadership team must exemplify and demonstrate TTRA's values and ethics, inspire commitment by staff to a vision of success; create an environment where team members consistently push to improve team performance and productivity, model excellence and motivate fellow team members to follow his or her example; hold staff accountable for achieving standards of excellence and results for the organization; manage the learning process to ensure it occurs by design rather than by chance.

All members of staff would be expected to exhibit the following behaviours:

- Demonstrate TTRA's values and ethics;
- Exhibit high levels of personal and professional accountability;

- Be self directed, competent and disciplined;
- Respond to clients' needs;
- Provide excellent service to internal and external customers;
- Create an environment in which concern for client satisfaction is a key priority; and
- Subscribe to the philosophy of advancement based on meritocracy.

Further, in keeping with Vision 2020, the Government is committed to creating a culture of excellence within the TTRA through training and promoting personal growth and personal development and innovation among its employees.

Why proceed with the TTRA now, one may ask? The public service is under pressure to meet the challenges of a rapidly changing world. Consequently, changes in strategies, structures, systems, processes, regulations, values and culture are required. Implementing the TTRA remains as important now as in 2002 when it was first approved by Cabinet. The unavoidable delays that were experienced do not alter the urgency and importance of moving forward with the TTRA implementation.

A revenue authority is not a goal within itself. The idea behind the revenue authority is that it creates conditions that can enable reform and modernization of revenue administration to proceed more quickly and effectively; the goal being to modernize Trinidad and Tobago's revenue administration as an important pillar of overall institutional reform and preparation for the achievement of our Vision 2020 goals. The platform created by the TTRA will entail, for example, HR policies, more specifically tailored to the needs of revenue administration leading to a better, targeted recruitment and retention.

It will also lead to financial policies that would permit the TTRA to make sound and timely investments, for example, in IT infrastructure. Progress in these management areas will create the conditions for reform to take hold more quickly, to be more sustainable in the long term and to have the greatest impact possible on the overall effectiveness of the Authority.

In an effort to address any uncertainty and even suspicion about the Revenue Authority, we have, since September 2008, held briefing sessions to stimulate discussion, receive suggestions and address pre-emptive issues the staff of the Inland Revenue and Customs and Excise Divisions may have had about the Revenue Authority's implementation.

A panel consisting of senior personnel of both the Inland Revenue and the Customs and Excise Divisions, representatives from the Ministry of Finance and the Public Services Association, as well as TTRA consultants, was established to address stakeholder issues. Between April and May 2009, the Ministry of Finance has created opportunities for the staff of Inland Revenue and Customs and Excise to address specific HR issues, particularly those dealing with VSEP to take suggestions and offer solutions.

A series of bulletins were issued, the first of which addressed many questions staff would have asked, from VSEP eligibility to VSEP calculation. Additionally, the Director of Pensions assisted in preparing a document which provided for staff personally to calculate their pension and gratuity as well as acquire an understanding of who were eligible for specific benefits.

These were used during several TTRA meetings scheduled in both Trinidad and Tobago. Contact information for TTRA hotline was placed at the back of every document distributed. Staff members and the general public were encouraged to call the hotline or send an email to the Ministry of Finance for further information.

Newspaper advertisements were strategically placed in the three daily newspapers during the months of March, April and May, 2009, the aim being to create awareness, encourage staff to make enquiries and to allow the general public to understand the purpose of the TTRA.

We continue our programme of communication with all internal and external stakeholders of the Revenue Authority. The main purpose of this programme would be to raise the level of awareness; make the connection between efficient and effective tax and customs administration and the development of the society; inform and educate stakeholders about the importance of transparency in the administration of tax and customs services.

I now turn to the legislation which establishes the TTRA. It stipulates a governance structure and a division of functions among the Minister of Finance, the board of management and the management of the TTRA. It also enshrines the creation of the post of Chief Executive Officer and Deputy Chief Executive Officer.

This Bill, which contains six parts and 40 clauses, includes a preamble which requires the Bill to be supported by votes of not less than three-fifths of all the Members of each House of Parliament. As stated in the preamble at clause 3, the Government is of the view that it is necessary and expedient that the provisions of

the Bill have effect even though inconsistent with sections 4 and 5 of the Constitution. Part I of the Bill contains four clauses and sets out the preliminary provisions which are to be found at clauses 1 to 5 of the Bill.

Clause 1 is self-explanatory and cites the title of the Bill, the Trinidad and Tobago Revenue Authority Act, 2010. It will be observed that clause 2 of the Bill provides for the commencement of the Bill and stipulates that the Act is to come into force on such date as to be fixed by the President by proclamation.

In other words, the Act will not take effect immediately upon assent by the President, after being passed by both Houses of Parliament. Further action is required by the President. In order to bring the Act into full force, the President must issue a proclamation after the necessary administrative and other work is completed to make the Revenue Authority fully operational.

2.15 p.m.

Mr. Speaker, the expressions contained in the Bill which requires further definition and clarification are identified in clause 4. You will also see at clause 5 that this Bill will bind the State.

Part II of the Bill contains two clauses. That is clauses 6 and 7 providing for the establishment and function of the Revenue Authority.

Clause 6 is designed to give effect to the strategic intent of the Government, which is the creation of an organization, which operates with greater efficiency and effectiveness in the collection of revenue and in enforcement and protection of our country's borders. To this end, the revenue authority will be established as a body corporate with a legal personality capable of, amongst other things, suing and being sued in its own name as well as hold property in its own name.

Currently the Inland Revenue Division and Customs and Excise Division, the two primary revenue collecting agencies of Government operate independently of each other. The result is substantial duplication and overlap in their operations. The people of Trinidad and Tobago have called for greater efficiency, accountability and improved customer service in the area of revenue collection and under the operations of the Trinidad and Tobago Revenue Authority, the revenue collection functions will be streamlined to promote those values.

In addition to carrying out its functions, the revenue authority would operate with a higher degree of administrative and financial independence from the central government than the existing Inland Revenue and Customs and Excise Division. It is important to note here that the revenue authority though operating in the public sector

environment will not be a department of the central government, and as such, will not be subject to the several laws which govern the public service. As a body which is extrinsic to the central government, the TTRA will not be subject to oversight by the service commission established under the Constitution or the Personnel Department established under the Civil Service Act. This will ensure more speedy decision making. These are fundamental changes from what obtains at present, providing a true basis for reform and modernizing of the system.

Clause 6(3) of the Bill is of particular importance as it declares that the TTRA shall be an agent of the State. As agent of the State the TTRA will be accountable to the Minister of Finance who will have a significant degree of control and oversight over the TTRA. Nevertheless, it should be pointed out that the Minister's power of direction will not extend to operational day-to-day matters involving taxpayers business.

In particular, the functions of the revenue authority are outlined at clause 7 as follows:

(a) the assessment and collecting of taxes under the revenue laws;

(b) the administration of the revenue laws; and

(c) the enforcement of the revenue laws.

Mr. Speaker, it would be borne in mind that although clause 7 sets out in general terms the functions of the TTRA, these functions of the TTRA as an entity are circumscribed by the provisions set out in clauses 9 and 17 of the Bill.

I will now examine Part III of the Bill. This part contains eight clauses from 8 to 15 and deals with the establishment of one of the key design features of the TTRA, namely its governance structure.

As a corporate legal entity the TTRA acts through its board and employees. The board of management is established at clause 8 with responsibility for overseeing the management of the Authority. The board is a mix of competencies and comprises nine members all appointed by the Minister of Finance and at least two of whom are to represent the private sector. The circumstances under which persons will be disqualified from being members are clearly numerated at clause 8(4) and include non-residency, bankruptcy, criminal conviction and mental illness.

Clause 8(2) also prescribes the qualifications or experience that members must possess. These are in the areas of management, finance, accounting, taxation, public administration, law or such other related fields.

As noted earlier, with the coming into force of this Act, public service laws and policies will no longer apply. It is therefore necessary that this new entity is equipped with a variety of qualifications and skills to carry out its functions. The Revenue Authority would be managed by a board whose functions are outlined in clause 9(1) and include approving management policies and ensuring that the Authority is managed in accordance with modern corporate governance procedures and practice. Charged with the responsibility for implementing its own policies, the board will have greater flexibility and autonomy over management processes.

Clause 9 sets out the policies to be approved and implemented by the board. These include policies in specific areas such as management of resources, service standards, property procurement, personnel strategic plans, budget and annual reports. However, of significance, is that the board of management will not be responsible for matters such as the assessment and collection of taxes and the day-to-day administration and enforcement of revenue laws.

The board will also not be permitted to provide specific directions to the CEO or any employee with respect to the administration and enforcement of the revenue laws which are listed in the Schedule to the Bill, and included in legislation such as the Income Tax Act, the Corporation Tax Act, the Customs and Excise Tax Act and the Petroleum Taxes Act. There is also a restriction on access to any information concerning an individual or other person obtained in the course of execution of the function of the Revenue Authority.

Further, the board will be prohibited from having access to any documents or any information concerning the legal action brought by or against the Authority or its CEO. These provisions are outlined at clause 9(2) of the Bill. Of significance in all of this, is the fact that the board of management will have no role to play in the day-to-day activities relating to the collection and enforcement of revenue laws. The board will be accountable to Parliament through the Minister of Finance for management policies, including budget and human resources.

Under clauses 10 and 11, every board member would be subject to the full rigours of the fiduciary duties that are ordinarily placed on directors under the company's legislation. This is an effort to ensure strict compliance with the overriding principles that fiduciaries must not benefit from their positions of trust.

Clause 11 in particular mandates every member to avoid conflicts of interest and to disclose any interest they might have in any proposed existing matter placed before the board for its consideration.

At clause 12 of the Bill the Minister of Finance is given statutory responsibility for the oversight of the revenue authority. This provision empowers the Minister of Finance to issue written policy directions to the board with respect to the performance of its functions. When such policy directions are issued by the Minister, the board shall ensure these directions are implemented. This is intended to allow for a certain degree of Executive authority and accountability without materially affecting the autonomous nature of the Authority.

I now turn to clauses 13, 14 and 15 which provide for tenure, resignation and removal of members and meetings of the board.

Under clause 13 the Minister is given full authority to appoint members other than the Permanent Secretary and the CEO on terms and conditions determined by the Minister. It is recommended that the tenure for board members be on a three-year rotational basis with eligibility for reappointment.

Clause 14 specifies that a member may resign at any time and outlines the circumstances which would warrant the removal of a member other than the Permanent Secretary and CEO. This ensures that the members fulfil eligibility criteria before and after being appointed.

In addition, clause 14 clearly describes the responsibility of the Minister where a member dies, resigns or is removed from office. This provision permits the Minister to deal with unforeseen situations that could compromise the proper functioning of the board.

Clause 15 of the Bill provides for the meetings of the board which must be held at least every month and be presided over by the chairman.

Part IV of the Bill contains seven clauses and provides for the staffing for the Authority.

Clause 16 establishes the position of CEO and Deputy CEO who are to be appointed by the Minister of Finance on terms and conditions determined by the board of management. This will allow Government as the effective shareholder of the TTRA to determine who will help the Authority. A five-year renewable term for these officers provide the much needed stability for carrying out the day-to-day operations of the Authority. This clause also identifies and describes the skills and competencies of the chief executive officer and the deputy chief executive officer which are essential for effectively managing the Authority.

Clause 17 identifies the role and function of the chief executive officer. These include implementing the policy set by the board and administering the day-to-day operations of the Authority. The CEO is also responsible for advising the

Minister of Finance on matters that could affect public policy or materially affect public finances.

The provisions of clause 17 recognize the dual responsibilities of the CEO to the board and the Minister. The CEO is accountable to the board for the implementation of operational policies relating to the management of the Authority. The CEO is also accountable to the Minister of Finance for administering and enforcing the revenue laws.

Clause 17 also authorizes the CEO to delegate the powers and obligations relating to the revenue laws to other senior officials and staff as he deems fit.

Under clause 17, no specific duties are assigned to the deputy CEO. However, it is envisioned that he would play an effective part in reducing the reports to the CEO and would provide support for processes that are more focused on organization and system effectiveness such as legal appeals, policy and enterprise risk management and continuous improvement.

Clause 19 provides for the resignation in writing of the CEO or the deputy CEO and the removal of the CEO or deputy CEO.

Mr. Speaker, I will now examine clause 20 of the Bill. Currently the Chief Personnel Officer and the Public Service Commission are responsible for recruitment and discipline of staff and for determining terms and conditions for different levels of employees under the existing structures of the two divisions.

This clause vests the board with autonomy to formulate and administer human resource management systems. The board will determine all matters relating to conditions of work, standards of discipline, sanctions of breaches of discipline, including termination or suspension, employee termination or demotion, or poor performance, employment related expenses and other terms and conditions of employment and pension.

It is important for the Authority to retain qualified staff in an expeditious manner for the effective functioning of the Authority.

I will now turn to clause 21 under which the Authority is empowered to engage persons on a contract for service to assist it in the work on such terms and conditions as agreed by the Authority.

Clause 22 of the Bill would require the board to establish a pension fund plan for the benefit of the officers and employees within two years of coming into force of the Act.

Part V of the Bill contains 11 clauses and deals with provisions that would govern the funding and financial management of the Authority.

The intention behind clause 23 is for the Minister of Finance to obtain parliamentary appropriation for the operation of the Authority and to make a payment to the Authority based on that parliamentary appropriation. This clause will also authorize the Authority to charge fees, rents, interest in the conduct of its business and to borrow moneys with the approval of the Minister of Finance. Moreover, the funds of the Authority are to be applied to defray certain stated expenditure including salaries and pensions of employees, capital and operating expenditure and other expenses incurred in carrying out the functions of the Authority.

Clause 24 recognizes the corporate nature of the Authority. The Authority is allowed to borrow sums required to meet its obligations under the Act subject to the approval of the Minister of Finance.

The prime revenue collecting agent of the State, the revenue authority, would be required under clause 25 to deposit all public moneys collected under the various revenue laws to be paid into the Exchequer Account. This provision is consistent with the provisions of the Exchequer and Audit Act which require all revenue collected by or on behalf of the State to be paid into the Exchequer Account.

In light of the fact that the Revenue Authority will be responsible for the collection of public moneys, clause 26 mandates the Authority that the Authority will, like its predecessors, the Board of Inland Revenue and Customs and Excise Division be subject to the provisions of the Exchequer and Audit Act with respect to the handling and disposition of public money and the deposit of such money into the Consolidated Fund.

Further, under clause 26(2) the CEO shall be the receiver of revenue for the purpose of the Exchequer and Audit Act, and as such, will be responsible for the collection of and accounting for the items of revenue referred to in the revenue laws.

Mr. Speaker, at the committee stage with regard to what I have just said, there will be a need to amend clause 26(2), so that it will read instead:

> "Notwithstanding the provisions of the Exchequer and Audit Act, the Chief Executive Officer shall be the receiver of revenue for the purposes of that Act."

2.30 p.m.

This is necessary, given the definition of receiver of revenue at section 2 of the Exchequer and Audit Act, which requires the Treasury to appoint a person employed by the State as such receiver.

Mr. Speaker, I will now deal with the procurement provisions contained in the Bill.

Clause 28 recognizes that as the Revenue Authority builds capacity and expertise in its tendering process, the Central Tenders Board will have a diminishing or no role at all in the Revenue Authority procurement and contract management processes. The board will be empowered to make its own procurement rules relating to the award of tenders and contracts, subject to the approval of the Minister of Finance. Until such rules are made, clause 27(3) requires the authority to follow the procedures contained in the Central Tenders Board Act.

Clause 28 exempts the assets, property and income of the authority from the payment of all taxes of any kind and description.

Clause 29 of the Bill requires the board to prepare and submit annually to the Minister, a strategic plan for the authority.

Clause 30 establishes a legislative requirement for the board to comply with the Government's budget process.

Clause 31 of the Bill requires the board to keep proper books, accounts and records maintained in accordance with internationally recognized accounting standards, principles and practices.

The board also has responsibility under clause 3(b) to ensure that adequate financial controls are maintained within the authority.

Clause 32 outlines in very general terms the role of the Auditor General as the external auditor of the TTRA. This is in keeping with international best practice and serves to create a robust internal affairs function. It also serves to strengthen the internal audit function and separate the function of tax processing from tax audit. It should be pointed out, Mr. Speaker, that the functions identified in this provision do not in any way limit the constitutional responsibilities of the Auditor General as they relate to auditing of public accounts.

Clauses 33 and 34 provide for formal reports to be submitted to the Minister of Finance. This ensures accountability to Parliament and to the Executive, and it increases transparency, efficiency and fairness in the operations of the authority.

Part VI of the Bill contains four clauses and provides for miscellaneous provisions of the Bill.

Clause 35—this section creates an offence for breaches of the oath or affirmation of secrecy. A contravention of this section results in a member being fined and imprisoned, as well as having his contract of employment terminated.

Clause 36 is standard in all revenue authority enabling legislation, and will invest in the new authority all assets and liabilities of the Government that are immediately prior to the coming into force of the Act, existing in relation to the functions of the Board of Inland Revenue and the Customs and Excise Division. This ensures a seamless transition from the Board of Inland Revenue and Customs and Excise Division, to the Trinidad and Tobago Revenue Authority.

Clause 37 serves to save all rights subsisting against the Board of Inland Revenue and Customs and Excise Division before the coming into force of the TTRA, and to see such rights as subsisting against the CEO as he relates to his duties as CEO. This clause also serves to transfer to the authority any power, duty or function, that immediately before the coming into force of the Act, was vested in the Board of Inland Revenue and the Customs and Excise Division.

In addition, Mr. Speaker, any action, suit or legal proceedings to which the Board of Inland Revenue or Customs and Excise Division is a party immediately before coming into force of this Act, will now be continued by, or against the CEO.

Clause 38 would repeal section 3 of the Income Tax Act, which establishes the Board of Inland Revenue consisting of five commissioners. Any reference to the board in any of the revenue laws will now be a reference to the Chief Executive Officer appointed under the Act, which is currently for debate before this House.

Clause 39 would empower the Minister to make regulations.

Finally, clause 40 empowers the Minister to amend the Schedule to the Act by order. The reference in the Schedule to the Lands and Buildings Taxes Act, Chap. 76:04, will now have to be deleted and substituted by reference to the Property Tax Act, 2009.

The Government of Trinidad and Tobago will continue to work to ensure the smooth transition to the Revenue Authority, that staff members are treated equitability, and that benefits are paid promptly after the date of separation. Every effort will be made to amicably resolve all matters relating to separation.

Mr. Speaker, we must understand that the establishment of the Trinidad and Tobago Revenue Authority is Government's response to repeated calls from the citizens of Trinidad and Tobago, the customers and employees of the Customs and Excise Division and Inland Revenue Division, and the business community to address inefficiencies and inadequacies in the tax and customer administration system.

Mr. Speaker, the Government is of the view that the establishment of the Trinidad and Tobago Revenue Authority is the best mechanism through which all those calls could be addressed, in order to achieve the objectives of Vision 2020.

Today, I say to the people of Trinidad and Tobago, you have spoken and your Government has listened.

I beg to move. [*Desk thumping*]

Question proposed.

Dr. Roodal Moonilal (*Oropouche East*): Thank you very much, Mr. Speaker. I rise to speak on behalf of the Opposition on this attempt by the Government to bring dramatic and revolutionary change to the institutions of government and public administration, as the Government embarks on a programme which they claim will reform the process of revenue collection and, Mr. Speaker, deliver on a model for improved public administration.

Mr. Speaker, the matter before us today is the introduction by the Government of a new governance model for revenue administration, taking that process outside of the traditional ambit of the civil service, and indeed the Ministry of Finance. As you could imagine on such an important matter, there are several persons on this side of the House who are prepared to speak and would engage in debate as the evening proceeds.

My task would be to deal with some of the introductory matters relating to the Revenue Authority Bill, to set the framework for the position of the Opposition on this matter, and to deal specifically with the employment and labour matters emanating from such an important Bill. But I also want to begin by addressing a few of the issues raised by the Minister of Finance, a few moments ago during her presentation in piloting this Bill.

The issue of a revenue authority is not a new issue facing Trinidad and Tobago and developed countries. In fact, the first attempt to introduce a revenue authority dates back to 1988, and it was done I believe in Peru. Since then, several countries throughout the globe, not only geographic spread, but linguistic spread as well, have introduced something akin to the revenue authority that is being proposed here.

Mr. Speaker, I could not help but smile when the Minister suggested that this was done in an attempt to show respect, courtesy and dignity to citizens and to workers. Is that the reason why thousands of workers today, are marching around this Red House with bells, whistles, chants, placards, posters and making noise?

Mr. Imbert: You cannot count?

Dr. R. Moonilal: Is that the reason why they are marching, because you have treated them with respect, courtesy and dignity? If we are to believe the Minister,

then all the feedback mechanisms involving email and so on, would have failed to solicit the support of members of the Public Services Association who are currently outside the Red House involved in protest. Why would workers take time off in the hot sun, on a Wednesday before Carnival, to march around the Red House and the Parliament, if according to the Minister, they had ample opportunity to contribute, to participate, to share their views on the introduction of this Revenue Authority? Again, I want to put this in the context.

The Government wilfully and deliberately chose the Wednesday before Carnival, when this entire country, for better or for worse, is involved not only in preparation, but indeed in the festivities associated with Carnival. There are Ministers here, who would have to run away from the debate at some time because their Ministry is involved, either in a cooler fete or the Ministry is involved in their afternoon Carnival fete. This is why as the evening progresses, Ministers will be in and out because they have to go and fete with their staff. They come today on the Wednesday before Carnival to debate the TTRA because they believe that the population is caught up with Carnival and will not have time to study, to respond, to give critical comments and to understand what is happening in the Parliament. But I want to assure the Government, that Carnival or no Carnival, they playing not with powder, they may be playing with gunfire. They are playing with the lives of public servants, they are playing with the lives of the citizens of Trinidad and Tobago, and if they think that the Wednesday before Carnival is okay to engage in such a major revolutionary and dramatic matter as the changing and dismantling of key areas of the civil service, and the population will be caught up with Carnival and forget and forgive them, they are wrong. That is the first word. There is no reason why this debate could not have taken place either before, or certainly in the coming weeks after the Carnival festivities.

Mr. Speaker, the other point I want to make is to begin by congratulating the Public Services Association and other trade unions that have taken the decision to stand up against the oppression of this Government introducing this measure, and in shoving it down their throats as if it is a done deal between the Government of Trinidad and Tobago and public officers, while this is the furthest from the truth. This is not a Bill, this is not a measure that has received consensus and agreement by the trade union movement and by the workers of Trinidad and Tobago.

Mr. Speaker, the measure before us is very consistent with the approach of the Government and the approach of the PNM. I want to recall for you, that it was in the first administration of the Member for San Fernando East, that they dismantled the Industrial Development Corporation (IDC), sent hundreds of workers home and then

sought to formulate, what later became known as the Tourism Industrial Development Company (TIDCO) under the same guise of introducing efficiency, best practices, superior management, value for money, et cetera.

The PNM has in their DNA, an approach that when they cannot manage segments of the civil service, they dismantle it and seek to privatize functions of the public service through contract work and through introducing private sector led management which fails miserably. The PNM also will expend millions of dollars in these transition organizations, which at the end of the day will face the same problems that the current administration faces, whether it is inefficiency, corruption, waste, nepotism. There is a history with the PNM and this type of approach to governance. They cannot help it. Once they cannot manage something effectively, they dismantle it and they have proved to be a failure as it relates to tax administration, the administration of BIR and Customs.

Mr. Speaker when we are finished with this debate, hot on the heels will be another Bill, another measure to privatize immigration functions. Immigration Officers are already protesting and telling us that passport administration is now being privatized to introduce another type of system for persons to conduct the business of issuing passports in Trinidad and Tobago. So this is not the end certainly, if PNM would have its way.

2.45 p.m.

Mr. Speaker, this Bill also speaks to another issue: not only the privatization of the public service but the progressive de-unionization of the civil service. The PNM Government has been on a campaign to remove from the protection and the cover of trade unions, significant chunks of the civil service, of public officers, and they have been doing this by the progressive introduction of contract work.

Part of the scandal of Caroni (1975) Limited and its closure, involved the removal of 10,000 workers from the protection of a trade union. In the immediate aftermath of the closure of Caroni, they continue to operate a sugar refinery at BC, Brechin Castle, and a mill at Ste. Madeleine with over 1,200 workers who are then on contract. They closed down TTT, millions of dollars that cost as well, but the workers who were in the union were sent home. If you look at the situation with BWIA and Caribbean Airlines, again it was an attack on unionized workers, because this is a Government that in its history and its contemporary manifestation, has never supported the trade union movement and given expression to rights of workers, the right to collective bargaining and the right to freedom of association.

That is also at the heart of this debate and this measure; over 2,700 workers are to be placed on the breadline. You can call it what you want: voluntary separation or what have you; use all the nice euphemistic words they use: rationalization of employment, reengineering of the work force, restructuring, human resource challenges, "Yuh retrenching and sending people home", that is the long and short of it. You are sending people home; that is the objective of this measure; 2,700 workers or more are to be sent home. You can call it whatever you want, this is a forced separation programme and it is retrenchment in its naked form.

Mr. Speaker, the Government would argue that this matter deals with efficiency and bringing best practices, better management and so on, to the functions of the Board of Inland Revenue and to Customs and Excise Division. What prevented them for eight years from introducing programmes to enhance efficiency? What prevented you from introducing strategies of new management, new techniques to enhance your management? What prevented you from implementing the law to prevent corruption and nepotism about which you are now complaining? There are laws in Trinidad and Tobago that speak against corruption and fraud. How many persons, managers and supervisors are before the courts today charged with fraud or corruption, in one form or another, from the BIR and Customs and Excise Division? What prevented the Government and the Minister of Finance from bringing to justice persons guilty of corruption, fraud and other criminal action? What prevented you? Nothing; you could not do it then, but you are saying that the Bill before us today is the cure for all the inefficiency and corruption.

This is not a cure for anything; this is a recipe for corruption, [*Desk thumping*] a blueprint for maladministration. We will get to the details in a few moments, but this is a manual for the Minister of Finance to single-handedly control the revenue collecting function in Trinidad and Tobago. This is an operating manual for the Prime Minister, who has control over the Minister of Finance, to finally take full control over all the processes of revenue collection. This is returning us to Crown colony administration, as practised by the Colonial Secretary on behalf of the British Monarch, when they controlled the finance, when they controlled revenue collection. This is what this Bill seeks to do.

Throughout the Bill when you read it, everything deals with the Minister. The Minister appoints the Chief Executive Officer (CEO); the CEO is the super revenue collector under this measure. The Chief Executive Officer is responsible to the Minister, who is responsible to the Prime Minister, who takes charge of $40

billion in revenue collection in the hands of a Chief Executive Officer who owes his terms and conditions of work to the Minister of finance. That is the effect of this Bill. This is returning to Crown colony; that was how it operated during the Crown colony system of government, before the introduction of an independent Constitution, before the coming into being of parliamentary government.

In London they would determine policy and tell the Colonial Secretary, "Look, implement this, collect revenues," and he would appoint a functionary. This is the return to this historic, pre-independence political apparatus. It is regressive. This also speaks to the politicization of revenue collection. A fundamental issue before us is to what extent we should politicize revenue collection.

Without getting into much detail, but speaking quickly, because we are not here only to speak about the history, but the Constitution provides—and whatever the strengths and weaknesses of the Constitution, we must tell the Government that they cannot reform the Constitution by this measure; that is a separate process—for public officers the protection of service commissions, the provision for an appeal board of the Public Service Commission and, of course, recourse to the court of law in the event that public officers are threatened or actions are taken against them that they deem to be victimization. All of that goes out the window, thrown into the bamboo when you read this Bill. Terms and conditions of work determined by CEO and Minister; after two or three years they are out.

So when you have persons in sensitive areas involving national security collecting public moneys and you feel that they are problems, that they are not serving their master, the CEO or the Minister, you do not renew their contract, and they are out. This cannot be progressive. This is the most regressive piece of legislation introduced since the Industrial Stabilization Act of 1965. [*Desk thumping*]

They also speak about consultation. "You consult so much people, yet thousands marching around the Red House." You did not consult them? They have based a lot of what they have done on an earlier report on the introduction of a revenue authority and there is a final report of a committee appointed by Cabinet to examine the feasibility of establishing a revenue authority in Trinidad and Tobago. This report is from August 2002.

Do you know who the Chairman of this final report and committee was? It was one Mr. Gordon Deane. The facts are that Mr. Gordon Deane led the Integrity Commission; I believe he was the Chairman. Unless I am mistaken, when he presided as the Chairman of the Integrity Commission, there were matters before

the court in which the commission itself was found violating the laws of Trinidad and Tobago. The facts are that this is a gentleman who when he led the Integrity Commission there were matters that arose; those matters went to the court and the court found that the Integrity Commission violated the integrity laws of Trinidad and Tobago. This led to their mass resignation. Those are the facts. I do not think those are my opinions. [*Interruption*]

Hon. Jeremie SC: That is not true.

Dr. R. Moonilal: They are not true? You will correct me, I am sure, in good time, when you rise to speak.

Notwithstanding the Chairman, let us assume that we stand corrected on that matter, he presided over a committee and they were looking at this revenue authority matter. They recommended the establishment of the revenue authority; the Gordon Deane committee recommended it in print, as we say. They recommended it in black and white. It is here in black and white:

> "The committee unreservedly and unanimously recommends the Revenue Authority be established."

But you know, when you read this report, they included the views of the critical stakeholders in introducing a revenue authority. So the report has the views of all the important stakeholders.

Do you know that when it came to the Trinidad and Tobago Manufacturer's Association (TTMA), which is a key stakeholder—this is not a cricket club in a village somewhere making a comment about the Revenue authority, because they pay fines or something; this is the TTMA. The report said that the TTMA maintained that if a revenue authority fell under the control of a Minister it would not work and that the new organization should be designed from the bottom up and staff properly remunerated. So the TTMA recommended that the Minister should have no control over the introduction of a revenue authority; but they ignored that, of course.

On another matter, they got also recommendations from persons involved in collecting taxes; those persons are called "tax practitioners". Hear what the tax practitioners had to say:

> "…expressed the fear that the integration of the BIR and the C&E Division would produce a cumbersome and inefficient entity."

The tax practitioners and their spokesperson recommended that you should increase the efficiencies of both agencies separately, before integration. They

were against it as well. So When you did consult, the key stakeholders were against your proposal; today the unions are marching outside and you are telling us that this represents the will of the people, the broad consensus of all those affected. Where? From who? "Who you consult, the prophetess?" Who told you that this was a good thing, go ahead and do it? We could not find it in the research; we could not find it when we looked at the documents.

As if this was not bad enough, the Minister of Finance engaged in a tale of deception involving the workers, which led today to the mass protest activity. Before the introduction of the Bill in its current form, the Government had circulated a Bill called the Trinidad and Tobago Revenue Authority Bill 2008, this is 2010. When you look at clause 19 of that Bill, it dealt with staff arrangements and provided three options, (a), (b and (c), for permanent employees who were being displaced or whose employment could have been affected. It gave three options: (a, (b) and (c).

Option A was voluntary retirement from the civil service on terms and conditions agreed between the worker and the majority union and the Chief Personnel Officer. Notice in the legislation before we had a role for the Chief Personnel Officer. Do you know that terms and conditions in this Bill before us are being determined by the Minister and not the Chief Personnel Officer. "De Chief Personnel Officer gone through de window as well". It is the Minister, CEO and board determining everything, which is, effectively, the Executive of Trinidad and Tobago, the Prime Minister.

Mr. Speaker, option (b) was:

> "transfer to the Authority with the approval of the Public Service Commission on terms and conditions no less favourable..."

So workers could have voluntarily retired or they could have transferred to the Authority on terms and conditions or (c), they could:

> "remain in the Civil Service, provided that an office commensurate with the office held by him in the Civil Service...is available."

So you gave three options in 2008 to the unions; today, when you look at the Bill in its current form, "you doh have no options at all"; it is, "Go home"; that is the option. "Take the PNM way or the highway; you are out." Why did you betray the workers? Why did you lead them to believe that the job security of their members and citizens of Trinidad and Tobago was protected, and then you wait, hoping that they would not protest, because their job security is protected?

3.00 p.m.

Then you come at the 99th hour, the week before Carnival when rehearsals are taking place—tonight is the limbo finals, and when you have the semi-finals—and you come now before the rehearsals and tell everybody to go home. That is the approach; it is a callous treatment of workers. It is a shame and disgrace that you will come to the Parliament to put in law a measure to send home 2,700 faithful and loyal civil servants.

Many of these employees have invested their lives at their jobs. There are employees now at the Board of Inland Revenue (BIR), for example, who are doing their Certificate in Public Management at the University of the West Indies. In fact, the Government told them to upgrade their skills because they can be promoted and their job will be enhanced. They borrowed money, making the sacrifice only to be told that no job is guaranteed and they do not have a job. This is the level of betrayal this Government has embarked upon.

Mr. Speaker, it really has to do with political control, and I quickly want to review the international situation because in arguing this issue, the Minister and the Government are depending heavily on the international and comparative debate argument. They feel they can just stand up and say Uganda, Tanzania, Japan, Tokyo, Timbuktu and Canada have introduced it and we have to accept that, because we are not living in all these places to follow, and we do not know.

Even in the sample countries which the Minister selected, your eyebrows will raise when you hear Venezuela because Venezuela may have introduced a Revenue Authority, but it is ranked as one of the most corrupt nations on the planet. In fact, their leakage of revenue is almost 80 per cent. That is not a country you want to be looking at that is collecting revenue and it is working successfully. Their informal revenue collection outside is probably greater than their official collection in Venezuela.

Mr. Speaker, there are just two documents I want to refer to; there is an IMF Working Paper, Revenue Authorities: Issues and Problems in Evaluating their Success, IMF publication 2006, Maureen Kidd and William Crandall. It gives a comparative overview of 25 countries in the world which have introduced revenue authorities and where they are in terms of their progress, and probably a much more recent paper, Revenue Management Conference, Brussels Belgium, a background paper of December 2009.

There was a revenue management conference dealing with countries that have introduced revenue authorities. I do not have the time, of course, to read excerpts

and I know, unlike the Minister before me, I would need your permission if I had to read at length. I do not want to read at length, but I want to tell you briefly what this report speaks to.

Mr. Speaker, while there is agreement that several countries throughout the world have introduced this since 1988 and much more in the 1990s, this report concludes that there is insufficient evidence to suggest that the Government's model of revenue authorities has been a success. More than that, there is a suggestion—and they use country studies here a lot—that in several countries throughout the world where they have introduced these revenue authority models, they have led to initial success but later they have reverted to the same problems of inefficiency, corruption and mismanagement.

Mr. Speaker, there is a case study of the Uganda Revenue Authority in which they highlight that Uganda is one of the countries that introduced a revenue authority in the early 1990s. While this led to initial advantages, they conclude now that having established their revenue authority in 1991, many of the previous administration and taxpayers compliance problems gradually returned, including serious problems of corruption and inefficiency.

The Uganda Revenue Authority had become a fragmented organization with unclear accountabilities, where a major modernization initiative now has to be launched. They also tell us that there are several successes in countries that have not introduced revenue authorities and Brazil was named. Brazil has been able to upgrade and enhance its revenue collection administration without turning to the revenue authority model, but we did not look at Brazil. I think we sent somebody to Canada who spent some taxpayers' money and came back recommending the Canadian model as the best to follow.

Today, the Government should tell us that Canada is now introducing very significant amendments to its legislation because of the weaknesses of the revenue authority model that we are now attempting to introduce in Trinidad and Tobago. So this international perspective is not rosy, it is not the prettiest picture for the Government. In fact, it should not really be on the international comparative perspective at all in the debate. Eight years later we are introducing it, and is typical of this Government. It always seems to be introducing legislation when other countries have proven that it has been a colossal failure.

Mr. Speaker, in the IMF document when they analyzed the major issues, they say low effectiveness of the tax administration and the need for a catalyst for reform have led countries to implement revenue authorities while corruption and

concerns about political interference have not been a significant motivator. But they are saying that it is corruption and political influence that are the most important issues facing these countries when they introduce revenue authorities. They are also analyzing and concluding that when revenue authorities are introduced, they are not considering cost benefit analysis.

Mr. Speaker, we were told by the Minister in the Ministry of Finance, Sen. Mariano Browne that the introduction of this revenue authority will cost the Government and the taxpayers something like $350 million, that is almost half a billion dollars to introduce this to send 2,700 persons home. It is in the *Hansard*.

I just want to remind the national community that the Opposition United National Congress on two occasions raised this matter in the House of Representatives, on March 13, 2009 by the Member of Parliament for Oropouche East and there was a response from the Government in the person of Sen. The Hon. Mariano Browne. In the Senate, the Upper House, this matter was raised by Sen. Wade Mark on April 07, 2009. Again, the Minister in the Ministry of Finance, Sen. Browne responded and indicated to us the cost of this restructuring; $350 million, yet we do not get a cost benefit analysis as to exactly how it will benefit us.

The implementation can take as much as five years, and do you know what hurts the taxpayer? You hear $350 million spent to send home 2,700 persons and you cannot get water to drink in this country. Every time we complain about water, we hear they are devising a manual for management, and this morning only to see a picture on the front page of the *Trinidad Express* "PM Caught". When I saw that, I thought this was the White House, President Obama's residence and they were sprinkling the lawn. This is what we woke up to; it is an insult to our sense of reason. You cannot provide water for the population, but at the Prime Minister's residence they have sprinklers on so that the lawn will be lush and green. And just a few days ago the Minister of Public Utilities, on a matter of Urgent Public Importance told us we must conserve water. That, Mr. Speaker is—

Mr. Speaker: This is not a water debate.

Dr. R. Moonilal: Mr. Speaker, thank you, and I do not want to water down my contribution by going there either, so I will return to the matter.

Mr. Speaker, it really speaks to the waste of money; let us talk about that, not water. You can waste money on some of these matters, but do not provide essential services.

I do not want to spend too much time on the IMF Report, the report of December last to which I made reference, a management conference on revenue authorities and

they also looked at lessons learnt and concluded that the introduction of revenue authorities has neither lived up to their expectation nor can they be categorized as having failed. So they are saying that they really do not know if it works but we are spending $350 million and the international community does not know if it works. There is no conclusive evidence, and the Government parrots this as a great success story in the making.

[MADAM DEPUTY SPEAKER *in the Chair*]

Madam Deputy Speaker, I asked how many persons they have caught for inefficiency and there is no answer to that. Unless I missed it, the Minister in her presentation did not tell us how this new authority will ensure greater compliance or how the taxpayers' service would be improved. There is nothing, this Bill does not speak to that. What are the guarantees that the Trinidad and Tobago Revenue Authority (TTRA) would boost efficiency? There are no explanations.

You know sometimes even if you are trying to hoodwink people, you say last year we did not collect 84 per cent of what we should and when this is introduced, we expect the GDP to increase by 1 per cent because we expect to collect $5 billion more, but there is no analysis of what this would lead to. We hear it is inefficient, but what does inefficiency mean in dollars and cents? How much do we lose, how much will we gain?

They are modernizing revision of the BIR systems to ensure convenience. What convenience? We will speak about the displacement of professionals. As I said before, this is a political creature of the Government to give ultimate control to the Minister and the Prime Minister.

Madam Deputy Speaker, there is also another matter I want to raise. There is a connection between the introduction of the Revenue Authority and what has become known as the scandal with UDeCott, because this is a similar model to UDeCott that they are introducing where billions of dollars will be at the disposal of appointees of the Government and Calder Hart could be the Chief Executive Officer of the Revenue Authority. What is wrong with that? He is not disqualified, the Prime Minister can put him there and give him that $40 billion saying he is now in charge to invest, to collect, to spend as he wants. What prevents Calder Hart from being the CEO of the TTRA? The Prime Minister has great faith in his good friend.

Madam Deputy Speaker, large sums of money are involved in this political creature and to get to our Bill swiftly, as I have finished my introduction, let me get to the Bill.

3.15 p.m.

The Bill establishes the establishment of a board for the authority. There are many questions to ask concerning the establishment of this board. I will read because this is not something that I want to chance by pretending to remember it because it is very critical. What is instructive is that the Trinidad and Tobago Revenue Authority is established at clause 7.

In clause 7 there are the functions of the authority. It states:

"Subject to sections 9 and 17, the functions of the Authority are—

(a) the assessment and collection of taxes…

(b) the administration of the revenue laws; and

(c) the enforcement of the revenue laws."

Clause 9(2) states:

"In the exercise of its functions, the Board shall not be responsible for the functions of the Authority."

It may be a drafting mistake or misinterpretation. We stand to be corrected.

In clause 7 the functions of the authority are spelt out. The board is a board of management of the authority. If at clause 8 you establish a board of management of the authority, how are you saying that the board is not responsible for the functions of the authority? What are they managing? Who is responsible? I want to take this in further detail. You have a board of management of the authority and functions and powers of the board. The board of management of the authority that is not responsible for the functions of the authority has certain functions and powers of the board.

I want to pay attention to (1) because it ties to my earlier point. At clause 9(1)(f) the board is responsible for approving and ensuring the implementation of management policies in relation to:

"the mandate for collective bargaining and approving collective agreements in relation to the terms and conditions of employment of persons employed by the Authority."

When you cut and paste legislation you get these problems. This is a cut and paste problem. You are saying that collective agreements will be established but this is contract work, two year contract and three year contract. What collective agreement?

The Bill does not provide for a recognized trade union. No part of this Bill provides. Which clause in the Bill provides a trade union?

Mr. Dumas: Learn to read.

Dr. R. Moonilal: You are asking me to read, but "ah read it an ah tellin you." You are saying otherwise. Tell me! Mr. Minister of Labour let me tell you something here. In previous pieces of legislation I have here, as the Trinidad and Tobago Housing Development Corporation Act, No. 24 of 2005, clause 39 states:

> "Subject to the Industrial Relations Act, the Public Services Association of Trinidad and Tobago and the National Union of Government and Federated Workers shall be deemed to be the certified recognized majority unions under Part III for the Industrial Relations Act…"

Trinidad and Tobago Housing Development Corporation provides for trade unions which are named and they would be recognized for the workers.

When you look at the Regional Health Authorities Act, Chap. 29:05, clause 34A(3) states:

> Subject to the Industrial Relations Act, the majority trade union which immediately prior to January 1, 2000 represented daily-rated workers"—was deemed—"and in respect of whom the Chief Personnel Officer was deemed to be employer… shall continue to represent such workers."

Do you understand? Comprendez? Let me break it down for you. The Regional Health Authorities Act and the Housing Development Corporation Act provide for the Industrial Relations Act and the recognition of a trade union. I quoted it for you. In this Bill before us there is no such provision. True or false?

You are saying that was wrong initially. [*Interruption*] The Minister of Labour, Small and Micro Enterprise Development has now clarified the matter. I am leaving it there and moving. He just said that the Government should never have provided for any recognized trade union in the previous legislation. The Minister of Labour and Small and Micro Enterprise Development has indicated that there is no need for recognized trade unions in the Act of Parliament. I leave it there. You will deal with that.

The Bill before us sets out the functions of the board and disclosure and so on. I want to point out at this stage, the awesome power or extraordinary power being vested in the Minister of Finance. Clause 12 states:

"(1) The Minister may in writing, give the Board policy directions in respect of the performance of its functions.

(2) The Board shall ensure the implementation of any directions given to it by the Minister in accordance with subsection (1).”

Clause 13 states:

"The appointment of a member, other than the Permanent Secretary and the Chief Executive Officer, shall be on such terms and conditions as may be determined by the Minister."

Madam Deputy Speaker: Hon. Members, the speaking time of the Member for Oropouche East has expired. *Motion made*, That the hon. Member's speaking time be extended by 30 minutes. [*Mr. H. Partap*]

Question put and agreed to.

Dr. R. Moonilal: Thanks to my colleagues on both sides of the House. In clause 13 the appointment of a member shall be on such terms and conditions as determined by the Minister. Traditionally, the appointment of persons in the State sector would be done and the terms and conditions would be determined by the Chief Personnel Officer, an independent functionary that will liaise with ministries to assess job classification and descriptions and come up with salary terms and conditions of contract officers. Today, the Minister is taking over the job of the Chief Personnel Officer in determining these functions.

Clause 14 states: "The Minister may by written notice, remove a member from office…." There are several grounds. Hear the one that I like, "if he discredits the Authority".

How are you doing that? How are you discrediting the authority? Do you know how you discredit the authority? If you indicate that government officials are involved in corruption or you have knowledge of bribery and corruption and it is linked to government officials.

Hear the next one. Clause 14(3) states:

“(f) fails to fulfil the duties of his office; or

(g) for any other sufficient cause.”

That could be anything. The Minister may terminate an appointment under clause 6 at any time.

Clause 6 deals with the appointment of the board. I want to clarify that. Establishment and powers of the authority. The Minister has the power to terminate appointments at any time. The Minister may in writing give directions, fire people. I am dealing with staff because the employment issue is a big issue for us.

The Minister shall appoint the Chief Executive Officer. The main control of this authority is the CEO. That is the key operative here. I am not sure if this happens anywhere else. I am familiar with a certain structure where in statutory corporations state enterprises, the board would be appointed by the Government because it is a policy decision to put a board in place. The board usually recruits and implements a CEO. There are provisions in the Companies Act over appointments by a board. In this structure the Minister will appoint the chief executive officer and then tell the board to work out conditions for him. That is how it is done.

The chief executive officer is responsible for the daily management and direction of the administration of the authority. Do you know that the CEO does not take instructions from the board? That is another interesting provision here. Clause 9(2) states:

> "In the exercise of its functions, the Board shall not be responsible for the functions of the Authority… and shall not—
>
> (a) provide specific directions to the Chief Executive Officer or any employee of the Authority..."

We want to know what the board is doing because they do not have functions, but yet they have functions. This is the first board that I know of that cannot give specific directions to a chief executive officer. It cannot hire him, cannot fire him and cannot instruct him. It is a very strange model. The Minister appoints the CEO and the board cannot give directions to the CEO.

I do not know the power of this board? Hear what they cannot do. They cannot have access to any documents or other information concerning legal actions instituted in the name of the authority. Let me break that down into simple language. I do not think that people understand fully what this means. If the authority is involved in litigation members of the board cannot have any document or information concerning that litigation. If a private businessman takes legal action against the authority in relation to the function of the CEO under any of the revenue laws, the board shall not have access to those documents and other information.

You could be a member, chairman or vice chairman of the board, you cannot direct the CEO; have access to any information concerning any matters of the board; documents or information concerning legal action instituted by the authority or against the authority. What madness is this? What are you doing as the board? The Minister gives the board policy directions.

This entire Bill needs to be withdrawn completely. The Government needs to enter into discussion with the recognized trade unions, key stakeholders, parliamentary Opposition and other interest groups to come up with a proper model if it intends to introduce a revenue authority in Trinidad and Tobago. This is chaotic. The Government needs to admit and apologize for its failure in not fixing the problems that exist.

My colleague, the Member for Caroni East and other colleagues will speak at length about the dangerous provisions in this Bill relating to clause 26(2), where the corporation in pursuance of its functions is exempt from the Central Tenders Board Act. This is another recipe for chaos. I want to put this in light of a recent statement by the Prime Minister.

[MR. SPEAKER *in the Chair*]

Having tried this model with the Housing Development Corporation, the very Prime Minister who stood in the House and lauded the HDC model and said how great it was and they would deliver houses and bring efficiency, do you know what he is complaining about now? There are houses in Retrench Village in San Fernando and Corinth and he said that "all de house no good". He said that the sewer system is bad and the walls are cracking. The Prime Minister is complaining about the goods and services provided under an earlier incarnation of this revenue authority called the Housing Development Corporation.

3.30 p.m.

But you see, with this Prime Minister you are never sure what his game-plan is when he deals with housing. You are never sure what he is up to; if he really means it or he has some other agenda on his mind when he speaks about housing.

Those are the matters with the Bill that we would like to raise at this juncture. I wanted to ask: this board that can be fired at will, is this board obliged to the Minister of Finance and the Prime Minister to carry out any and all instructions? Because the CEO is at the mercy of the Minister and can be removed.

Time will not permit, but other speakers will also deal with the issue in South Africa where, quite recently, the South African government has introduced major amendments to deal with the flawed revenue authority that they had introduced a decade ago, which we are now introducing. They have concluded, in South Africa, that the efficiency in tax administration did not increase. There was no enhancement as projected.

There is another document we came across in our research that speaks to South Africa. But I want to conclude with the issue of worker security and to put

this nation on alert that the Government started in 2003 with Caroni (1975) Limited, it went to TTT, it went to BWIA, it is now at the doorstep of BIR and customs and excise. It is our information that this Government intends to retrench workers in the local government bodies; to send home the workers; retrench them and rehire on contract; to carry out this dastardly act of contract work at local government. It is our information that there are plans to privatize the National Lotteries Control Board to cronies of the PNM, where, again, hard-working employees will be retrenched. So retrenchment, retrenchment, retrenchment, planned for local government, for NLCB; today for BIR.

All legislation we pass, all Bills, all Acts, must concern people in the final analysis; it must concern citizens. The Minister spoke in glowing terms about concepts of good governance and the importance of efficiency, transparency and fairness, but, you know, at the end of the day, if you cannot treat workers fairly, then all your governance concepts go down the drain.

The Prime Minister galavanting earlier, stated that somebody who turned on the hose—they fire him. They fire the man who turned on the hose. And I am wondering whether you could just summarily dismiss someone because somebody failed to monitor that system. The Prime Minister admitted in this way that he cannot even manage the affairs of the residence of the Prime Minister and now telling us he will manage the affairs of the Revenue Authority. That is what he admitted today, that something as simple yet so critical, they could not manage. Two Ministers in one house could not manage that. Then they want to manage the entire country.

Today, we on this side of the House will speak at length about the concerns we have for workers. The United National Congress is rooted in the values of the trade union movement and, indeed, emerged from the trade union struggles. I have information that has reached me concerning the scales—payments that would be dished out to workers and how it is to be calculated. And if what I have in my hand is correct, it is a shame and a disgrace that we will treat workers in the Board of Inland Revenue and customs and excise in this manner.

I have in my hand, information I have received which suggests that permanent employees at these entities; where someone has worked, for example, for five years, when they do their calculations on the formula that they are introducing, someone who has worked five years there will receive $29,800 in gratuity. Someone who has worked five years will receive a monthly pension of $600. You have worked five years at the Board of Inland Revenue and you will receive $29,000. If you have worked 10 years, you receive $60,000. What $60,000 doing?

What that doing?—persons who have invested their life at this job, went and trained and retrained and so on, people who are settled.

A couple days ago members of the United National Congress had the opportunity and the privilege to pay a call on the Public Services Association and we heard first-hand from workers and met workers who are affected by this measure. The people who work in customs and the BIR and so on, are trained, well respected individuals who have invested their lives in the public service.

Do you know what we underestimate? We talk so much about work but we forget there are people in this country who genuinely care about the public service and who invest their lives in the public service, and who are actually proud to say, "I am a public servant. I work for the public service." They have invested their lives; they are trained. After a while, do you know what you get in jobs like those? You get what is called craft skills. You get basic craft skills; you develop job-specific skills and training.

One officer was telling us how after years of training he developed the eye, so that when he inspects documents as a customs officer, at first glance you could have a sense to know whether there is any corruption being attempted and maladministration. You could actually develop the skill to inspect documents and have a sight for it. It does not come by one year or two years working; it comes with years of training, years of experience.

What do you get for those years of experience today? You get $60,000 and go home with no guarantee of a job. I like this one. I heard Minister Browne said that, and Minister Nunez-Tesheira said this today. I like this one: Only human beings have memory. The organization does not have memory; only human beings have memory. But you know the people with the memory they are firing; they are sending home, because there is absolutely no guarantee—this is why they changed the Bill—they will rehire anyone there with the memory. Who are they hiring with the memory?

I am so happy I have the Minister's attention. This really is for the Minister to conduct the business of the Revenue Authority. The Revenue Authority—they have a nice clause here that the revenue authority and the board will have powers to invest and take all the money and put it in Clico or not in Clico, or put in some financial organization; I do not know. If this current Minister is involved, I say with great respect, we are putting the cat to look after the butter. We are in some trouble here, because a few things we are sure about is that money could be bailed out at any time; they could bail out money at any time. While all the depositors at

Clico are still looking for their money, one depositor got all the money back. So this is not a matter that we could take.

[*Mrs. Nunez-Tesheira stands*]

No, I am winding up in a few minutes. This is not a matter for passing interest.

Let me move on quickly to the scales. According to the scales I have in my hand, temporary workers, 10 years' temporary service, you have a gratuity, as I said before, of $60,000; pension, a few hundred dollars.

We cannot allow this to happen. You cannot allow workers who have invested their lives in the public service to get $600 a month; to get $30,000. That cannot buy anything in this day and age. They will have to be unemployed for a significant amount of time and I bet you they will come with another proposal; they will indicate that they will give them counselling services. Every time they retrench people, they say, you will get counselling services; tell you not to kill yourself.

That is what they do. Their strategy to deal with workers is to give them counselling service. Workers do not want that. Workers want the opportunity to keep their jobs, to work hard in the public service and serve this country. That is what they want.

You could reform the revenue collecting agencies; you can reduce or eliminate corruption without the introduction of a revenue authority and without retrenching a single worker. You can do that. These are the issues that confront us today in this matter before us. The Government is also talking—I heard the Minister earlier in her presentation speak about the administration of customs and so on. Only one issue I would like to raise on that—because I am sure other speakers would raise it—it is common knowledge that customs officers are a particular brand of employees in the public service. They share some similarities with police, in that they have certain coercive powers; they have certain powers of search, of entering premises and so on. But you know, given the global threat of terrorism, given the increasing problems of national security, including but not limited to gangs and criminal activity, by particularly, with cross border threats of terrorism and so on, customs officers are playing one of the most significant roles in the management of international security in the world today.

The United States Department of Homeland Security plays an important role in eliminating the threat of terrorism in the United States. Customs officers in Trinidad and Tobago, their responsibility and duty will increase as this threat

becomes ever more glaring. We are now saying that we will send home the customs officers, rehire a few who they will select—up to now we do not know how they are selecting and who is selecting. The Minister will sit in the Minister's office and select people. That is what we know. And you are going on contract, persons who will have this enormous responsibility to serve in their job and eliminate threats to our national security by way of terrorist activities.

What craziness is this? Could we put the national security of this country into the hands of contract workers selected by the whim of the Minister? Party cronies and hacks all over; you are looking for a job and you say, good, we will protect our borders; protect our oil installations and so on, protect that from terrorist threat by contract workers. We are contracting out the national security of Trinidad and Tobago and in no country they will take core functions like revenue collection and national security and put it into the hands of what almost is called scab labour and political appointees.

I want to ask the Minister of Finance: have you considered the use of the Equal Opportunity Commission, which is supposed to be functioning—a role for the Equal Opportunity Commission—in that process of rehiring workers to ensure that workers are treated fairly on the basis of equality of opportunity? But they will never consider that, because if they consider that, the Minister cannot draw up a list of people for employment; cannot rehire persons who they believe will be compliant with the political directorate.

Do you know what is the problem they face? And we can face it squarely. The problem they have is Feroza Ramjohn and Ganga Persad Kissoon, and all these people, because when they emerge in the public service and you treat them on the basis of inequality, they go by a lawyer and they take judicial review action and they humble the Government. That is the problem they have. So they devise systems to ensure that their hiring and firing could be outside the ambit of review; of appeal, because you have contract.

It is a fixed term contract. At the end of a fixed term contract, there is no legal obligation on the part of the employer, meaning the Government, to keep any worker. That is the nature of fixed term contracts. So when a fixed term contract of two years comes to an end, the customs officer or the BIR officer who you believe is not compliant with you, or for one reason or another; any reason; on the basis of racism; on the basis of religion; gender; on the basis of anything, you believe that they are not loyal to the PNM, you just do not renew their fixed term contract. Simple.

3.45 p.m.

You cannot do it now because you know they have recourse to appeal procedures and to the High Court. This is the crux of the matter; the Government's attempt to control this critical area of the public service; to have political control over revenue collection and the work of the customs.

To this day—and I have asked the union representatives about this matter—there is not one report, one enquiry, one investigation into acts of corruption or inefficiency at the Board of Inland Revenue or the Customs and Excise. What they have in the Gordon Deane Report is hearsay; the stakeholders saying that there is inefficiency; that things take long to happen; that people take bribes. There is not one investigation or enquiry into those complaints telling us whether inefficiency is there and how rampant; whether corruption is there and how rampant. We have nothing.

You just woke up one morning and said everybody feels this place is inefficient; change it; sent someone to Canada; they came back and said that the revenue authority is the way to go. We have not seen it. We have received a ton of documents, Cabinet minutes, letters from Ministers to unions; but we have not received any report telling us there are inefficiencies and corruption; the incidence of that corruption and why the Revenue Authority is important.

We did not find out the cost benefit analysis. The Minister did not tell us how many billions of dollars more we will collect. That is where we are. You come with a skeleton Bill, which reads like some kind of management manual, telling us how things are intended to operate; you give the Minister and the CEO ultimate power and you say from this everything will flow and you will achieve efficiency and corruption. That is where we are today.

I would like to indicate, as I did in the beginning, that the Opposition UNC stands firmly against this Bill. With or without amendments, it is our intention not to support this Bill. We call upon the Government to withdraw this Bill with haste. We call upon the Government to implement a programme to create the efficiency you need at those divisions and/or enter into dialogue with the workers and their representatives so that you can come up with a shared programme to take those divisions forward on the basis of best practices, new management techniques, good administration, et cetera.

The Opposition cannot support this when we have a particular perspective. It is no secret that this Government has found itself embedded in a series of

corruption scandals from A to Z, involving billions of dollars. This is another corruption scandal in the making. The appointment of such persons in the manner envisioned will create a bigger scandal than anything remotely resembling UDeCott and Calder Hart.

With that in mind, we stand ready to discuss with the Government any other plausible solutions and remedies they may want to discuss in terms of bringing best practices and efficient management to the revenue authority.

Mr. Speaker, I thank you.

The Minister of Labour and Small and Macro Enterprise Development (Hon. Rennie Dumas): Mr. Speaker, it is only if one understands that the last speaker is engaging in his usual alarmist, unsupported, pure political context and perspective to the UNC position, that one can join his conclusion with anything he said before.

If, as the Member is saying, there is no inefficiency, no problem to be solved, why is the Member calling on the Government to sit with the Opposition to come up with remedies for something that does not exist? It demonstrates that the only concern the Opposition has is the political abuse of the workers involved in the two organizations the Revenue Authority is seeking to replace. The only concern is to so politicize this activity that the concerns that the workers would have legitimately expressed become the concerns of the Opposition.

What is the situation? The Opposition cannot speak for the people of Trinidad and Tobago. [*Desk thumping*] The Opposition is the unworthy champion of the rights of the people and the workers of Trinidad and Tobago. Wherever we have examined the record of the interface of the Opposition with the trade union movement, it has been one of use and abuse of the people. Even in the latest manifestation, where the people had a chance to look at what is happening in the Opposition, it demonstrated that there is no connectivity between the leadership of the Opposition and the employees of the various institutions that drive the economy of Trinidad and Tobago.

Mr. Speaker, it is in the PNM coming to office after 2002 that demonstrated its concerns for the working-class people of Trinidad and Tobago: one, by the establishment and development of a cadre of work opportunities under the Community-based Environmental Protection and Enhancement Programme (CEPEP). It is that organization that put thousands of our people to work where previously they were told that they had no work for which they were fit. It is the PNM, since its emergence in 2002, that established a meaningful support system for small and micro enterprises in Trinidad and Tobago, with the establishment of

the National Entrepreneurship Development Company Limited (NEDCO), which has given 9,000-plus individuals in this society an opportunity to create their own businesses and develop their own stream of income from their own activities.

It is the People's National Movement that has treated with the responsibility for housing in this country. It is the People's National Movement that has looked at the education system and the barriers to working-class people emerging as viable, social participants and economic individuals in this country. It is the People's National Movement that continues to build a relationship with the working-class people of Trinidad and Tobago and that shall not be slandered by the alarmist, regressive, out-of-turn, non-directional policy as proposed by the Member for Oropouche East who dares to say that he represents the Opposition. A demonstration earlier would have said to him, if he needs advice, that there is no way that even his own Members consider him fit to carry on the work of the Opposition.

I want to point quickly to two inconsistencies that the Member for Oropouche East raised. [*Interruption*] I advise the Opposition that I listened carefully to the Member for Oropouche East. If he cannot do me the same favour, I will treat him in a different way. I am sure that he is well trained enough to treat with the matter properly.

The TTRA, as proposed, does not seek to dispossess workers. In fact, in the areas in which the Member speaks of the interface with workers, the argument falls on the clear provision that one of the functions of the board is to deal with collective bargaining. Where the difference in the philosophy emerges is that the Opposition, when in government, in all the laws they passed, they ensured continuance of a sitting union into the new organization. What he has said is there was no use for the provisions of the IRA or the general body of labour law in the country for first determining the appropriate bargaining unit.

In other words, they took the remnants, the old structure, the old functions, the old qualifications required for that old organization and brought them over to the new organization without examining whether there was need for more than one bargaining unit in the new authority and whether the PSA, the existing organization, is the appropriate organization and will win more than 51 per cent of the workers, thereby being able to become the bargaining agent for that unit.

What the legislation passed by the UNC did was to carry that over. I will say that I have always stood in fundamental deference to that. Unlike the Opposition, I do not have any reverence for the sanctity of the PSA as an institution representing workers in this country. My emergence is from the trade union

movement and my first establishment was the PSA as part of their practices disenfranchising teachers.

It was when the teachers determined that this Parliament would create law that is appropriate, first by establishing that the body of workers would be a bargaining unit and, secondly, by establishing a mechanism for the way in which a body representing teachers would become the appropriate bargaining agent, that is how the Education Act was fixed. [*Interruption*] Shut up and listen!

Mr. Speaker: No! That is, as you well know, not parliamentary language and you are capable of better.

Hon. R. Dumas: Thank you for your advice, Mr. Speaker, and I would like to ensure that I follow that advice at all times and that I avoid unparliamentary language. I hope the Member for Oropouche East would do the same.

What the Member for Oropouche East is saying is that the individual who is not yet a member of the Revenue Authority must accept that even before he applies for a job in the authority, that the PSA would be his bargaining agent. He wants us to accept that the bargaining agent would be determined by some arbitrary means before it is being heard by the Registration, Recognition and Certification Board. We are saying to you that where it was done with the RHA, it was wrong and it was left to us in a mess and I am sure that it will come here to be corrected.

Because what you are doing is taking away the right to an association of the individual worker. What you are doing is forcing the individual to be in a certain association.

4.00 p.m.

Mr. Speaker, we need to know that law has to be based on policy and policy has to be based on principle, and therefore when this Government acts in this way we are in a situation in which we are recognizing the future rights of the future worker of the Revenue Authority; just as we are acting to preserve the current rights of the current employees of the Revenue Authority. [*Interruption*]

Your right to employment cannot be unabridged and un-curtailed. If the institution you have come into a relationship with as a worker is deemed to not exist or should not exist, which must be the appropriate right of the employer and the right, certainly in this measure, the right of the Government of Trinidad and Tobago acting on behalf of the people of Trinidad and Tobago, then what becomes relevant is how these rights are recognized and in fact carried forward. If the organization is brought to a close, the offices in the organization are deemed to be closed, then the

appropriate activity is to recognize the rights of the workers and reward the workers appropriately for those rights that have been within. [*Desk thumping*]

Mr. Speaker, this Government has demonstrated, every single time it has come face to face with the rights of workers, has retained those rights, and in fact enhanced the benefits of every single individual who had—[*Desk thumping*] In fact, what is the situation of the names that have been called?

I heard Caroni. I wonder if the Opposition knows that there is a significant part of the population of Trinidad and Tobago who thinks that we almost gave away the national patrimony to the workers of Caroni. [*Interruption*] That is the reality. When you examine what was given to the workers of Caroni, there is a significant weather change from every other situation that existed before. That is the reality! [*Desk thumping*] Your pension was enhanced; the different levels were brought forward, the amendments of access to a property, access to residences, access to ongoing livelihood, the access—

Hon. Minister: Training.

Hon. R. Dumas: Yes, access to training. All of these were rights of the employees which were enhanced in the system of benefits that were built for the separation. The same thing was done at BWIA and the same thing has been done for every other institution which this administration had to treat with in that manner. The same cannot be said for the other people when they were in government. It is in that context that the warning to both the institution and the individual worker, that one has to examine what is on the table very carefully.

The Member for Oropouche East went on to suggest that there is something so wrong and onerous about the development of this institution that we should withdraw it. I want to suggest that if there is any mistake made in terms of timing, it is that the time may have been delayed a little too long and that is what we are treating with today.

The Member for Oropouche East stood there and claimed that there was no consultation with the representatives of the workers. I am sure that a close examination of the record will show that you had workers representation on the board that recommended the implementation; you had workers representatives in communication and conversation—what we seem to be saying is, consultation with workers can only have one result, and that is, that the workers representatives point of view must prevail. That is what you are saying. And by definition if you are going to get into conversation there may be times of disagreement.

We want to suggest that the rights of the workers in the Trinidad and Tobago Revenue Authority will be respected, will be maintained and will be retained by them in the various ways in which the individuals will be treated. Not only that, [*Desk thumping*] that is the promise of this Government, that is the responsibility of the Government and that has been demonstrated in every activity has preceded. [*Interruption*]

Mr. Speaker, the Member for Oropouche East with his usual trick, comes to the Parliament and raises documents that purport to study the Revenue Authority. But anybody who comes into contact with the Revenue Authority will tell you that there are certain institutions that are respected where tax and tax reform are dealt with, and I am sure you would agree. Any person looking at this matter will agree that the Harvard University is one such institution, and certainly the professors in the international tax programme would be some of the international authorities on this matter.

I want to recommend a piece of reading called the "Transition to Revenue Authority" to the Member for Oropouche East and for everyone else who is interested, and that discussion walks the careful student through a number of issues which arise in the transition, and one will be well advised to understand that change is not being made for change sake. The Minister of Finance established a number of possible benefits for the Revenue Authority, and basically what you are saying is that you have diverse institutions with diverse sections of those institutions acting over a variety of areas of concern. The conclusion is—you know, the Member for Oropouche East says we do not know, there is no evidence that there are problems. When last did anyone in here get a tax return? How many years have they informed you that you have a tax return due to you and you have not received it, two years, three years?

Mr. Sharma: With the PNM, 25 years.

Hon. R. Dumas: With the PNM, 25 years. With the present tax regime, 25 years. What we are suggesting to you is that maybe we need to treat with that. Some people say to us that is an administrative matter. It is not! It is a matter of reform. Reform has to do with the essence of the institution, the culture of the institution, and just as much as it does with the structure, the recruitment process, the disciplinary method—[*Desk thumping*]

We are suggesting to you that when we included good governance as part of our manifesto and part of the 2020 programme, we were being quite clear that governance comes through the contact of the citizenry with the institutions of the State. One area in which the issue of governance has arisen and continues to arise is the area of tax

reform; the areas of the customs authority. We are suggesting that combining these two and putting those two organizations, putting the function under the kind of examination that we have had, coming up with the conclusion that we need to create a third authority which will, in combining the functions of the first two can give us a more efficient, a more effective, a more user-friendly and a more reliable institution, is a conclusion that this Government stands behind. [*Desk thumping*]

What are the benefits that the Government expects? We expect enhanced autonomy. It is ironic! One of the fundamental changes that we expect is exactly where the Member for Oropouche East sought to derail, and it is not by accident I advise him that he should read carefully, because if the Member for Oropouche East read the Bill he would have seen that the CEO at Part III, clause 8, under the nine members that should be appointed for the board, one of them is the CEO.

Unfortunately, the Member for Oropouche East is so locked into the past that he cannot see a member of the board being the CEO, so he sees something totally different, a board as being separate from the CEO, but the CEO is a functional and fundamental part of the board, and therefore the CEO, as all other members of the board, must be appointed by the Minister. In this case, the concept of the Minister, we want to advise the Member for Oropouche East, that unlike the practice when the UNC was in office, doing what they want, where they want and with whom they want, this is not the condition of the People's National Movement. When we see an appointment by the Minister, that is the Cabinet acting as a whole, and certainly, the Member for Oropouche East cannot be arguing [*Interruption*] that there should be no authority to appoint the person who will be collecting all the money of the State that has been transferred to somebody else; you are suggesting that when the person who has the direct responsibility for collecting $50 billion a year there should be no influence and no connection to the exercise of the Cabinet authority.

I want to suggest to the Member for Oropouche East and those who have like mind, because he claims that he speaks for the whole configuration on that side, if they can be called a configuration. But if you go back to the Constitution out of which all law emerges, the responsibility of the Cabinet for collective management of this country is quite clear, and therefore, to suggest that we should abandon the collection of revenue to some individual by a third place appointment, I want to suggest he cannot have his cake and eat it. You cannot suggest that a CEO or a manager of a board should have a larger influence than the Cabinet on the matter.

But again, to demonstrate the very autonomy that we are speaking about, the board is advised that it should not instruct the CEO on three critical matters. What are these matters? The assessment and collection of taxes under the revenue laws. In other

words, the CEO has to be a person of the capacity to determine what the law is and how that should be administered. It should not be a function of the board. They should not give him instructions on that matter. That frees him to carry out his responsibilities.

So unlike the Member for Oropouche East's argument that this brings him under the thumb of the Minister, it in fact frees him from the influence of the Minister and the board. [*Interruption*] The administration of the revenue laws, that is his responsibility, and third, the enforcement of the revenue laws. Again, nobody is to get in the way of enforcement. Therefore, I want to suggest that more careful reading would lead the Member for Oropouche East and the UNC to another place.

Hon. Minister: COP.

Hon. R. Dumas: Yes, COP. [*Laughter*]

One would want to ask again, the workers and their representatives not to fall under the spell of the Members for Oropouche East, Chaguanas West, Siparia and the general witches brew on that side. I want to advise carefully again, not to fall under that spell. [*Interruption*] The Member for Oropouche West is asking to be exempt. I think she is the most dangerous one of them all. [*Laughter*]

Mr. Speaker, the enactment of the Trinidad and Tobago Revenue Authority Bill is about organizational efficiency, delivering value for money spent, and the Member for Oropouche East said to us again, where is the cost benefit analysis, but you see he was not listening carefully.

4.15 p.m.

In the examination of the benefit, it was pointed out that there is a $5 billion a year leakage—when I say $5 billion, maybe $5 billion, $7 billion or $10 billion—but certainly, 5 per cent of GDP is a leakage from the present collection system. By any estimation, our economy may be calculated at $180 billion to $200 billion, so therefore, we are speaking about $8 billion, $9 billion, $10 billion. If it cost us $230 million per year to fix it, then the cost benefit analysis becomes an a-b-c sum. [*Desk thumping*] Therefore, it is either we believe there is no leakage or there is one. That simple relationship, if we are convinced that the Revenue Authority can bring any dent to that, we are suggesting that we will be reaping the benefits of that change into perpetuity. Certainly, any manager will know what decision to make in that situation.

Mr. Speaker, we are suggesting that the question of the authority being the preferred model internationally, and we should not discuss that at all. They loved to come here and say to us, "So and so is doing that, but you are not. So and so is doing

that, but you are not." Barbados is ahead of us, is one of the things they like to say. Jamaica is ahead of us. What is the reality? The reality is that as we are coming to this conversation. Barbados is now talking to that with its public servants, et cetera, you have an interest by Jamaica in this methodology, and certainly, as we go around the world, the collective wisdom of the best education in the tax administration today, the best practices in tax administration today, despite whatever is said in that fly-by-night paper, points all of us to the authority.

Yes, you will have reviews in each authority if you make an introduction of a system, and it brings about change. To make that change consistent, consistent innovation is a must. If people have relaxed on their system and allowed it to fall into rot, then by definition, the next student of the system who comes to the table will tell you, you need to do other things. If you put in an inefficient administration, and after 10 years that administration falls, then you have to do something again. We are suggesting to you that it requires a consistent look at the areas in which innovation could bring benefit for you to continue with that. We are telling you today, that the Revenue Authority provides this country with an opportunity for innovation in its tax collection system and we should put it into place.

Mr. Speaker, there is the argument that says that the People's National Movement Government always examines organizations, and to use the language of the Member for Oropouche East, "You cyah manage it, you change it". I want to give all my colleagues in the Cabinet a statement of congratulations, if the Member for Oropouche East believes what he says. Because what it means is that wherever a system becomes dysfunctional, we have demonstrated a capacity to examine it and make the required changes. [*Desk thumping*] That is where we are. That is the responsibility of the Government. Acting on behalf of the people of Trinidad and Tobago, you found that there is a deficiency in the system, it is our responsibility to change it. We brought it to Parliament to ask the other parliamentarians, representing another group of people, to come together with us and change this, and this is the opportunity.

The Member for Oropouche East suffering from poor analysis, suffering from poor understanding of the Bill, says—I would not say as he is advised to do, because I am sure that he is following somebody's advice. But he is then going on to speak to the Opposition and says this is what we will do. I am suggesting that the Opposition still has time to change its mind, either this evening or in the discussions that you may seek to further.

Mr. Speaker, when the Government provided the opportunity for all in the country to access tertiary education by the provisions of GATE and HELP, that opportunity—and

they all were deliberate—was also provided to everyone in the public service to also upgrade their skills. So in other words, there can always be a continuation of the investment in our human capital, can always continue to be an investment by any group of the work force, can always be a continuation and enhancement of the investment of any individual, and certainly, if that provision is made and the Revenue Authority comes into place and there is no barrier to anyone applying for the jobs—as you, Member for Oropouche East said, people went off to university to upgrade their skills—then what it means is that I remember—I give the same advice to my children. They may not take me on, but that is their story. You have a situation in which you know that you are a $4,000 month worker and you can spend three years in the university and become a $10,000 a month worker, then that opportunity should be taken up by you.

Mr. Ramnath: To get into politics.

Hon. R. Dumas: Or do both. I am suggesting to you, Mr. Speaker, that the Government has made it clear that there is no barrier to application for the new authority. In that case, any time spent in a revenue authority before, any experience you would have gained, all the practical and other skills that the Member for Oropouche East described, comes with the worker if he comes to the new authority. [*Desk thumping*] All those skills come, and the likelihood is that where individual workers in the public service speak to barriers to growth, barriers to promotion, barriers to improve income, then certainly, one way is to size up the system and go straight to the place you feel your qualifications, your skills and your experience entitles you to. [*Desk thumping*] That could be the leader. That could be the leader of the authority. The best person to lead the new authority may be one of the persons who are locked in and presently frustrated in the present system.

Mr. S. Panday: Maybe.

Hon. R. Dumas: Yes, maybe. The VSEP will give him the authority to free himself, and to seek the best position. The initial contract of three years is just that. The Bill makes provision for the collective bargaining. Is it by accident that the Government says to you in the very Bill, that the board shall have responsibility for collective bargaining policy, for collective bargaining practices—[*Interruption*]

Mr. S. Panday: If any.

Hon. R. Dumas:—that cannot be accident. Therefore, it is the responsibility of the workers as soon as their status is established in the Revenue Authority to

organize themselves into the appropriate bargaining units as they see fit, and organize themselves either in the PSA or in any other organization they want. I am suggesting that that level of freedom, we do not have very many opportunities in our life to start over. This is one that the workers have.

Mr. Speaker, when one examines the whole ICT environment today, and you examine the need for a full coverage of revenue activity across both Trinidad and Tobago, in all those places where we know we now have deficiencies, in those areas, like Charlotteville, where the question arises, should we have a post with a customs officer in Charlotteville, with a tax man in the port in Charlotteville? We want to suggest maybe. If you build the right revenue authority with the right responsiveness, we can have services in Charlotteville that we should have, and we should have service in any other port established anywhere in Trinidad and Tobago. The suggestion of a flexible ICT grounded organization provides access to individuals who seek the services, either if one of those are custom services or tax services from the Revenue Authority.

We know now that business people received eight, nine and 10 visits from different sections of the State, on the issue of revenue collection and revenue assurance. You have the VAT man, the income tax person, the "fella" who is checking to see whether you have made your workers commitments, which many business people have some difficulty with. Are you suggesting that the Revenue Authority by being able to reduce those number of visits, reduce the interface, but extend the depth of the examination? That is a possibility we have in terms of efficiency that we pursue.

Mr. Speaker, I want to reiterate the following: the first one is that—you know, we like to make sure we say when the truth is not being told, and it is the truth that a steering committee was established to consider the establishment of the Revenue Authority, and to look closely at the HR consideration. But the Member for Oropouche East seems to tell us that whatever was recommended by that committee must be put into place. In other words, the Cabinet can have no judgment, that none of us must have any consideration of what is done and whether it should, in fact, be implemented. It may very well be that the Cabinet did not agree with any of the three options, because the Cabinet has also had the experience of the RHA where people had multiple choices and where up to today, managements of the RHAs still have some trouble between who is a public servant, who is an employee of the particular RHA and any gaps between.

I know for myself, that every agency and every urgency, should be used to ensure—and when the new Tobago Hospital that will be finished this year comes

into being, that there should be one unified service, giving service to the people of Tobago in the Tobago Hospital. [*Desk thumping*] Because you cannot run anything properly with three different allegiances, with three different masters, with three different groups of people that you are being accountable to. We want to suggest to you that you must unify the accountability because you cannot hold me accountable, hold me responsible and then there is no authority in the line. We want to be sure that you link authority with responsibility, and this Bill does exactly that where the revenues of the country are concerned.

We have treated with the matter previously and we treat with it again, of giving the assurance that every right of every worker, every right of the body of workers, every right of the organizations concerned will be upheld by the State, upheld by this Government. The PSA is not a different franchise. No individual worker would have rights that are not taken into account. The general application of the laws of Trinidad and Tobago in terms of the IRA would all be put into effect, and the practice of this Government, the assurance this Government has given, that every time we come into contact with those rights, we have enhanced the benefits that go along with those rights. I give the guarantee that it is another one that we have put into place in terms of the Revenue Authority. [*Desk thumping*] What is the point? You see, we are also assuring another opportunity, and we are saying that recruitment in the new authority will be free and fair, and also, free from fear. [*Desk thumping*]

Mr. Ramnath: That is not original.

Hon. R. Dumas: I know it is not original, but that does not make it any less worthy. Let me tell you one that is even less original, but even more relevant. Many, many a rat, as well as many a child follows the Pied Piper, not everyone comes back from the river.

Thank you, Mr. Speaker. [*Desk thumping*]

Mr. Abdul-Hamid: "You hear that Tim? Tim you hear that eh."

Mr. Speaker: Hon. Members, we do have one minute remaining and I crave your indulgence to have an early tea. So, whilst the Standing Orders do provide that we break at 4.30 p.m., I would not want the hon. Member for Caroni East to—Sorry?

Mr. Manning: It is now 4.30 p.m.

Mr. Speaker: It is now 4.30 p.m., yes. So you are next. [*Interruption*] The Chief Whip has instructed that the Member for Cumuto/Manzanilla will lead us off. So the sitting of the House is suspended for tea and we will resume at 5.00 p.m.

4.30 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

Mr. Harry Partap (*Cumuto/Manzanilla*): Madam Deputy Speaker, I was a little disappointed this afternoon with the contribution of the hon. Minister of Labour, Small Business and Micro Enterprise Development in his intervention in the discussions here. I really thought that the hon. Minister, instead of criticizing the hon. distinguished Member for Oropouche East, would have explained to this honourable House why the Government removed the options offered to workers in the 2008 draft Bill.

The Government had offered three options in the formation of the TTRA, the Trinidad and Tobago Revenue Authority Bill, 2008. They were going to establish the TTRA, and workers from the BIR and customs were offered in the 2008 Bill three options:

> "(a) voluntarily retire from the Civil Service on terms and conditions between him or his recognized majority union and the Chief Personnel Officer;
>
> (b) transfer to the Authority with the approval of the Public Service Commission, on terms and conditions no less favourable than those enjoyed by him in the Civil Service; or
>
> (c) remain in the Civil Service, provided that an office commensurate with the office held by him in the Civil Service prior to the date of assent of this Act is available."

These were the three options opened to workers in the BIR and the Customs and Excise Division. They would have maintained their employment or you could have opted for VSEP and they could be placed elsewhere in the public service.

I thought the Minister was going to explain to us why this provision was removed; why were they punishing the workers; why were they now offering everybody VSEP and then not giving them the assurance that they would be re-employed, but they would have to apply as anybody else to see if they could be employed in the new TTRA. I do not think that was not what was originally discussed with the Public Services Association in the 2008 drafting.

I am also very concerned about what the Minister said in his contribution. [*Interruption*] That is still outstanding; he must explain to us. I hope the Minister of Finance is going to explain why the options were removed. I was very

surprised that the hon. Minister of Labour, Small and Micro Enterprise Development would have said that the UNC, while in office, did nothing for workers in this country.

Dr. Moonilal: He said that?

Mr. H. Partap: I am paraphrasing what he said, so those are not his exact words. He stood here in this House and told the nation that the UNC in office between 1995 and 2001 did nothing for workers in this country. That is not true.

Mr. Imbert: They did nothing.

Mr. H. Partap: In fact, when we came into office, there were several matters affecting workers in this country that the Government did not address.

Mr. Manning: Are you talking about the revenue authority?

Mr. H. Partap: Yes, it is the revenue authority; we are talking about workers in the revenue authority.

To come here and say that we did nothing for workers in this country, is really trying to discredit one of the best governments that has served this country between 1995 and 2001. [*Desk thumping*]

I just want to refer to a few things that were done, in order to address the remarks made by the hon. Minister. One of the things we did was to place workers on statutory boards; that deepened the tripartite process that the International Labour Organization (ILO) was so serious about in terms of labour in the world in general, in the region and even in Trinidad and Tobago. So workers were placed on boards and they were taking an active part as well. They were part of the worker/management type of arrangement.

We also deepened dialogue with the trade unions so that the union leadership and employers would be meeting on a regular basis, so they could iron out problems. That would have avoided any industrial action, so we would not have seen persons marching around the Red House, like what happened today.

We also did our work in terms of the minimum wage. We brought it up to a level at that time and we are hearing that you are increasing the minimum wage. We want you to make it a living wage; move it from a minimum wage to a living wage. If you fail do it, we will do it when we get on that side. [*Crosstalk*]

Dr. Moonilal: When we return to office.

Mr. H. Partap: Do not be afraid; it is coming. The wind of change is coming. I do not know if the Prime Minister had a chance to just take a look at the hills and he

would have seen the immortelle in full bloom. Do you know what the colour is? The colour is orange, the UNC colour. This is surprisingly right through the country. The immortelle is in full bloom and the UNC colour is there. [*Crosstalk*]

Madam Deputy Speaker, we also allowed domestic workers to have the right to go to the court if there were any infractions in the minimum wage that affected them. They had access to the court. So do not say that we did nothing.

When we left office in 2001, we had a number of legislations for review: The Cooperative Societies Act; we did a bill and it was there. I understand that you are reviewing it. I do not know when you would complete the exercise; I heard that it would be some time this year. We had a review of the Industrial Relations Act and some recommendations were in the Ministry when we left. We were also dealing with contract labour. The contract labour now is now foremost in the TTRA Bill this afternoon. You are bringing back workers and putting them on contract.

You are doing that, but you have done nothing to facilitate contract labour in this country, nothing to protect the workers. I wonder why you are pushing workers to contract labour, but you are not putting the legislation to protect contract workers. We had done something on basic conditions of work. When we were in office, we spoke with the social partners and we got an agreement in terms of basic conditions of work. I am sure it is somewhere in the Ministry; if you do not have it, I have a copy that I could pass on to you. We provided basic conditions by law. Right now you have contract work and workers who are "protected" by arrangements between themselves and their employers. We thought that we should have some basic conditions that all contract workers could benefit from. [*Desk thumping*]

You saw the problem with the Chinese workers in terms of their contract. That happened because we did not have any mechanism in place at the Ministry, at the governmental level, to protect these workers, even though they were migrant workers.

I was really surprised that the Minister would have indulged in that kind of—shocked really to know that he would have done that.

Dr. Moonilal: I was shocked.

Mr. H. Partap: The Ministry of Labour, Small and Micro Enterprise Development is now at a standstill. I do not know if it is something deliberate; it might be deliberate. The poor Minister might not have the free will to do what he is supposed to do. [*Crosstalk*] It is really at a standstill. In fact, I think he should spend more time trying to get these things moving, so that workers would be protected.

I do not know what happens in Cabinet, but I wonder if he raised his voice when he saw that over 2,000 workers were going to be put on the breadline, they were going to be dismissed; they did not have security of tenure. Did he raise this matter in Cabinet? I would really hope so.

Madam Deputy Speaker, do you know what really surprised me this afternoon in this debate? I was listening to hon. the Minister of Finance when she spoke about some of the ideals in this TTRA Bill. She spoke about meritocracy. She said that workers' promotion would be on meritocracy. I wondered. The hon. Minister said that workers would enjoy enhanced benefits, because they would be promoted on meritocracy.

Dr. Moonilal: What happens when lightning strikes?

Mr. H. Partap: I was wondering whether it was a reform of the revenue authority or a reform of the PNM. The PNM talking about meritocracy? Since 1956 they have based employment and promotion on who holds a party card; that was what they were doing. Right now you cannot get access to CEPEP work or URP unless you have a party card. So what is this meritocracy I am hearing about? I was really surprised. They are talking about promotion on merit now? There is a transformation. Really there is a wind of change that is blowing in this country. [*Crosstalk*]

I cannot understand what the Minister was saying. The hon. Minister also said that the TTRA was about the people of Trinidad and Tobago. She said that it was to safeguard the well being of the people of Trinidad and Tobago. "Yuh just throw out 2,000 workers." You are going to throw out 2,000 workers, but you claim to be safeguarding the well-being of the people of Trinidad and Tobago? I wonder if the Minister understands what well-being is. I do not think so.

The Minister also said that this Bill was to protect this nation's borders.

Mr. Manning: You agree or you do not agree?

Dr. Moonilal: What is that bordering on?

Mr. H. Partap: I am wondering what is happening; she cannot be serious.

Mr. Manning: Why not?

Mr. H. Partap: Safeguard the well-being of the people of Trinidad and Tobago?

5.15 p.m.

Is the Minister saying that the TTRA will safeguard the well-being of the people of Trinidad and Tobago?

Mr. Manning: Yes, she is saying that.

Mr. H. Partap: And will protect the borders as well?

Mr. Manning: Yes.

Mr. H. Partap: I am hearing the Prime Minister saying yes. I wonder which of those several well-paid foreign consultants would have told the Minister that. Is the TTRA a new crime plan? I am bewildered.

Mr. Manning: Madam Deputy Speaker, I thank the Member for Cumuto/Manzanilla for giving way. I wonder if the Member is aware that recently as the State was purchasing assets for the Coast Guard, it also purchased interceptor boats for the Customs and Excise Department.

Mr. H. Partap: Yes, we are in touch. Madam Deputy Speaker, I would not be long, but I want to raise a matter on the Bill. [*Interruption*] The Prime Minister wants to engage me, but I assure him that I will not be tempted.

I want to turn to clause 24 of the Bill which says:

"24. (1)The Authority may, with the approval of the Minister, borrow sums required for meeting any of its obligations under this Act."

I am asking why should the TTRA be empowered to borrow money? My understanding is that it is a collection agency and it would be collecting—as I understand from the Minister—about 90 per cent of the revenue of this country. But why is it necessary to empower the TTRA to borrow money and I hope the Minister will tell us. As I said, it is a revenue collection agency incorporating the functions of the Board of Inland Revenue and the Customs and Excise Department and its functions are clearly outlined in Part II, clause 7 of this Bill. It says:

"Subject to sections 9 and 17, the functions of the Authority are—

(a) the assessment and collection of taxes under the revenue laws;

(b) the administration of the revenue laws; and

(c) the enforcement of the revenue laws."

None of these three functions should create the need for borrowing money and I do not know why. But let us see what sections 9 and 17 say:

"9. (1) Subject to subsection (2), the Board shall be responsible for approving and ensuring the implementation of management policies in relation to—"

And nine subsections are outlined. As we examine them it is inconceivable that this Bill should place the TTRA in a position to borrow money to meet its operating expenses. The Minister in the Ministry of Finance in another place had said that the TTRA would cost the Government $350 million to put into place, now there is a clause in the law that allows them to borrow.

I view these nine subsections in the Bill as really promoting a roll out of the functions of the TTRA and nowhere tells me that there is a requirement to borrow money. So why are we giving the TTRA the power in clause 24 to borrow sums required for meeting any of its obligations under this Act? The only conclusion I can come to is that the Government is providing the opportunity for it to push another of its agencies to find money by borrowing so it can continue its spendthrift attitude.

[MR. SPEAKER *in the Chair*]

I do not know how good that is for the TTRA, in fact, it tells me that again the Government is using its power to create special companies so they can continue to rake and scrape so that it can spend and spend.

Mr. Speaker, even in this Bill, there is nowhere we see the protection of the workers and that to my mind will create a problem. First of all, you are retrenching workers, and then bringing them back on contract, and you are not offering them the protection they would need. This is our concern.

The Member for Oropouche East had gone into detail in providing the labour aspect of this Bill and its problems. I will support my colleague, the Member for Oropouche East in asking that the Government rethinks this Bill and perhaps adjust it, but I do not think any adjustment will work.

Thank you, Mr. Speaker.

Dr. Keith Rowley (*Diego Martin West*): Thank you, Mr. Speaker. I join this debate to make a couple of observations and to respond to a minor matter just for the record.

Mr. Speaker, this Bill that is before the House today, from where I sit, I see it as a continuation of something we had embarked upon a long time ago. In an earlier time when I was in an earlier Cabinet 1991—1995, one of the Members was the Member for Port of Spain North who had the responsibility for Public Sector Reform and at that time, that question was very much in front of us as a country, which resulted in there being ministerial identification and the exercise

was carried out with great focus during the period 1991 to 1995, and a number of changes were either made or anticipated for the public sector.

One can have a new debate as to whether those changes had in fact made any improvement in public service delivery; some would say they have, some would say they have not. Or whether what we are seeking to do now is in that same vein, or if there are changes.

Mr. Speaker, the whole area of revenue collection being central in the public service would automatically fall under that rubric of public sector reform, and it is in that context that the concept of a revenue authority came into view. So if it is now being said that this Revenue Authority has some ulterior motive, or that it is something that has its origin in the currency of today's actions, I do not know that is correct. I think that the Revenue Authority surfaced after that exercise which we were embarking upon in 1991—1995 and, of course, at the time we only spoke about the coming into being of a revenue authority.

Authorities in the public context in Trinidad and Tobago we all know them to be under Public Service Commission control with certain kinds of modifications. There are a number of authorities like the Water and Sewerage Authority (WASA), the National Housing Authority (NHA) which has been changed to HDC and so forth, but when we spoke about a revenue authority at that time, if my memory serves me right, when the concept of a revenue authority was evolved as the way to deal with the reform in the financial collection sector, the issues of special purpose companies were not in front of us; that came after as a new policy or an expanded one.

Therefore, today there are two things in front of us. We are looking at the Revenue Authority and at the experiences of special purpose companies and if there are problems with this Revenue Authority now in the area of those persons who see themselves as being threatened by it, I think it has more to do with the environment and the climate in which we are operating now as against the origin and motives of this authority. I do not know that it is going to be a useful discussion for us to try to say that it came into being because of problems in the authority or not. It is because we recognized that there were problems in the public service, customs and other areas that the whole idea that the need for reform was taken on board as governmental action under the Draper ministry at the time.

So I believe it can be taken for granted that we all on both sides of the House recognize that there were difficulties there. I remember after Mr. Draper's

assignment, there was a bit of a carry over and Minister Wade Mark had that responsibility and how that government dealt with it again can be the subject of another debate. If my memory serves me right, I never heard any repudiation of the need for public sector reform, or the need for the kinds of things that were being done in the public service that resulted in the coming into being of the Revenue Authority.

So, Mr. Speaker, unless something very drastic happens during the debate, I see no reason why I, as a Government back-bencher should not support this measure. [*Desk thumping*] I say this because I do not want to confuse people because there are some both among my colleagues and outside who believe that because I am a Government back-bencher, I am somehow some opposition.

I want to make it very clear that there are three categories of people in this Parliament and I fall into one of them: Category one is the Cabinet, category two is the Opposition and category three is the back-bencher and I am a back-bencher of the Government. And, therefore when persons from the union who are weary of this Bill seek to lobby me not to support it, I just want to say I am a great supporter of local organizations, but I find it very strange indeed that the Constitution provides for a voice of labour in the Parliament in the exulted Upper House.

5.30 p.m.

I say to one of my colleagues in the labour movement that if you cannot get your voice under the Constitution in the Upper House to vote down this measure, why do you think that a Member of the Government will vote it down? I want him to think about that. There is a voice of labour in the Upper House. [*Desk thumping*] The main point I want to make this afternoon is this. If I have any discomfort with this measure, it has to do with that authority being a corporation because there are some—I do not want to say dysfunctionality, there are some divergences of views in the Government as to how such things are managed. I would come to that.

I want to make the point and come back to labour's voice in the Upper House. That voice got there under the Constitution. The Constitution says that the President will appoint people to the nine Independent slots based on certain kinds of background. One of the loudest voices in the Upper House is from labour. I cannot understand why labour is lobbying me to speak for labour in the House. I will look in the next few days to see what happens with labour's voice in the other House.

It was that labour's voice in the Upper House that cemented the concerns that are causing disquiet among the workers with respect to this measure. I do not

think that I want to go into the details about how the Government handles its employees. The people who are affected directly by this measure in the customs and Inland Revenue Department are government employees. They have certain protection and rights under the law. I do not want to debate that this afternoon except to say that there is grave disquiet among them as to how they would be treated, because many of them do not trust the Government.

When this matter came out in the public domain as a matter on its way to Parliament, the first definitive statement from PSA was to question the veracity of statements coming from the Minister of Finance. That did not lay the foundation for trust where the workers were concerned. The workers disquiet lie in the fact that we do not trust what we are being told.

This authority—if I am to quote the Minister of Finance, I have no reason to question the statement—would be responsible for collecting about 90 per cent of government revenues. This is no small matter. This is a major shift in public policy in Trinidad and Tobago. Therefore, it has to be done in a way to give people the comfort that such a divergence in the road to good governance was well thought out and done.

I know that this Government has the experience having done this kind of thing before on a smaller scale. When I listen to the reasons for creating this agency and compare them with the reasons that we gave when we created the HDC out of NHA, they are basically the same. In the case of NHA they were building houses. In the case of the HDC they are to continue building houses but to build them better, use different management techniques and you give them a certain amount of new tools. That is what happened with the creation of the HDC from the NHA.

I dare say that when we did that there was no labour disquiet and threat to the Government from the workers involved because they saw a certain line of approach. When the Civil Aviation Authority changeover was done, again, that was relatively smooth. The Government in dealing with its workers in certain aspects of public sector reform has the experience to do it in a way to satisfy its employees. I am confident that if the Government wants to do that, it can do it. I am sure that the workers' representatives in interacting with the Government, however they feel, however intransient they think that the Government is, that is where that matter has to be dealt with.

If on the other hand, the Government wants to take the position that it does not have an issue with the workers because this particular measure is a little different from the HDC—It is saying that the positions to be made available in the

authority, we are starting with a clean table and then persons would come to the table as if they had not been there before. In the case of the HDC being formed from the NHA, we said that we recognize your presence; we invite you to leave with a handshake if you wish and we went along. We did not get the number we wanted so we said that we would go by attrition. We looked at the labour force and saw that a significant number of persons were approaching retirement, anyway and if we do not rehire to fill those spots in large numbers, attrition would give us the reduction we required.

We had a target for reduction. We had a VSEP which was accepted by the union and a requirement to keep people in their positions if they wanted to stay. That went very slowly. This is different. The Government in its wisdom on this occasion is saying that it wants a clean new authority and it would take people into it. Apply for the position and we would take you into it. The fear that the workers are expressing is that that rehiring would be done in a way to the detriment of workers. It is for the Government to satisfy the workers that that is not so. I take it that the Government will satisfy the workers that that fear is unfounded.

Let me come back to the point of the corporation being the collector of government's revenues. If this agency comes into being, on the landscape of Trinidad and Tobago we would have is a major new event run by a board. Then, it brings into question the level or the nature of governmental control and oversight that would be brought to bear on this agency. Some persons believe that there should be a complete arm's length, no involvement of the Government in an agency like this because it is taxation. I think that this is misguided because government has always been in the middle of taxation and is about taxation. Wherever it is located, the government must have a role.

The point is this. When you put people in charge of a slice of the economy like this, isolate them and give them authority on behalf of the Government, we have to determine in this country, the nature of the oversight and the role of administerial responsibility. That is where this agency should be of concern to all of us, to ensure that it is properly located and bad things do not happen because bad things can happen and they do happen.

There is a commission of enquiry going on now into the construction sector and a specific agency in the public sector. One of the major, I would not say discussion, issues before that commission is the whole question of the role of a minister in giving directions to that agency. That issue of ministerial direct, whether a minister can give directions and instructions to a state enterprise in a

major way. I anxiously look forward to the findings and recommendations of the commission with respect to that particular issue.

The current understanding as expressed by the voice of labour in Trinidad and Tobago when they appeared in front of the country to talk about how oversight should or should not take place with respect to that agency—I am talking about UDeCott—it was the voice of labour in the Senate that was loudest in the defence of UDeCott not falling under ministerial control. In fact, board members were telling the country that they, of the board, are responsible. It is what they want to do that happens because they are in the firing line. As a matter of fact, it is in testimony in front of the commission where that state agency which handled a few billions of dollars, not the billions that this would handle, that having received advice as to what it should do, chose not to do it acknowledging that it was detrimental to the State's interest, but said the board is free to disregard that advice even though it acknowledges that the advice in so doing is to protect the public interest.

Here, on one hand, the Government has the position that on that occasion in this situation a state agency with that kind of responsibility for part of the public purse does not have to subject itself to adequate ministerial control. You have board members including the voice of labour saying that that is right and that is so, because conveniently, that is what is required to defend wrongdoing at this time. Amazingly, that position is supported by certain voices in the Government. Today, if the Government finds that people in the workforce and their representatives have difficulty buying into this approach, it might very well be that the Government is now being hoisted on its old facade.

I remember in a budget debate in this House, I am not sure it was a budget debate, in a debate, I sought to ask the Minister of Finance who is responsible for this particular measure, a question as to putting on *Hansard* the Government's understanding of the role of a minister with respect to oversight of state agencies. The *Hansard* will show that the Minister did not answer the question. It was a little difficult question given what is happening with UDeCott. I could understand. Then, I pressed the point seeking to get the Minister to answer me and the Minister refused to give way.

I am a member of the Government. I am asking the Minister a question of major policy which today, sees us creating this major agency to handle tens of billions of dollars of tax revenue. What is the level of oversight? What is your understanding of the level of oversight and the role of a minister in this agency? My colleague said, "I am not giving way." So, the question has not been answered. I am speaking very early in the debate.

One thing the Government can do and should do in this debate given that we are going to create this agency in the light of our current experiences and what is being examined now in the commission of enquiry, this is the time for the Government by whatever voice and the higher the voice the better, to say exactly to the people of Trinidad and Tobago what the Government understands by oversight of this agency. For those who say that the Government should not be involved they are crazy. What is the nature of the Government's involvement? What is the position of the board?

Interestingly, while the Government speaks with a number of different voices at different times and it creates difficulty for the Government and the country, at the same time, the position is being taken at the commission of enquiry that there is no role for a minister to provide a level of oversight and give general and specific directions. A minister cannot give directions to an agency because the agency has its board and the board is responsible. That is one governmental position.

5.45 p.m.

But then I read with great interest two weeks ago, I saw NIDCO scheduled to do some public consultations along the route of the proposed rapid rail, and the next thing I know it was cancelled and the reason for its cancellation came from the Minister of Works and Transport. The Minister of Works and Transport says: "I was looking on at NIDCO's progress with this matter. We are satisfied that NIDCO was not going along the correct route and could have created another Alutrint situation with respect to its public consultations and I instructed them to stop." I said: "Oh?"

So on one hand the Government is saying to a commission of enquiry by way of expensive lawyers and other spokespersons and including the voice of labour in the Upper House, that a Minister cannot, ought not, should not, have that involvement that a state agency—granted that in the case of state agencies falling under the Companies Act or, as in this case statutorily created, but they are still state agencies which will fall under ministerial portfolio allocations. So on one hand the Government is arguing that that ministerial oversight and control that I am talking about, is wrong. In fact, the very Minister for UDeCott on two or three occasions, publicly takes the position that that is not governance. What is being advocated by yours truly is not governance, all because it is convenient to defend the problems at UDeCott. But it just so happens that these are Government spokespersons holding ministerial office and when they speak, they speak for the Government.

Immediately after that comes a position that Nidco has been stopped by—I would say quite properly, if the Minister sees that Nidco is doing something wrong or destructive or inefficient or unproductive, it is my view and I think the view of the wider national community, that it would be a dereliction of duty on the part of the Minister not to intervene.

I saw another one again, the Sport Company. I saw the Minister of Sport and Youth Affairs saying that he has instructed the Sport Company not to do whatever was done that created that subject for calypsonians. [*Interruption*] Am I wrong? You are saying something? I thought I heard you saying something.

Here again was a Minister saying, that state agency had done something and "I am intervening", I presume by way of instructions; I cannot remember the exact words, "so that it will not happen again". So on one hand the Government is recognizing that a Minister's role is to provide oversight and in instances to provide instructions, and on the other hand the Government is saying that is not so; that is not governance; that is interference. Or is it that that latter position only applies to UDeCott? Because as far as I know and in my history in Government I always knew that you could expect ministerial intervention to provide guidance. The letter of appointment says "general direction and control under the law".

The Government now is creating this Revenue Authority and the workers and the unions have all come together to say the Government is going to do bad things here. The rest of this debate, I would expect that the Government would allay those fears, not by jumping in my throat like they did the last time, but by addressing the issue itself to the satisfaction of the Government employees. There are issues and there is hardly a thing that the Government will do in this country that everybody will get up and say "I support it." And on the contrary will say: "I oppose it." And if the level of resistance that we are seeing here does not say that the Government has some work to do to allay those fears to satisfy people that we are doing the right thing—because in this climate in this country today a lot of what the Government does will be seen by the population as being the wrong thing. In the eyes of many people in this country, when the wrong man does the right thing, the right thing becomes the wrong thing. We are in that situation right now; we are there.

So, I would expect that the Government, with its experience in public sector reform, would be and should be able to diffuse the concerns of the workers and their representatives. It is not simply a matter that we have the 25 votes and, therefore, we can pass it.

Mr. Imbert: Twenty-six.

Dr. K. Rowley: Twenty-six? I missed out one. [*Laughter*] Mr. Speaker, at least one thing we know for sure, my colleague from Diego Martin North/East is paying rapt attention.

So that is something that I expect to hear. I really would like to hear in this discourse from the Government on this issue of the role of a Minister with respect to the management and oversight of an agency of this nature as we create it.

There is also something else that I want to put on the table. Whenever we create changes; whenever we make adjustments, some people believe that it by itself, because we do something differently, improvement will come. Sometimes changes make things worse.

Mr. Maharaj SC: You better say that again, you know. [*Laughter*]

Dr. K. Rowley: I am not advocating on behalf of my colleague for Couva North. I remember when we formed the Sport Company, a lot was said about what it would do for sport and how it will revolutionize our treatment to sport. I would love to join those who have been satisfactorily served by the Sport Company. But I cannot. If I had to identify the worst performing state enterprise, it has to be the Sport Company. [*Desk thumping*] And I will tell you why.

The fact that you created a Sport Company to replace the Ministry of Sport and Youth Affairs' public servants did not do anything for us in Diego Martin West. It did not guarantee performance. Performance is never guaranteed, no matter what system you put in place: new, revised, amended or old. Performance depends on who has the hand on the wheel and in what direction you are steering it. And I must say, I am singularly unimpressed with the Sport Company insofar as service to my constituency.

In 2007, you will recall, as Minister of Housing responsible for the Land Settlement Agency, I fought a ding-dong battle with the people of Bagatelle to get squatters off the playing field. The UNC had put squatters to live on the playing field—[*Laughter*]—and I had to fight a ding-dong battle to pay them for their houses; put them in new houses elsewhere, and so on, and we cleared the playground and we eventually got construction started and construction of the Diego Martin Sports Complex began.

The first thing this Sport Company did that was bad, it broke the project up into pieces. Instead of awarding a contract to build the complex, it set about it to award to build it in pieces. So they awarded a contract to build the foundation and that contract itself was efficiently done. But let us say it was done. The foundation

has been built since 2008 and no amount of representation on my part—Mr. Speaker, I am driven to use foul language; I have not done so yet. Right now if you go there, we are still in the foundation; grass; bush growing there. And I will tell you worse than that, it is the only major sporting facility in the Diego Martin area. It is the home of Merry Boys Cricket Club.

Merry Boys was the champion team of the year when we took that ground from them, promising them that ground within a year. We have now gone 2007, 2008, 2009; we are now in 2010; we are still in the foundation and we have a Sports Company.

The point I am making, the creation of a company as against public servants in the ministry is no guarantee that the work will be done or done any better or any more efficiently. I take it that there must be some good reason for that, because I cannot understand for the life of me how anywhere in Trinidad and Tobago, you could be building a little playing field with a little pavilion and 2008, 2009, 2010, and the foundation—in fact, I tried to assist them. When they were halfway through the foundation I kept in contact with the Sport Company and I kept asking them: "Have you awarded the contract for the superstructure?" Because they will have to take time to fabricate the steel; do that now so that when the foundation is finished, you could move smoothly in from foundation to superstructure. No way. They have not done that and I am sure if the Minister enters the debate this evening, he would be hard-pressed to tell you or to tell all of us what the position is there with that.

Mr. Hunt: Give me a chance and I would explain it.

Dr. K. Rowley: I would, gladly.

Mr. Hunt: Thank you very much, Mr. Speaker and thank you very much, Member for Diego Martin West. The Member laid out a case for us with the problems that we encountered with the design/tender methodology of rolling out of infrastructure. Just to inform the Member that the design that the Sport Company prior to 2007 entered into was going to result in a pavilion that was larger than the Hasely Crawford Stadium. It had more rooms. It was not a practical design. To unwind ourselves out of that, given the FIDIC contracts that exist, took a lot of negotiations and the negotiations are just completed. We are about to award a contract for bringing the field to a playable state so that the residents of the area will enjoy the playing surface while we reengineer the pavilion to be able to be at a more practical size to serve the community better, and it will be done under a modified design/build concept so that we could guarantee certainty of time and money and service to the community.

Dr. K. Rowley: Mr. Speaker, therein lies my answer. You see I was not lying? What kind of agency will award a contract on the Diego Martin playing field for a pavilion bigger than the Brian Lara Stadium? [*Laughter*] What group of madmen will do a thing like that? So you see, the creation of the Sport Company did not insulate us from that kind of dotishness? You understand me? I did not even know that. It is worse than I thought, because to have awarded a contract as described by the Minister, tells me that something is radically wrong with the people running the agency or the ability for that agency to award contract in the first place.

So, therefore, when you create agencies, you have no guarantee that there will be improvement. I am sure if somebody else had awarded that contract; if that was the problem—if somebody else—maybe the permanent secretary in the Ministry of Sport and Youth Affairs or whoever it is, as bureaucratic as they are, you may have avoided that spectacle. And to think that we escaped another Brian Lara Stadium, we should thank God for small mercies.

But I would have been happy if the Minister could have given me a time frame within which we could expect our playing field back out of the hands of the Sport Company, but I do not think that he can do that this afternoon. Maybe he knows. But the bottom line is, because we are creating this Revenue Authority, does not in itself guarantee that revenue collection in the country would automatically improve by virtue of the fact that this came into being.

I want to ask the Minister—well, not any particular Minister; I should ask the House. We are aware of the VAT operations. There is a point of view in some quarters in this country that VAT is not collected in certain arrangements.

6.00 p.m.

I do not know what you hear, but there is reason to assume that the Government does not collect all its VAT. There is a VAT office; there is legislation; there are personnel; but the bottom line is that all systems are as efficient and effective as the nature of the operations.

The authority is saying that we are giving ourselves an opportunity to operate differently so as to give ourselves the best opportunity to get the revenue due to the Government; but we justify it on the grounds that the current arrangements have integrity challenges. That is gobbledygook for corruption. You are not fooling anybody.

I remember a long time ago we tried to computerize the customs department, a system called ASYCUDA. I was in the Government when they started that

ASYCUDA I and II. I had the opportunity to speak to a couple of the foreigners involved in that and while they may not have told the Minister or the national community, the view was expressed that there was resistance to that in the system because persons did not want an efficient system to exist in those operations. I am sure those close to it probably know as much as I know.

We are talking a lot of becoming a developed country by the year 2020, but there are things we have to do. This might be one of them; but we have to make sure that when we embark on these arrangements, we do them with modernity.

I was in Grenada last week and I saw a driver's licence and I was a little bit embarrassed when a Grenadian was showing off to me—most Grenadians know Trinidad very well—that in Grenada your driver's licence can be scanned and all the information pertinent to your motor vehicle's ownership and operations comes up immediately. We are not there yet in Trinidad and Tobago and I think that is an indictment on all of us. That technology is not new; not earth shattering; it is just that we do a lot of talking in this country, but we have a long way to go.

In modernizing our revenue collection system, if we can satisfy the country that the workers' interests are well taken care of; that the new system offers the advantages that we say they offer—and we will make sure that we get those advantages—that we have laid the groundwork for improved revenue collection, then I do not know that not very many citizens will be against that.

It falls to the Government to see how much of the unnecessary aggravation it can allay. We have given persons the opportunity to say that we are doing this in the middle of the "wining" season. I do not know that that is a major point; but whatever is done is done.

There is one other point. The Minister of Labour, Small and Macro Enterprise Development said something that had me a little confused. He made the point that we had to go this way of severing all the workers and not protecting their union representation because to do so would be to prevent them from having the freedom to choose. There is a serious implication there.

Let me give you an example: the same considerations that existed in the two examples I gave earlier—the civil aviation and the HDC. With the unions, we got the agreements and we put in the law how they would be represented. I think that, in the case of the RHA, there was a period of time when that arrangement was to subsist.

One of the things in Tobago right now is the expectation that sometime in the not-too-distant future, the Government, with the THA, will come to Parliament to

amend or replace the Tobago House of Assembly Act. There is a body of public servants in Tobago who are now covered by national unions. Based on what the Minister said in this debate, are we to expect that whenever the Act is recreated or amended substantially or whatever, that argument of giving workers the right to choose on that occasion who should represent them will exist and, therefore, the OWTU or some similar union can walk into Tobago and say that, based on what the Government has done, they are there to canvas workers?

Is that what the Minister is saying? He has opened the door for that, if the Government takes that position. I am not being anticipatory here of that legislation, but we are making policy and it may very well be that that was policy on the hoof. That then says how we treat with this. It seeks to justify what we are doing here now, but they have created an opening for somebody to say, whenever we recreate the THA Act, that we could also be recreating new representation for the THA workers because the Government has said so and the Government, in this case, is the Member for Tobago East.

I end on one act of rectification and I crave your indulgence for a little latitude here because it was part of the debate as introduced by the Member for Oropouche East when he sought to make the point that we should not take all this comfort in a TTRA board because we had an integrity commission that was found guilty of breaches of the Integrity in Public Life Act.

He said that twice and, on both occasions, he said that the person who did the study and made the recommendation to create the Revenue Authority—

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

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

Question put and agreed to.

Dr. K. Rowley: I want to thank my colleague, the Member for Fyzabad, for moving the extension, and to indicate that in this House, on this side, healing is possible. [*Laughter*]

On two occasions during his contribution, my colleague, the Member for Oropouche East, put on the record that Gordon Deane was the person who chaired this exercise and made certain recommendations which the Government would have taken on board and that this is a commission which was found guilty of the breach of its own Act and should be viewed with a certain amount of "coki-eye".

To my surprise, the hon. Attorney General, visiting this House today, shouted to the Member for Oropouche East that that is not true. He said it twice. I wonder, when the Attorney General says to the MP that that is not true, what does the Attorney General understand the truth to be? Since it involves me, I want to put on record what the truth is because it appears that the Attorney General has a different truth; he, being a participant in the debacle that overcame the Integrity Commission.

I was shocked today to hear him taking issue with the contribution of the Member for Oropouche East and saying it is not true. I simply want to confirm what the Member for Oropouche East said; and that is that the chairman of the Integrity Commission—at the time that matter started in 2006; the conspiracy to prosecute me—was Gordon Deane.

I do not know on what basis the Attorney General can come here and say it is not true. Had this debate been of a different nature where I had latitude to say more, I would have said more about Gordon Deane and the Attorney General. That is for another time.

To come here today and challenge a Member of Parliament who is stating a fact—the High Court has ruled that the Integrity Commission has been found guilty of misfeasance in public officer; a more serious and damning indictment you could not believe; but the Attorney General comes here today and tells a Member of Parliament that is not true. The reason he says that is that privately he and his friends are still slandering me, hoping that their conspiracy will prevail; and I will have none of it.

Mr. Speaker: Hon. Member, I think you went outside the crease there. You cannot accuse the Attorney General of slandering you. You are capable of using better language than that.

Dr. K. Rowley: I withdraw that phrase and will simply say: attempting to mislead those who do not know better, but I am sure that the Member for Oropouche East will not be misled; neither will I.

Just for the public benefit on this matter, to go on the record: When the action was started against the Integrity Commission, he was not there. When the direction was taken, to send the file to the Director of Public Prosecutions, he was not there; but he was the substantive chairman of the commission who initiated the proceedings and shepherded it to its conclusion.

That happened in June 2006. The file went in August; he left in September; a new chairman came in and the lawsuit was filed in January the following year. The Attorney General must not come to this House and seek to mislead my colleague for whatever purpose.

Mr. Speaker, I will not say anymore on that or on the matter of the Revenue Authority today. I am sure that the Government has the competence to treat with this matter in a way that it does not create any further public aggravation. I trust that when the authority comes into being, the Government, having committed itself to certain things—more importantly, I am an optimist; I take the position that whatever concerns I have about the agency and its corporate complexion, we will get the kind of guidance and clarity on this issue of oversight of state agencies from the commission of enquiry that the Government is now funding at great expense to the taxpayer.

I thank you.

6.15 p.m.

Dr. Tim Gopeesingh *(Caroni East)*: Thank you, Mr. Speaker. I join the debate on the Opposition Bench to continue to give our perspective and the stance of the Opposition with regard to this Revenue Authority Bill.

This Bill, obviously, over a period of time caused a lot of debate at the national level by particularly the trade union movement. We share and empathize with the trade union movement the deep concerns and reservations that they have at the moment. On this side, we unreservedly say that we are not accepting this Bill and we will not support this Bill. There is no question about it. [*Desk thumping*] This Bill must be withdrawn, and there are a number of reasons which I will give in my discussion as to why this Bill should be withdrawn. This Bill is described by many people as satanic. It is a satanic Bill. [*Interruption*] Yes, it is, by many people.

Hon. Member: But one.

Dr. T. Gopeesingh: It can be described as a perverse subversion or a moral and perverse subversion of our Constitution. [*Interruption*] And this is in keeping with what the Government has been seeking to do to break this Constitution apart.

There are a number of commissions in this country which have been introduced by the 1976 republican Constitution to safeguard employees and to safeguard workers in this country from arbitrariness and arbitrary hiring and firing practices against workers in this country. This Government seems to have a

predilection, a desire and a want to subvert these formulated institutions. [*Interruption*]

Mr. Speaker, the first I would go through is the Public Service Commission. The onslaught on the Public Service Commission started with the advent of the Regional Health Authorities. It started when almost 12,000 workers were supposed to move from the public service to the Regional Health Authorities. That is the first onslaught that started in 1994. Over a period of time, those 12,000 workers have had to move, thereby reducing the public service by 12,000 and removing the workers from under the jurisdiction of the Public Service Commission.

Mr. Imbert: I thank the Member for giving way. I mean, I always give way when the Member for—

Mr. S. Panday: You!

Mr. Imbert: Yes, me! At least, most of the time. I am listening to the theme of your contribution, when the UNC government abolished the post office and replaced it with TTPost, what was the thinking at that time?

Dr. T. Gopeesingh: I am coming to that. I am just giving you a chronology of the PNM working towards destruction of this Constitution.

Hon. Member: Answer the question.

Dr. T. Gopeesingh: Then the Teaching Service Commission came under fire and now we are hearing about the licensing of teachers.

The Teaching Service Commission is responsible for approximately 14,000 teachers around the country. So when you want to license the teachers, what are you trying to do? Break up the Teaching Service Commission and remove the teachers from the purview of the Teaching Service Commission, so here it is you are trying to destroy another service commission. You are destroying the Public Service Commission; you are destroying the Teaching Service Commission, and another one, the Statutory Authorities Service Commission. The Statutory Authorities Service Commission is the one responsible for municipal corporations, et cetera and a number of other areas.

This local government reform is going to take place pretty shortly, where contracts are going to be given to workers under the local government and hence you would see the destruction of the ability of the Statutory Authorities Service Commission to take charge of the local government and municipal corporations. [*The Prime Minister stands*] I would give way to the Prime Minister.

Mr. Manning: Thank you very much to the very distinguished Member for Caroni East, but surely the Member understands that in the context of constitutional reform we have been making it quite clear that the service commissions, that model of governance is a model that is in need of significant review. In fact, it is not a question of destroy, it is a question of transforming in a positive way designed to improve the purpose for which it was established in the first place. To say it is destroying it is to give an impression that is completely erroneous. I would suggest that you argue differently.

Dr. T. Gopeesingh: Mr. Speaker, the question is that these commissions which are constitutionally enshrined, they are supposed to prevent the Executive from imposing punitive or whatever measures against workers in the country so the Executive, which is the Government, is not supposed to do things against the workers, and this service commission prevents that from happening, because they are independent commissions. These commissions—

Mr. Manning: Would you give way?

Dr. T. Gopeesingh: Yes, certainly.

Mr. Manning: Mr. Speaker, I thank my friend again for giving way. So he is correct that the service commissions were established to prevent, as it were, political interference into the operations of the human resource management of the public service, and as he is saying, the service commissions have achieved that objective. Are there any unwanted side effects to that model that needs attention or is it a perfect model? Is the Member saying, it was set up for this purpose, it has achieved that and there have been no other implications to it, and therefore it is not a model that is in need of any adjustment at all? Is that what you are saying?

Dr. T. Gopeesingh: Mr. Speaker, I am not saying—this is why we on this side of the Opposition and the Member of Parliament for Couva North, Mr Panday, have been saying, there is need for revision of the Constitution and there are a number of areas within the Constitution.

But to move it, Prime Minister, from where there is control, to move it from a situation where the workers in this country are protected by virtue of the Teaching Service Commission, the Public Service Commission, the Statutory Authorities Service Commission, the Judicial and Legal Service Commission and the Police Service Commission, they are protected, and to move it into an area now where there is no protection by anyone, moving it to a private company, you are really railroading the workers in this country. You are anti-union; you are anti-establishment and you are anti-working class people. [*Desk thumping*]

Mr. Manning: Not at all, Mr. Speaker, not at all. You see, what in fact is happening and I must say to the Member for Caroni East, is that you could be pro-worker and against country in certain specific circumstances. I am not accusing the customs or the inland revenue of that position now. But to give the impression that to make adjustments at all puts you in a position where you are anti-worker—it is not anti-worker, you are pro-Government. In other words, it is not a question of this or that, it is a question of looking at all sides of the story and arriving at an approach that meets not only the requirements of the worker but the requirements of the people of Trinidad and Tobago also. Do not forget that.

Dr. T. Gopeesingh: There is no question that the workers have to look at the country's issue as well and we in the legislative aspect have to ensure that we pass laws that protect the country as a whole. When workers are taken advantage of, we cannot sit here and allow that to happen. The workers have to be protected and therefore we cannot be part of any legislative agenda that will not protect the workers. That is the important issue.

It is part of the issue when the President—the President appoints these chairmen of these service commissions on consultations with the Prime Minister and the Leader of the Opposition. When you have workers who are not going to be protected by these service commissions, you have gone too far. I was showing that there is a move by this Government to break all of these service commissions. It starts with one and then goes to the other; from the Public Service Commission, to the Teaching Service Commission, to the Statutory Authorities Service Commission, they have even gone to the Police Service Commission now. The Prime Minister must well agree with me, that the Police Service Commission has no jurisdiction over the Special Anti-Crime Unit of Trinidad and Tobago (SAUTT), so the Police Service Commission now is being interfered with. So we have interference with all of these five. Even the Judicial and Legal Service Commission has had some sort of involvement by the Prime Minister at one time. [*Interruption*]

These six commissions which I have announced before, there is a systematic and deliberate attempt by this Government over a period of time to interfere with these commissions and to interfere with the independence of these commissions.

Mr. Manning: That is not correct! That is not correct, and in fact I am not going to sit here and hear the Member for Caroni East say that. What we are saying is this, the model is a model that has subsisted since Independence in 1962, and it is a model that will be applicable, not just to Trinidad and Tobago, but to a number of other countries in the Commonwealth that gained Independence.

We are not the only ones who are now challenging that model. The model is being challenged by so many others and has already been replaced. All we are saying is the model needs review and we are trying to put a system in place, that as far as possible, allows the objectives to be properly met. That is what we are saying. [*Desk thumping*]

Dr. T. Gopeesingh: Mr. Speaker, I thank the hon. Prime Minister for trying to fight his way through [*Laughter*] the whole question of not interfering with the service commissions. Of course, the model needs some sort of looking after, but that needs a two-thirds majority when we have to affect the Constitution. [*Interruption*] Why are you now coming to say—and this is interfering with the workers' rights and you want a three-fifths majority. This calls for a two-thirds majority as well, because this interferes with the rights of workers and the bargaining power of workers which has been entrenched in the Constitution of Trinidad and Tobago by the service commissions. You cannot bypass the service commissions and expect to be punitive on workers and expect that you want to pass this with a three-fifths majority rather than a two-thirds majority.

Mr. Manning: Let me ask you one other question.

Dr. T. Gopeesingh: All right, I hope—Mr. Speaker, I am giving way to the Prime Minister.

Mr. Manning: Mr. Speaker, I would move injury time when the time comes for the Member for Caroni East. [*Interruption*] "Yeah, yeah"; I will move injury time. [*Interruption*]

Would the Member for Caroni East agree that if you abolish a post in the public service that is legal, that is constitutional, and that effectively puts you in a position where the worker has to be dealt with in a certain way without, as it were circumventing any provisions of the Constitution? [*Interruption*] Would you agree to that or not?

Dr. T. Gopeesingh: Mr. Speaker, this is the lives of 2,000-plus workers. It is not just one person that you are interfering with. [*Desk thumping*] You have interfered with the lives of 12,000 persons from the Ministry of Health and their families; you are thinking about interfering with the lives of 15,000 teachers in this country. [*Interruption*]

There are other areas. The Civil Aviation Authority was created from the public service. The hon. Prime Minister wants to create a roads authority, he wants to create a drainage authority. [*Interruption*] So you are creating these authorities, moving them,

from the ambit of the protection of the public service as you continue to railroad into this. So our point is that this retrenchment in the public service is a betrayal of public officers. [*Interruption*] It is destabilizing the industrial relations climate. With the advent of this Bill, it is destabilizing the industrial relations climate. It has serious repercussions and this is why the Prime Minister is getting up and trying to defend the indefensible. This has serious repercussions. This Prime Minister and the PNM Government will pay a heavy political price for this. You saw evidence of it this afternoon. This is just the tip of the iceberg. A heavy political price will be paid by this Government and this Prime Minister if he continues to try to entrench this law and make it a legislative Act.

Mr. Speaker, do you know what this Bill is also going to do? It is also going to bring in institutionalized favouritism in respect of who gets retrenched and who gets contracts. [*Desk thumping*] You are mashing up 2,175 workers, and you are saying that you are going to reemploy 2,000 workers. The track record of this PNM Government is they select who they want, throw away who they want, select their PNM people and they give them the jobs and leave the rest to suffer.

My colleague from Oropouche East stated the amount of money that these people are going to get when they have forced voluntary separation. Some people are getting $30,000 and $50,000. We saw it with the Caroni workers.

6.30 p.m.

Ten thousand Caroni workers got severance pay, and that was another forced separation of employees. It was not voluntary separation. Ten thousand workers were forced out of their livelihood. These 2,000 workers are being forced out of their livelihood as well. How long can $60,000 keep a worker and his or her family? These people's children would not get jobs when they come out because of the economic climate. The people who are working there would be left without jobs. This $60,000 or $100,000 will dissipate in one year, and those families will remain as poor families, subsequently. How can you be so callous to throw out 2,000 people from their jobs [*Desk thumping*] and expect that they would be happy and comfortable? You cannot do that.

Mr. Speaker, what else would happen with this? This Bill shows nothing about any appeal process if this Revenue Authority comes on board here. No appeal board is put into this piece of legislation, but the public servants who they are removing from the public service, that is the Board of Inland Revenue and Customs and Excise Division have protection by the Public Service Appeal Board. This does not have any remedies for an appeal. If a person feels that he or

she has been hurt or some injustice has been done against him or her, that person can go to the Public Service Appeal Board to appeal their case. So there is no effective appeal mechanism available to employees to challenge decisions by this Revenue Authority. Unfair dismissals will not be challenged by this process. [*Desk thumping*]

This Revenue Authority is a private company. It is not a public company. Judicial review, as the Member for Tabaquite who formulated the whole—he ought to be congratulated for bringing this whole judicial review process, because a number people have sought relief in the courts and have gotten relief by the judicial review mechanism. You can have judicial review by public bodies, but this is a private body. How can you have judicial review on a private body? So people who are disenfranchised; people who have lost their jobs; people who are not promoted fairly, and who have been treated unfairly have no appeal mechanism in the organization. Worst yet, they cannot even go to court because they cannot go for judicial review. That was shown conclusively in the UDeCott matter. When Emile Elias went to ask for judicial review of UDeCott, UDeCott was shown to be a private body. It is not a public body, so therefore, Emile Elias failed in the issue. Emile Elias failed to get a review of the work of UDeCott. This is similar to it, Mr. Speaker.

The next point is pensions. They have no mechanism for creating pensions for these 2,200 workers or 2,175. I remember very well the Regional Health Authorities Act. The workers were told that they would have to move from the Ministry of Heath to the Regional Health Authorities and they would receive their gratuities and pensions. After five or six years these people who had moved from the Ministry of Health to the Regional Health Authorities could not get their pensions. They were suffering. What is going to be different this time? How long is it going to take for them to get their pension?

There is more in the mortar than in the pestle with this issue. This Bill is going to destroy careers and frustrate employees' legitimate expectations. The TTRA will become a personal fiefdom of the Minister, and through the Minister, the Prime Minister will hire and fire as he wants. This cannot be allowed to happen. The Minister allowing firing and hiring, and through the Minister eventually it is the Prime Minister. The Prime Minister appoints the Minister of Finance. So the alternate responsibility is the Prime Minister. So the Prime Minister will be able to wheel and deal with the lives of these 2,175 workers. That must not be allowed to happen.

The question we asked: Are citizens content that the Prime Minister, a politician, not accepted by half of the nation, should be the nation's tax collector

having access to everyone's business? In effect, it is the Prime Minister who is the nation's tax collector because the Prime Minister appoints the Minister. The Minister appoints the board, and the Minister appoints the CEO who is the tax collector. So who is the tax collector? The Prime Minister is the tax collector. The Prime Minister collects the tax and spends the money as he wants.

These people worked hard and collected over $300 million over a period of time, and the Prime Minister spent it as he wanted. He was not the tax collector, but he is going to be the tax collector and would be able to spend it as he wants. This cannot work. Do you know what is even more questioning? You remember recently when the Prime Minister made an offensive comment in the House re: Calder Hart and he said, "Do not discount that. He could be on the Integrity Commission." It was the Prime Minister who made that comment in this House when he was being challenged. Calder Hart might be the chief tax collector in this matter. He might be appointed as the CEO, with total responsibility. Are we going to sit here and allow that to happen? Not at all! Not at all, Mr. Speaker!

I think that the trade union movement is very correct in raising the hype, total discomfort and dissatisfaction with what is happening. We want to tell the Public Services Association today, that the Opposition fully supports them in their endeavours in what they are trying to achieve. [*Desk thumping*] We feel the pain of these 2,175 workers. These are people who have given their lives from being an ordinary accountant, going through the lowest level as a clerk to rise to the highest level, to become Comptroller of Excise, the head of the Board of Inland Revenue and VAT office, and you want to throw them away into a basket, pick out one by one, saying, you come here, and you come here, and we give you a job. People have to be begging for a job.

We know what this Government is accustomed doing. It is only if you have a PNM card in your back pocket and it can be shown, you would get a job. That is what is going to happen to these poor, 2,175 workers. This Government is an anti-trade union movement. They are trying to break up the PSA. They tried to break up almost all the trade unions in this country. They are anti-poor people and anti-working class. This legislation is draconian, offensive and it ought to be gotten rid of. This must never come to Parliament. It is insulting. This piece of legislation is insulting to the workers of this country.

Mr. Imbert: Somebody write that for you?

Dr. T. Gopeesingh: This is my writing. I am not like you. I can do my research. I have been through the university system and I am a brilliant

researcher. [*Desk thumping*] I have over 30 papers research and published in international journals. Do you have any? [*Desk thumping*]

Mr. S. Panday: Let them have it.

Dr. T. Gopeesingh: Thirty-five research papers and I can go through from abstract to bibliography, to reference and give you the facts of this. You tell me how many papers you have published internationally, and you say that you are an expert witness in the UDeCott enquiry. I do not know what expert you are.

Ms. Kangaloo: You sent all of that to the Queen?

Dr. T. Gopeesingh: Mr. Speaker, this Government is speaking about transparency and accountability. It wants to make sure that this Revenue Authority is transparent and accountable to the people, but this is going to be a private company just like the other 15 special purpose private companies. By passing the Central Tenders Board and not going through any specific type of tendering process so that you can get total transparency and accountability in this—

They have moved away from the Central Tenders Board and formed 15 special purpose companies. These are to be removed from the public service as well with the help of the Public Service Commission under the scrutiny of the Public Service Commission. This is another one they are adding to the armamentarium where there will be no transparency and accountability. They have removed it from the Central Tenders Board and they have their own tendering procedures, rules and regulations which will defeat the entire purpose of transparency and accountability. At least now, the Public Service Commission is there to ensure that—you have Permanent Secretaries who are controlled by the Public Service Commission that could ensure some degree of transparency and accountability. Who will ensure that? A minister? A minister appointing the board and the CEO. That is not going to work at all.

This Government has systematically removed workers from the public service and has now begun to give contract over a period of time. People are operating as contract workers within the public service system. When you give somebody a three-year contract, can the person take that contract to the bank to get a house, to get a loan for the purchase of a house or a vehicle? You cannot. So almost half of the public service is contract workers and they are unable to get what is due to them. It is unfair to them. This will be another area where people will be operating with contracts.

Mr. Speaker, I see it in the Regional Health Authorities. The Regional Health Authorities gave these doctors one-year contracts, and they have to beg for the contracts. Their term of office is finished and they have not had a renewal of the

contract. These 2,200 workers will suffer the same fate that these Regional Health Authority workers have suffered. There was no appeal process and pension. They are on contract and cannot borrow money because they cannot go to the bank for a loan based on a contract. There is no tenure in employment. Therefore, there is no ability for the bank to see that they can pay this money because they are on contract.

Mr. Speaker, this Government is spending approximately $350 million to force people out of their jobs. This is not a voluntary separation. It is a forced separation. Do you know what they call this? A big bang approach.

Mr. Imbert: That is a movie.

Dr. T. Gopeesingh: Is it not intended to be a very careful approach towards the management of workers. It is supposed to bring people into a situation where they have to be dependent on the Government and the Minister, and beg the Minister for help. These are the same people who helped this Government collect over $300 million over a period of time of seven years. Same people. They were not inefficient then. They did not see any corruption. If there was corruption, why did the Government not do something about it? Why did the Government not find that corruption and charge some of these people? Because there was none that they can find. Therefore, they are making excuses that there is no transparency and accountability, and there is corruption within the present Board of Inland Revenue.

This Government is now borrowing money to make their requirements for some of these loans. The Minister could correct me. I believe that they borrowed approximately $7 billion last year. I believe that it is their intention to borrow another $9 billion this financial year. Recently, we saw on the news that they were borrowing money to complete some of the projects. So they are borrowing money to complete some of the projects. Yet still, the Government has $350 million to pay these workers who are being forced out of their jobs. How callous could that be? You are borrowing money to complete your projects, but you want to spend $350 to fire people and rub their noses into the ground.

Mr. Speaker, we want to tell this Government—the Prime Minister was here earlier on. He should fire half of these Ministers here. As was seen on the television, half of them will go home. It was 26 Ministers inside there. If you want to show that you have hostility, half of these Ministers of Government would have to be fired because they are incompetent. The Prime Minister knows it. They know who are going to be fired in a pretty short space of time. All those who are talking big at this time, you will see them in a few months. They want to fire people, but half of them would be fired pretty shortly, as a result.

6.45 p.m.

There is a way of dealing with this. If you want to deal with workers to come to an authority, do not push them out and force them out like the Caroni workers. I want to show two examples. You had the Regional Health Authorities Act and the Civil Aviation Authority. With regard to these authorities, do you know what they did? This is for their consideration. I want to quote from an Act to make provision for the Establishment of the Trinidad and Tobago Civil Aviation Authority for the regulation of all civil aviation activities and so on, No. 10 of 2001, Part VII of the Act:

"Staff

26(1) A person who, on commencement of this section, is a public officer appointed to an office listed in the Third Schedule either by permanent or temporary appointment, in which he has served for at least two continuous years, shall within three months of the date of commencement of this section exercise one of the following options:..."

These three options were given to workers under civil aviation and the Regional Health Authorities:

"(a) to voluntarily retire from Public Service on terms and conditions as agreed between him or his appropriate recognized association and the Chief Personnel Officer;"

So one was to voluntarily retire from the public service:

"(b) to transfer to the Authority with the approval of the Public Service Commission on terms and conditions no less favourable than those enjoyed by him in the Public Service; or

(c) to remain in the Public Service."

Those options were given to workers in the civil aviation area and to the regional health authorities. Three options were given; if I may repeat them: to voluntarily retire from the Public Service, to transfer to the Authority or to remain in the Public Service.

Mr. Speaker, those options were given to two sets of workers: the Regional Health Authority workers in 1994 and the Civil Aviation Authority. The MP for Diego Martin North/East asked about the postal service; I believe the same option was given to them.

Why are you not giving those options to the Board of Inland Revenue workers and the Customs and Excise workers? Why are you just giving them the one option? You are giving them no option. You are telling them that, "We are firing you and you stand

a chance of being hired back"; forced voluntary separation. The Civil Aviation Authority and the RHA workers were given options and it took a period of time for these options to be exercised by the workers. Some preferred to stay within the health sector and some were seconded or transferred to the RHAs voluntarily. Why were these 2,200 workers not given these options? I believe that they were lied to; they were conned into believing that these options would be available to them, only to find out that that no options were available, but they are being forced out of their jobs in the Customs and Excise and the Board of Inland Revenue.

We ask this Government to tell these workers and this country why these workers were not given that option and why that is not part of this Bill to give them the option to choose, rather than being forced out. This is high-handed; it is dirty; it is offensive and insulting to workers of this country, just to throw them out carte blanche. This is totally unacceptable.

When we say that we are supporting these workers, this is one of the areas we believe that if you are considering amendments to the Bill, this should form one of the major amendments. We reject it outright, but if because they have the constitutional three-fifths majority, and this needs a two-thirds majority, you must consider our discussions on this. You must consider them.

Mr. Speaker, do you know how the Civil Aviation Authority and the RHA boards were appointed? I read Part IV:

"The Board

11(1) There shall be a Board to manage the business of the Authority comprising eight persons appointed by the President..."—I repeat—"appointed by the President"

This board is appointed by the Minister. [*Interruption*]

Mr. Imbert: Would the Member give way? I thank the Member for giving way. It is an established fact that when the word "President" is used in legislation in that way, it means "Cabinet"; it does not mean the President of the Republic.

Mr. S. Panday: After consultation; read it!

Mr. Imbert: No.

Dr. T. Gopeesingh: Mr. Speaker, it says:

> "There shall be a board to manage the business of the Authority comprising eight persons appointed by the President in accordance with the provisions of the First Schedule and the Director General, appointed in accordance with section 13,..."

Mr. Imbert: That is the Cabinet.

Mr. S. Panday: I will deal with you!

Dr. T. Gopeesingh: The President signs the authority for the appointment of the board. Who signs it here? The Minister.

Mr. Imbert: It makes no difference; it is the same thing.

Dr. T. Gopeesingh: At least there is some overall hierarchical type of control and introspection into these appointments, when the President has to sign them. He must see if there is some misdemeanour in the appointment, et cetera.

Clause 13 states:

"(1) The Authority shall, from time to time appoint,"—hear who appoints the CEO under this section 13—"with the approval of the Minister, a suitably qualified and experienced person to be the Chief Executive Officer,..."

Who appoints the CEO in this Bill? The Minister appoints the Chief Executive Officer in the Trinidad and Tobago Revenue Authority. There are several areas, therefore, that are untenable and unacceptable to us, as far as these appointments to boards and the CEO are concerned.

Mr. Speaker, I have probably three points to make again. The first of these three is this: We saw recently in May 2008, the appointment of a temporary board to manage the affairs. Today we are discussing a board of management of the authority:

"The Board shall be appointed by the Minister and shall comprise nine members as follows:

(3) The members shall be selected from among persons who—

(a) have the capacity and experience needed to oversee the management of a large and diverse organization; and

(b) have qualifications or experience in finance, accounting, taxation, public administration, law or such other related field of expertise."

We are being asked to debate the merits of the criteria for selection of board members. We are now debating the merits, whether that is correct or not. But here you have a board that has already been appointed.

So we are in Parliament trying to discuss whether those characteristics are to be accepted in the appointment of board members, but you already have a board appointed, whether it is a temporary board or not. We are discussing this. This is an insult to the Parliament. We are discussing the merits and the characteristics for the appointment of board members, whether we appreciate or not, whether we like it or not, or whether we agree or disagree, but already a board is appointed. So what are we discussing here? The board is already appointed. [*Interruption*]

Mrs. Nunez-Tesheira: You are more gracious than most of your colleagues, but to answer your question, how could you have a board of the revenue authority when the authority is not even law, it has not been proclaimed—We have put in place a Revenue Authority Company Limited, which is to help us with the transitional model, to transition from the Customs and Excise and Inland Revenue to the Revenue Authority. They are assisting in the transitioning; they are not the board of the revenue authority. The revenue authority is not in place.

Dr. T. Gopeesingh: I want to read from an article from Juhel Browne:

"Cabinet approves board from new Revenue Authority"

So is Mr. Juhel Browne from the newspapers of Friday, May 08, 2009, almost one year ago, wrong? [*Interruption*]

Hon. Members: He is wrong!

Dr. T. Gopeesingh: The article continues:

> "Dr. Andre Vincent Henry who specializes in international economic relations is the new director general of the board of managers of the transition company that will become the Trinidad and Tobago Revenue Authority (TTRA). [*Crosstalk*]
>
> Cabinet, during its weekly meeting yesterday at the Diplomatic Centre, St. Ann's, approved the appointment of Henry and six other persons to the board of managers of the transition company, as well as the 15-member executive structure for the TTRA and the policy meant to govern it." [*Crosstalk*]

We are discussing the merits as to whether somebody could fit the characteristics and criteria for selection as a board member, but in May 2009 they hired board members already, and the minister is trying to say that they have not hired a revenue authority or transition board.

Hon. Members: No!

Dr. T. Gopeesingh: So what are you going to fire them after? I go on to article to prove my point.

Mr. Speaker: Order! Order!

Dr. T. Gopeesingh: The article continues:

"Finance Minister Karen Nunez-Tesheira made the disclosure in an exclusive interview with the *Express* yesterday at her office in the Financial Complex in downtown Port of Spain."

So what do you say to that now, that no temporary board was appointed? Answer that! Get up and answer it!

Mr. S. Panday: Answer it!

Dr. T. Gopeesingh: The article goes on:

"It is the transition company, she said, that will deal with recruitment of staff for the TTRA which will see the merger of the Board of Inland Revenue...with the Customs and Excise Division and also has a role in the payment of an estimated $300 million in Voluntary Separation Packages...to some 2,000 Customs and Inland Revenue employees. [*Crosstalk*]

Nunez-Tesheira said the other members approved for the board of the TTRA transition company include Trinidad and Tobago Manufacturing Association...Greg Laughlin, chartered accountant Philip Marshall..."

We have no difficulty with the competence of these people, but the whole process is flawed and it is an insult for this Government to come and tell us that we must debate the criteria for selection of board members, when they have already appointed board members. It is insulting to this Parliament and the people of Trinidad and Tobago. The Minister of Finance should hang her head in shame for trying to dispute the fact that she has not appointed a transition board, when a transition board has been appointed.

The other members are:

"Nestor Lambert, Trinidad and Tobago Mortgage Finance Company managing director Ingrid Lashley, information systems specialist AF Joseph and Finance Ministry Permanent Secretary Alison Lewis.

She said she expects to bring the legislation required to establish the TTRA to Cabinet before the end of the month."

This was an article written on Friday 08, 2009, by Juhel Browne in trinidadexpress.com. Let the Minister get up and deny that she did not appoint a

transition board. [*Crosstalk*] How insulting this is to us. [*Crosstalk*] Whether it is a transition board, a permanent board or a temporary board, you appointed a board with what criteria? It is a temporary board of the Trinidad and Tobago Revenue Authority.

Hon. Members: No!

Dr. T. Gopeesingh: It is a board of what? Why did you not correct it? [*Crosstalk*]

Mr. Speaker: Let me cool things down a bit.

Hon. Members, the speaking time of the hon. Member for Caroni East has expired.

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

Question put and agreed to.

7.00 p.m.

Dr. T. Gopeesingh: Thank you, Mr. Speaker. I appreciate the fact that the Member for Diego Martin North/East who always tries to shut me up to prevent my time, but I gave way to the Prime Minister. So the time I am going to utilize now is the time the Prime Minister would have asked for my extension.

I would not be too long again but I will make some comments on the bargaining power of the unions. When these workers come to the Revenue Authority they have no bargaining power of any trade unions. They would have been removed from the Public Services Association and have no union to bargain for them and I will give you an example of what happened in the Regional Health Authorities in Act No. 23 of 2000, section 34(1):

> "Subject to any written law, every registered collective agreement and registered memorandum of agreement within the meaning assigned to such agreements and memoranda under the Industrial Relations Act, in existence before January 1st 2000 to which the Chief Personnel Officer was a party in relation to hourly, daily, and weekly-rated employees employed in health-care facilities, shall be valid and binding on the respective Authorities and the majority trade union which immediately prior to January 1 2000 represented hourly, daily and weekly-rated employees who were employed in such health-care facilities and in respect of whom the Chief Personnel Officer was deemed to be the employer under the Industrial Relations Act."

Mr. Speaker, these employees, when they went over from the Ministry of Health to the Regional Health Authorities had the bargaining power through the

NUGFW which is the National Union of Government and Federated Workers Union for the daily and weekly-rated workers. It went on to say:

> "Subject to the Industrial Relations Act, the majority trade union which immediately prior to January 1 2000, represented the daily-rated workers who were employed in health-care facilities… was deemed to be the employer under the Industrial Relations Act, shall continue to represent such workers."

So the point I am making is that the NUGFW continued to be the bargaining body for the workers when they moved from the Ministry of Health to the Regional Authorities. The Member for Tobago East mentioned that it was the UNC government that created this Act and this situation where the bargaining body continues, and he tried to make the statement that this is something that needed to have changed.

I want to tell the House that this same PNM Government by Act No. 6 of 2004 which deals with the recognition of trade unions, an Act to amend the Regional Health Authorities Act, 1994 says:

> "The Regional Health Authorities Act, 1994 is amended by repealing section 31 and replacing it with the following sections:
>
> Subject to the Industrial Relations Act, the Public Services Association of Trinidad and Tobago shall be deemed to be the certified recognized majority union, under Part III of the Industrial Relations Act for the bargaining unit comprising the… monthly rated employees of an Authority."

So here it is that the Member for Tobago East tried to make the statement that it is the UNC that continued to have these trade unions as the bargaining body after they had been removed from the Ministry of Health to the Regional Health Authority and that PNM had corrected that. But it was the same PNM in 2004 that amended the Regional Health Authorities Act and ensured that the PSA continued to be the bargaining body for the workers who had moved from the Ministry of Health to the Regional Health Authorities.

This Bill does not have a statement of which trade union will continue to be the bargaining body for these workers. In fact, they are removed from under the protection of the PSA to nobody representing them in the future under the Trinidad and Tobago Revenue Authority. So here it is, again, anti-trade union, anti-worker and anti-working class and the Member for Tobago East speaks about the PNM Government being for the working class.

He said that PNM demonstrated support of the working class under the CEPEP programme. How do you demonstrate support of the working class when these poor CEPEP workers as we have mentioned ad infinitum have been treated very badly with no sort of benefits, working in the hot sun without any maternity leave, without medical or pension, and the type of salaries they receive is really advantageous.

He went on to say that they demonstrated support of the working class since 2002 through NEDCO's 9,000 businesses. When one tries to get information on the amount of money these people have been given in terms of micro-enterprises, it is a party slush fund. All the PNM supporters and big people are utilizing that NEDCO fund for their private business and getting millions of dollars in loans and not repaying them. So when he says they support working class, sure, it is supporting the PNM people. He should be ashamed for making that statement. I believe that NEDCO was one of the companies removed from under the Freedom of Information Act and you cannot get information of who received loans, so I think the Minister should really be ashamed of making a statement like that.

He says the Trinidad and Tobago Revenue Authority does not seek to dispossess workers. What have I demonstrated earlier on in terms of moving them away from the bargaining body, firing and not rehiring them? He even went further to say that there is no sanctity for the PSA representing the workers. In fact, that is a damming allegation against a trade union movement to say that. He is insulting the PSA and this is the continued move by the PNM Government to disenfranchise and "lick up" trade unions. This is unpardonable.

The last issue I want to raise is the question of the rules for the tenders and regulations. We have seen time and time again that these rules for an authority like this will leave a lot to be desired and the rules for tendering allow for widespread corruption particularly in these private enterprises and special purpose companies. This falls under the special purpose company and we have seen that the promise of a procurement regime to govern all these private companies and special purpose companies since 2004, six years later leaves a lot to be desired. And, therefore, the rules that will govern them will not correct the situation where there is widespread corruption and that will occur with this Trinidad and Tobago Revenue Authority, particularly when there is one CEO and a board appointed by the Minister and does not have any independence whatsoever.

Mr. Speaker, the whole issue of transparency and accountability that has been put forward in the creation of this Revenue Authority does not hold any meat whatsoever. So, in closing, I wish to re-emphasize the fact that we have found

serious areas of major concern which cause us not to be able to support this piece of legislation. We believe it needs a two-thirds majority because it infringes upon the Constitution of Trinidad and Tobago insofar as the bargaining body and service commissions which require a two-thirds majority. We want to reiterate that we give no support to this Bill whatsoever.

Thank you very much.

The Minister of Tourism (Hon. Joseph Ross): Thank you very much, Mr. Speaker. There are a few items I would like to address before I get to the meat of my contribution this evening. After listening to the Member for Caroni East, that gentleman who made so many international publications, renowned for his skills in writing, I am amazed that somebody of his calibre just simply cannot accept change. I do not know whether he has accepted the change that has taken place on the other side as yet.

Dr. Gopeesingh: Yes, I did. Do not interfere in our business.

Hon. J. Ross: Mr. Speaker, he made some statements that clearly reflect his difficulty with change and some of the very sentiments were expressed by the Member for Oropouche East when he spoke, indicating that this Government wants to take us back to colonial times crown colony system.

Mr. Speaker, my knowledge of the crown colony system of the colonial rule is probably quite different to his. I think the system we are operating in at the moment largely represents colonialism. It is very old, frustrating, it is very bureaucratic and a lot of system weaknesses go with this current operation. [*Desk thumping*] So I think the Member for Caroni East, as well as the Member for Oropouche East has it very wrong.

While he was talking and quoting some figures, I started calculating to see whether he understood what he was talking about, and similarly for the Member for Oropouche East. The Member for Caroni East indicated that this same public service Board of Inland Revenue and the Customs and Excise Division over a period of seven years raised some $300 billion for the Government and here it is we want to just throw them out.

Mr. Speaker, look at the figures carefully, and I am going back to the Member for Tobago East. I must commend him for his accounting skills this evening; $300 billion in seven years the Member did not take into consideration that if they collected $300 billion, what in fact they did not collect was in the vicinity of $32 billion, a budget for almost a year.

The system is fraught with so many weaknesses that anyone in their right mind in the year 2010 will want to change such a system. The Member for Oropouche East

using the same figures wanted to know whether we had done any feasibility studies and I think he was adequately answered by my colleague from Tobago East. I will add a bit more by using the figures he quoted. He said it is costing this Government anything in the vicinity of $350 million just to implement the system and if we had done any feasibility analysis. Just look at it, $350 million and when we look at the leakages that emanate from the current system—and I am a very conservative person.

7.15 p.m.

My colleague said that it was in the vicinity of $10 billion. I am saying, $2 billion. We are saying that we collect roughly $40 billion per year and that is 95 per cent of what we could collect. It means that that other portion, that 5 per cent goes out of the system through corrupt practices, inefficiencies and what have you. [*Interruption*] I will come to that part too. I am saying that if $2 billion per year is not being collected and if it is costing us $350 million to implement a system which we are saying would ensure that we collect most of that $2 billion that we were not collecting then. It would be paid back in two to three months. It is the payback period.

Dr. Gopeesingh: How are you going to guarantee that?

Hon. J. Ross: How I guarantee that? The system that we are putting in place, Member for Caroni East, will ensure that the collection machinery is so much improved. I will come to that in a while.

It was also interesting to hear the Member for Oropouche East say that Canada is now introducing measures to deal with some of the problems they encountered when they initially set up their revenue authority. Later on he went on to talk about South Africa. I do not think that he listened carefully to the Minister of Finance in her presentation. The Minister said that having seen all these countries implement their revenue authority, we are in a better position to learn from some of the issues and problems that they experienced, so that we can take advantage of some of these things and put in a proper system. [*Desk thumping*]

I do not want to waste time dealing with some of these things. I expect that other Members after me will deal with other issues that were raised. I will mention the question by the Member for Caroni East who made the point that the Bill must be withdrawn for among other things, we are institutionalizing favouritism and so on. I ask the Member to read that Bill carefully and go to the management system that would be put in place. He would see the kind of internal controls that are in place to ensure that these things do not happen. I will come to that later in my contribution.

I, a former member of the Public Services Association, disagree very strongly with the call for no revenue authority whatsoever. We need to put this in a particular context when we are looking at the need for such an organization. We need to look at this holistically. We cannot, as someone indicated earlier, simply talk about amending or making improvements to the Board of Inland Revenue and the Customs and Excise Division and upgrade and improve them.

I think that the Member for Diego Martin West made the point that for years we have been looking at public service reform. Some of these problems have been persisting time and time over the years. These improvements have not worked. They are not sustained. If we were to concentrate on simply improving these departments individually, we are going to create more and more problems down the road. It is again, like putting new wine in old bottles over and over and over again.

As we are aware and the Minister of Finance made it very clear, the Board of Inland Revenue and the Customs and Excise Division are the two main bodies that are entrusted with the administration of taxes and revenue collection in Trinidad and Tobago. We have been told that on an annual basis the sum of about $40 billion is being collected in taxes. We have also been told that these two bodies collect in excess of 90 per cent of the total amount of taxes being collected on an annual basis. We are looking at making a very significant change in setting up a revenue authority.

We are also aware of the sizable part of taxes and revenue that could be collected and are not collected. The sum of $2 billion a year is significant for a country of our size and population. This is the amount that is being leaked out through the system and never get its way in the Consolidated Fund for use of maintenance and development of our economy. We are aware that this leakage occurs for a number of reasons, be it fraudulent practices; general weaknesses in the system; inefficiencies or whatever.

In order for us to optimize our revenue collection and the amount of money that we have the capability of collecting or that we should collect, basic things must be put in place. The establishment of this Revenue Authority is there to put some of these basic things in place. In this day and age, we cannot expect to see significant improvement if we continue to operate as we are. Let us not hide behind all this sensationalism and politicking with these two departments. Let us face the facts. We cannot continue to operate like this.

We would keep down the development of Trinidad and Tobago if we continue to resist change and improvement at all times. This is what has been happening on

the other side. They continue to resist meaningful change and we are seeing it every day. Before they open their mouths, the first point that the Member for Caroni East could have made is that we are not going to support this. If we continue to operate in this country with the same kind of structures that we have now; the same people in key positions; the same kinds of institutional framework or technology, we would never achieve developed country status.

This Government is committed to ensuring that Trinidad and Tobago achieves developed country status on or before 2020. [*Desk thumping*] Under this current dispensation, the four canons as we often refer to them, of taxation could never be achieved under this kind of operation and current dispensation of revenue collection in Trinidad and Tobago. We would never achieve efficiency in administration and equity in the application of the taxation laws of Trinidad and Tobago if we continue as we are going at the moment.

The taxation system with compliance will not be easy. We would never achieve ease in compliance under the current system or dispensation. Effectiveness under this dispensation would not be achieved. The time has come when we must face it. What do we do? Change is inevitable. Whether or not you like it, we have to address the change. Even though this gentlemen is not one of my favourite writers, I had a look at a particular paragraph in an article entitled, "Economic Change and Policy Adjustment, The Valuation of a 20-year period in Trinidad and Tobago" by Dhanayshar Mahabir. He said in a section on "Key policy issues for 1999 and beyond."

On raising revenue the fiscal authorities must strive to improve upon compliance. On raising revenues we must seek or strive to improve upon compliance. Indeed, an improvement in compliance rates may very well mean more power to fiscal authorities to effect social change consequent upon their enhanced recoveries."

We need to stress the importance of compliance. One of the strengths of this Revenue Authority is that it will ensure that the machinery is put in place to bring about a greater degree of compliance.

Dr. Gopeesingh: The same could be done within.

Hon. J. Ross: No Sir. I will show you later on why it cannot. He went on to say:

The management of state resources must also attempt to increase efficiency…This now calls for an evaluation of all programmes and departments within the Government machinery with the aim of redeploying staff to areas where their contribution may be increased…

I recommend the article. The bottom line is that Mr. Mahabir is suggesting that the time has come for us to review our tax system, our revenue collection system to make it

more efficient, effective and to ensure that we provide more and more benefits for the people of Trinidad and Tobago.

7.30 p.m.

There is a level of bureaucracy in the existing system of both departments, both the Board of Inland Revenue and the Customs and Excise Division and that level of bureaucracy is very onerous on every single body who has to interface with these departments. Over and over we continue to hear complaints about the frustration in getting things. Somebody asked the question earlier on: how long you heard that you got your tax refund? It is a real onerous system. Tax appeal is onerous. You go to customs, it is a burdensome system and these are some of the things that we need to deal with. There are a lot of duplications in the system. There is also the lack of transparency and I will come to it in a while; a lot of administrative bungling, facilitating fraud and corruption.

These are some of the major issues why I say there is definitely a need for us to look seriously at establishing a revenue authority. So many other countries in the world have gone this route. Why are Members on the other side resisting such an improvement? I heard the Member for Diego Martin West talk about Grenada right next door to us with their modern driver's permit that can be used for so many purposes. If we were to introduce such a system, are you going to resist it too? This is the impression we get here. Everything that is progressive, you resist for the sake of resistance. That cannot help if we want to develop Trinidad and Tobago.

What are some of the outstanding features of the Revenue Authority? We are only focusing on one issue, but there are so many outstanding features and I am saying we need to look at them. The Revenue Authority reflects what is considered the best practices of revenue authority worldwide. A while ago I said that we are in a position now to learn from the shortcomings of the 50-odd countries that implemented the revenue authority so that we are assured that we are, in fact, putting some of the best practices worldwide into place.

The Revenue Authority will be structured in such a way to promote and foster an improved business environment and this is what we talk about when we talk Vision 2020. We are talking about enabling businesses; we are talking about creating a competitive environment. What we are saying is that with the establishment of this Revenue Authority we will also be promoting and fostering an improved business environment.

The Revenue Authority, as well, would ensure that there are high professional values, ethics and so on, in place. On this feature, as I touch on ethics and integrity, I would like to draw your attention to a very familiar case. I am sure that Members of

this honourable House would have recalled the case—I think it was in 2001—with one Mr. Carl De Souza, a customs officer who worked for more than 30 years in the public service. He reached a very high rank in the Customs and Excise Division; a devoted family man and a father; a pastor of a church in Arouca. Mr. De Souza met his death on December 11, 2001 when he was shot point blank at his home on Auzonville Road. Why was he shot? For standing up against corruption and corrupt practices at the Customs and Excise Division. This man lost his life standing up against corruption and corrupt practices at the Customs and Excise Division.

I want to refer you, on this same matter, to an article written on December 14, 2001 in the *Trinidad Guardian* by one Michelle Loubon. This is what Michelle Loubon had to say:

> "De Souza's job was to ensure under-invoices were detected. If he did not, it would result in loss of duties as a consequence, loss of revenue to the Government."

This is one of the areas where we have a lot of leakages in the present system; under-invoicing and this man's job was to ensure that the invoices were correct. She went on to say that:

> "Despite his 10 years experience and training with General Agreement on Trade and Tariff (GATT) De Souza was regrettably transferred to the Classification Division."

Where is the Member for Caroni East? He is saying that we are the ones on this side who tend to favour people. In 2001 the man was transferred.

Miss Cox: That was under who?

Hon. J. Ross: Let them answer. The man was transferred.

> "In April he was removed as head of the Treasury Division while under specific assignment to investigate valid fraud allegations against certain importers."

Mr. Imbert: Who transferred him?

Hon. J. Ross: The transfer took place in the year 2001 when another administration was in place. All I am saying, I said it I think a week ago, what they are accusing us of is what they, in fact, have done and intend to do again if given the opportunity. [*Desk thumping*]

Mr. Speaker, for a while I want to focus on the governance structure of the Revenue Authority. I want to make it very clear that I believe that one of the major pillars of good governance of any entity whatsoever is that of its system of

internal controls. If you do not have good internal controls, everything could collapse and we have case after case to demonstrate such.

When I talk about the system of internal controls, I am looking at the human element; I am looking at the physical element; I am looking at all the information systems, all the procedures, the processes. I am saying that unless these systems are adequate, we could have a serious problem with governance.

The current system for managing the collection of taxes in Trinidad and Tobago, I regret to say, is woefully inadequate. To quote the finding again—and I think I should quote it—of the Deane committee which was set up and which recommended in the end, the Revenue Authority. What Deane said was that after examining the system of revenue collection and so on, there was a deficiency in human resource management processes; inadequate management capability, accountability and training; inadequate staff development training and accountability; lack of control over, and accountability for, budgetary allocations; inadequate employee compensation packages; high incidence of corruption and corrupt practices.

So if you want to go against establishing a revenue authority, what I am saying is, you are supporting corruption and corrupt practices [*Desk thumping*]

There were insufficient systems for internal investigation and enforcement; inadequate information exchange and coordination; poor customer relations; anti-business rules and regulations; lack of appropriate information technology systems; poor physical infrastructure and accommodation; and deficiencies in the legislative framework.

For those who are arguing against the Revenue Authority and saying that we must fix the two departments, I want to suggest to them it is like fixing an old car over and over and over.

Mr. Manning: The Cortina.

Hon. J. Ross: A Cortina? Well, I never drove a Cortina, Mr. Prime Minister.

Mr. Manning: It is an old car. [*Laughter*]

Hon. J. Ross: But the fact is—yes, fix-or-repair-daily.

That is one of the most backward, archaic approaches to the development of any country. As a matter of fact, you are taking us back into colonial and pre-colonial days. So I want to suggest that the establishment of a revenue authority will overcome all or most of these deficiencies that we have highlighted here. It just would not work if we want to continue to fix and patch; fix and patch. That is

not what this Government is about. This Government is about putting sound systems in place and is about providing good governance.

A lot of the deficiencies, I said, have to do with the systems or lack thereof, of internal controls. I would like to bring to the attention of this honourable House the state of internal controls within the Customs and Excise Division; the state of internal controls within the Board of Inland Revenue and the state of internal controls in the public service. I am not pulling down the public service, but what I am saying, as we are talking about our revenue collections in Trinidad and Tobago, we are talking about funds to ensure the continued growth and development of our country; we are talking about funds to ensure the continued maintenance of systems in Trinidad and Tobago; we are talking about the children of the future in Trinidad and Tobago; leaving a good legacy for them. So we cannot afford to allow our revenues to be siphoned from this country and fall into the hands of others who would not use it for the benefit of the development. [*Desk thumping*]

So I am pointing to the controls. Let me first start with the entire public service so you would see why we cannot fix inland revenue and fix the customs separately. We have to do this thing as one entire job. In looking at these controls I would like to refer you to a very important document. This document is dated April 1987. If these recommendations which were made since 1987 still exist, I am telling you we would have failed if we did not put in place this Revenue Authority. The same problems we have today we will continue to have them 2020 and beyond and this Government is not committed to that. [*Desk thumping*]

7.45 p.m

Mr. Speaker, this is the Report of the Auditor General of the Republic of Trinidad and Tobago on a Comprehensive Audit on the Internal Audit Function in Government Ministries/Departments and Statutory Boards. This includes the Board of Inland Revenue and the Customs and Excise Division. I have to read extensively, Mr. Speaker; I have to beg your permission. I will look at some of the findings of the Auditor General in 1987. This is why I strongly support this Revenue Authority.

The first set of findings has to do with staffing. Hear what the Auditor General said then:

> "7.2 In many ministries and departments, …job specifications were lacking. Management, it seems, was not aware of the specific functions to be carried out by the internal audit staff. Consequently their services were under-utilized and … mis-used…"

We are saying, if internal audit and controls is a major pillar in any governance structure and this goes wrong, all fall down. They go on to say that:

> "Satisfactory staffing requirement to carry out the internal audit function effectively were not provided."

They did not have staff.

> "In many instances, these units were staffed by officers who did not possess the appropriate skills and qualifications."

The Auditor General says that staffing needs were filled by central employment agencies, for example the Public Service Commission, the Statutory Authorities Service Commission and so on. So when you are arguing, Member for Caroni East, about all these commissions, we have them; we are not pulling them down, but this is where we are. They were responsible for doing all the employment, yet in 2010, look at developed countries; we must follow the standards established in developed countries.

I know my good friend, the Chief Whip—

PROCEDURAL MOTION

The Minister of Works and Transport (Hon. Colm Imbert): In accordance with Standing Order 10, I beg to move that the House continue sitting until the possible conclusion of this debate.

Question put and agreed to.

TRINIDAD AND TOBAGO REVENUE AUTHORITY BILL

Hon . J. Ross: Mr. Speaker , I was making the point that I knows what developed country status is all about. He has seen how some of these revenue authorities operate. Seeing that he is holding such a senior position now, I am sure that he will encourage his colleagues to support such a progressive move. He has the experience outside there. Can I depend on you?

[MADAM DEPUTY SPEAKER *in the Chair*]

We go on to staff training for computer-based system. This is in 1987. Systems have become more complex. Hear what the Auditor General had to say:

> "7.9 All systems, including computer-based systems, should be subject to review by … audit. In many cases internal auditors expressed the opinion that computer audits were not within the scope of their function and therefore did not include these checks in their programme."

What are we looking for? Corruption. If we continue in this wein, it is corruption because we will have no audits of any computer system that exists at the moment. I am going to show that that is happening now in those two divisions.

> "Investigations revealed that they did not possess the expertise to conduct such audits."

Here the service commission, the Public Service Commission, the Statutory Authorities Service Commission and all these agencies are employing people, but they do not have the skills and expertise. They admit it. The Auditor General found it and this is the state we are in today.

The report goes on in terms of reporting for staff interchanges. I am going throught there things to show Members of this House the state of affairs in both divisions and the need to accept change. This is what the whole Revenue Authority is about; bringing forth meaningful change in the tax administration system. The bill before us today deals a lot with internal controls.

The Auditor General said:

> "7.11 Frequent staff interchanges occurred between internal audit and other sections of the organization mainly at the discretion of the accounting officer. These movements often resulted in officers with little or no auditing or accounting experience being assigned to the unit, with the consequent adverse effect on its performance."

We are witnessing today—and I listened to some of the arguments earlier—we are trying to put square pegs in round holes. This is what you and your colleagues have been arguing for. [*Interruption*] I will not be distracted. The main criterion in promotion was the relevant seniority.

> "It was neither unusual for an experienced internal auditor to be transferred on promotion to a position outside the auditing class nor someone without any experience in or aptitude for auditing to be assigned"—to the audit department.
>
> If you take someone who knows nothing about audit and put him or her in an audit department, what will you expect? They will not pick up anything. All the fraud and corruption will continue; all the inefficiencies will continue; all the effectiveness in management will continue. Is that what we want for Trinidad and Tobago? Shame on "yuh"!

Madam Deputy Speaker, I can go on and on with this report. One of the findings as well of the Auditor General was that these departments did not

perform the checks necessary to give management the independent assurance that the directive of the central agencies was implemented. One of the main purposes of any audit unit is to give management, the board, the assurance that things are okay; that their directives are being carried out. One of the problems we are having in all those ministries and department is that the audit department cannot function.

Madam Deputy Speaker: Hon Members**,** the speaking time of hon. Member has expired.

Motion made, That the hon. Member's speaking time be extended by 30 minutes [*Hon. C. Imbert*]

Question put and agreed to.

Hon. J. Ross: Thank you very much colleagues. I will close off on the general public service. My research—and I followed up on the matter with the Auditor General yesterday to find out what has changed since 1987. I was provided with a report and, basically, the Auditor General followed up this audit in 1990. They did another review in 2007 and another in 2009. So the Auditor General was followed up.

I would tell you the comments as at 2009. In 2009, questionnaires were sent to 20 Ministries seeking feedback on the implementation of recommendations made in the 1987 report. Responses have been received from only nine ministries, in spite of reminders being sent in October 2009. The situation is largely the same. Report done in 1987; in 2010, the situation remains unchanged. We must find a better way to do things in this country.

I would also like, just for the record, to fefer to another report—I challenged you all to read it —again by the Auditor General, dated June 07, 1996, dealing specifically with the revenue protection function of the customs and Excise Division. I will quote a few of the findings here for you. I should explain that when we say a comprehensive audit, it is not just looking at the accounting; it is looking at the entire operations of the organization.

One of the findings was:

> "In many instances the physical inspection of goods revealed discrepancies between the information on the import documents and the goods imported."

Under-invoicing again taking place.

> "In many instances goods were released to importers prior to the payment of any additional duties and taxes."

Again, who knows? The system does not have any control. Deals could be cut; people could pay bribes; goods going out; taxes not being paid.

Another finding is that a number of cases related to the non-payment of duty referred to the preventive branch remain unsettled over long periods. *[Interruption]* That is the failure of the system. This is why we are approaching this for a new system. We need a change from the old way of doing things. [*Desk thumping*] I am convinced, based on what I am hearing, that the Member for Fyzabad may have reasons for canting this system to continue. I wish the Attorney General were here to talk about the kinds of moneys we have been recovering from fraudulent practices in the country. This Government will not sit by and allow corruption to continue.

I am tempted to go on with these reports, but I refer it ot Members. Read it! Report of the Auditor General of the Republic of Trinidad and Tobago on a Comprehensive Audit on the Revenue Protection Function of the Customs and Excise Division of the Ministry of Finance.

Madam Deputy Speaker, I will just highlight some of the weaknesses at the Board of Inland Revenue. My investigations—and it is all brought up in some of the Auditor General's findings that the internal audit can be considered as just checking pension and leave records rather than checking on significant things; the systems to ensure that the revenues we are supposed to collect are in fact being collected.

8.00 p.m.

When you are checking pension and leave records, what benefit is that to the revenue collection administration in Trinidad and Tobago? None! My finding also revealed that serious control breaches go unnoticed for extremely long periods. People are breaching the tax laws and getting away with impunity. This is what is happening at the moment. [*Interruption*] This has nothing to do with the PNM. [*Interruption*] I would not be distracted.

Madam Deputy Speaker, I beg for your protection, please?

Hon. Member: Ignore him.

Hon. J. Ross: There appears to be no intention of training internal audit personnel. I looked at some of the records again at the Auditor General and they were showing that training was neglected.

Imagine the Board of Inland Revenue—well they now have a new computer system—Jentax—but the system before that, the reports revealed that not a single audit from the internal audit department was done on these systems. The state of affairs is frightening and if we allow this system to continue, I do not think that

any of us could stand before our children and before those young ones to come and feel proud of coming to this Parliament today and reject a Bill that seeks to correct and improve the tax administration in this country. [*Desk thumping*]

Every cent that goes out of this country, that is leaked through the system, that goes into the hands of corrupt people, because of the inefficiencies in the system, because of breaches of the tax and customs and excise regulations, let me tell you something, we are depriving poor people's children of education, we are depriving them of food, we are depriving them of good roads and we are depriving them of a good life, and this is what this Revenue Authority Bill is about. It is about getting the money that belongs to the people into the hands and for the benefits of the people.

Government's decision to establish this Revenue Authority was influenced by the need to address all of these shortcomings. The issue of transparency, the issue of oversight, and if time permits, I would like to give my colleague from Diego Martin West the assurance that the Bill addresses the question of ministerial oversight in many ways. I would challenge him to read clauses 25, 27, 29, 30, 33, 34 and 39. All of these clauses deal with ministerial oversight, so I do not want him to go away feeling that the Bill does not take into consideration ministerial oversight. I would not take the time to read them but I ask him to look at those specific clauses.

I will wind up now, but I beg Members on that side, I beg them to seriously consider this Bill. I beg members of the Public Services Association and all of the other trade unions to look at what is happening, you may have concerns, but look—I think the Minister of Labour, Small and Micro Enterprise Development and other Members who are coming to talk about some of these issues, I trust that your concerns would be clarified. I give you the assurance from where I stand, that this Government is for the people; this Government stands for justice and for what is right and for the development of Trinidad and Tobago.

Thank you, Madam Deputy Speaker.

Mr. Chandresh Sharma (*Fyzabad*): Thank you very much, Madam Deputy Speaker. It is clear that a number of things that are happening are affecting colleagues opposite. Having heard my good friend the Member for Barataria/San Juan, I could not believe the nonsense he was saying. Trying to fool the national community and pretending to be a saint here today and making all kinds of false promises, talking about ministerial oversight. How did that come into being now? He just identified a series of areas that there are failures in, is there ministerial oversight in that? Who is he trying to fool?

Under the PNM, corruption has become their flagship. Everybody knows about the PNM corruption across this country. [*Interruption*] He is talking about the governance of Trinidad and Tobago and crying about the children and grandchildren. Who is he fooling? The PSA, representing the largest body in this country, communicated to the Government and to the people of Trinidad and Tobago, saying that there are issues and let us talk about it. The Government failed to meet with them. Today around this Parliament we saw the PSA and we saw the support of other trade unions.

When you look at the votes that the PNM got in the last election—200,000 give and take—with four persons per house, that is 50,000 homes, with the PSA representing 55,000-plus workers, TUTTA and the others, that is more than 75,000 homes, and they are saying that we have concerns, let us talk.

You know there is talk in town that there is going to be a Cabinet reshuffle—all, the Member for Barataria/San Juan, the Member for Tobago East and the others are begging to remain in the positions they are in. Failed Ministers! Totally failed.

Hon. Member: I do not need that.

Mr. C. Sharma: Exactly, you said nothing of value. You are speaking to the national community—there is concern about this particular Bill, and what do you come with? Crying crocodile tears. We must find a better way. What is your better way? Not to treat with those who are raising their voices, who are elected by people to represent them.

Madam Deputy Speaker, have you seen the latest MORI poll? It shows the PNM dropping. I think they have gone to 40 per cent; the UNC has gone to 43 per cent and the COP at 40 per cent. That is what they are trying to defend today. The MORI poll for which the Government pays millions of dollars is saying the Government is not treating with the national community. What more do you want? On the one hand you have the MORI poll and paid them millions of dollars, on the other hand you have the PSA assisted by other trade unions, saying let us treat, let us sit and talk. What is so hard about that?

This PNM is about power and power against the people, never for the people. This Government does absolutely nothing. Today we heard the Prime Minister firing a contractor for leaving a sprinkler on, and the Minister is talking about ministerial oversight.

When we listened to the mover of this Motion earlier today, the Minister spoke about this Bill will assist with the well-being of citizens. What does this Bill have to do

in the current stage with citizens who are unable to get pipe borne water, with citizens unable to get medication at the health centres?

Mrs. Nunez-Tesheira: You did not prepare for that.

Mr. C. Sharma: Exactly! I agree with the Minister, she said they are not prepared to govern this country. [*Laughter*] They have no intelligence and they talk and talk for $75,000 a month, they are really unprepared to govern this country.

The Minister went on to say, this is about bringing out the people's fullest achievement. Fullest achievement of what? Of failures? When you look at every ministry, you go from the left, you take it from the right or from the middle, it is failures across the board. We have spent—they said if you have $1 billion and you spend $1,000 a month you need 2,749 years to spend it. This wicked PNM Government, without any level of intelligence, has spent $300 billion with 220,000 homes in this country including Tobago, every home could have gotten $1 million per year and still get all the goods and services.

When you look at the UNC Government at $9 per barrel—and I heard the Member for Tobago East was saying what they did at $175 a barrel—for oil, the UNC was able to deliver so much at $9, so it is not about not having the money, it is about the ability to manage the resources. Last week you heard the Minister of Public Utilities crying in this Parliament and talking about what they are doing at WASA. A total failure. No matter how you look at it. The water situation in this country has not improved under the PNM. It has not! When you look at the cost of installing a streetlight—you are saying now you want to collect money, to do what? The Minister talked about how this money is going to be spent. Do you know what the national community is scared of? This Government continuing in office. This Government simply does not have the intelligence; does not have love for people; does not care for people, and all this Government thinks about is power; Minister of so and so, and every two years I can get a tax free car and I could travel up and down the place and I can make any statement, irrelevant of whether it adds value to the lives of people.

Look at the schools. This money they are going to collect, the citizens do not trust them at all. There is no trust in every area. Collecting the revenue is only one part of the story. The national community has no trust in this Government. There seems to be failure at anything that they do. Anything they touch turns sour. They blight everything in this country. At $9 a barrel a UNC government was able to put more than 3,000 police officers within a short period of time. That is what the country wants to see. We were able to encourage more and more young people to return to training, not just academic training, vocational training as well.

NEDCO, which has become a secret PNM organization and most of the offices are in PNM constituencies. My friend from Princes Town South/Tableland has one in his constituency—but they came midnight and changed the law to make it secret—and nobody knows who gets that money and what businesses, but that organization existed under a small business development company where it was public and you could have had checks and balances for businesses.

The PNM introduces nothing new except new ways of corruption and new ways of failures. This Government is a Government of distrust and hate. They never talked about treating with people. Each one of us who is elected to office here was elected by communicating with people and we continue to stay in office, those of us who stay in office, by listening to people. The PSA as the body that represents these public officers has representation to make and they came to the relevant authorities and said, listen we need to talk, why is the Government failing to treat with the PSA and the other unions that are lending support? Because they have power.

Madam Deputy Speaker, can you say what time dinner will be served?

Hon. Member: That is so irrelevant.

Madam Deputy Speaker: I am not aware that any dinner was ordered, hon. Member.

Mr. C. Sharma: I purposely asked that. You see, you cannot even run a Parliament. This officer is leaving to go and have dinner at an expensive restaurant. [*Interruption*]

The point is, you cannot run a small Parliament and you are really lacking confidence in the people. It is an important thing to know that when you come to this Parliament you are treated with. You treat the Members of Parliament with contempt. That is the point I want to make. They treat the Members of Parliament with contempt saying that we are going to terminate today at 7 o'clock so that persons who make plans, who have other activities to attend to may be held, almost, at ransom to lend support. This is not how a Parliament runs in any part of the world. They claim to have gone all over the place looking at revenue authorities and how they operate, and called a number of countries, but they do not treat with the local issues right here, because you know what? They are always ready to jump first-class on an aircraft and travel all parts of the world at taxpayers' cost and not treat with the local.

8.15 p.m.

The Minister claims that he went to Canada and a number of other countries, and I will speak about that in a minute. But here it is, the local body, the PSA and

others are saying we have to talk. They are refusing to meet with the PSA. It is all about power, we hold the power.

Madam Deputy Speaker, one of the authorities on revenue authorities, is a report by Williams Joseph Crandall from the IMF Fiscal Affairs Department, and Maureen Kidd, also from the IMF. This report looked at the revenue authorities that exist in countries, and they also looked at where other authorities existed, meaning that there were no revenue authorities and they have found a number of challenges. So that learnedness is available to us here, but have not gone— [*Interruption*]

Mr. Imbert: Would the Member give way?

Mr. C. Sharma: Sure.

Mr. Imbert: Madam Deputy Speaker, it has come to my attention that the Member for Fyzabad enquired about dinner. There is no dinner. [*Laughter*]

Mr. C. Sharma: I am very glad you made that point. Because, Madam Deputy Speaker, the Minister has power and that is the point the Minister really wanted to make. I have power, so I can order and the Ministry will pay. I will eat as much as I want and carry home. You in Opposition stay hungry, and if you do not support the Bill, we are going to starve you. But we will stay here 24 hours if required in the service of the people. [*Interruption*] Twenty-four hours and my friend, the Member for Lopinot/Bon Air wants to go at the Hyatt Hotel. You see power? You see ministerial power? We are talking about the country, the future of the country, and he is talking about wanting to go to the Hyatt Hotel.

Madam Deputy Speaker, I was making the point that a recent study by the United Kingdom Department for International Development proves an excellent summary of the challenges. I was making the point earlier that this learnedness is available. So to come and say to the national community that we want a revenue authority and not look at the pluses and minuses, they tend to always look at what is convenient to themselves. We have had the Board of Inland Revenue; it has been functioning and has raised for this country, hundreds of billions of dollars. The Customs and Excise has raised hundreds of millions of dollars. We have run this country for 30/40 years, how suddenly there is a problem? If there is a problem, why did we not try to treat with it first? Why do we not talk with the players? Are there any senior customs officers, those in active service and those who have retired? Are there senior persons in the Board of Inland Revenue, highly qualified? Many acted. Bring them together. Let us find out how we

should proceed. Is the Government saying that the customs officer does not have the interest of the people of Trinidad and Tobago? That will be a silly statement to make. Is the Government saying that the Board of Inland Revenue officers do not have the interest of Trinidad and Tobago? They have served well for more than 50/60 years, what has suddenly happened? What has suddenly happened is that the Government wants to have control. It is all about control. Total control or nothing else, and they are prepared to go to any depths to get that, destroy the country in the process if required.

When the Minister moved the Motion earlier, she spoke about transparency and effectiveness, but where is the transparency that obtains now? This Government is about secret. The Member for Diego Martin West was making the point about a commission of enquiry in Port of Spain, and we have seen the kind of information that has surfaced from that. We have seen how contracts are awarded. A document is faxed from upstairs to downstairs with a letterhead, and a $300-plus billion contract is given. This is the PNM at work, and they want us to put this Revenue Authority in their hands without due checks and balances. Which Minister here can say, "In my Ministry, things are going good." Value for money does not exist under the PNM.

If the PNM has to purchase anything on behalf of the State, it is 10 times the price of it. When you look at the millions and billions of dollars being spent on all kinds of things, in every government contract in this country under the PNM there has been cost overruns. In some cases as much as 300 per cent, and in every State agency—WASA is a classic example, T&TEC, Petrotrin and the list goes on.

Mr. Abdul-Hamid: How much did Jack pay you?

Mr. C. Sharma: Good. The Member for Chaguanas East would sell his soul for a dollar. Do you know what is his question? How much money was somebody paid? They are not in Government only for money. This was a Member who existed without any notice. His claim to fame was when he attempted to overthrow the Government, and the next thing he is serving as a Minister. This is what we have running this country. How can you expect taxpayers to say, I have confidence in the Member for Chaguanas East to run a Ministry that gets billions of dollars, when he cannot run his house, when his call to this country has not been about building this country, not taking this country into the future.

When the Member for Barataria/San Juan talked about ministerial oversight, a good example is the Member for Chaguanas East. Where is the ministerial

oversight in T&TEC and in WASA? How come the board suddenly came with this information? Where is the ministerial oversight? At the end of this Minister's three or four years, he will be receiving millions of dollars. We have wasted this money on this Minister. Total waste! When the citizens of this country are looking on at this Parliament, they will see what we have for government in this country. It begs the question: Can this Government be trusted with anything? This Revenue Authority is to collect revenue in this country, for what?

Madam Deputy Speaker, do you know one of the major concerns the citizens of this country have? Are we going to collect this revenue and give it directly or indirectly to people, like the Member for Chaguanas East who cannot run a parlour and wants to run a multimillion dollar industry? It cannot be. When you look at the ministries, the same thing applies. When you see what is being spent on our schools, we are not getting value for money. When you see what we are spending on our health institutions, the same story is told over and over again. So a loyal, responsible Opposition has to make sure it listens to the people on the ground.

The very MORI poll that the Government laid so much faith in, is showing that less people are happy with the governance in this country. They seem to have no happiness here.

Hon. Member: The people on the ground—[*Inaudible*]

Mr. C. Sharma: The Cabinet reshuffle is coming, my friend. The Prime Minister must have tremendous difficulties where to place you. Madam Deputy Speaker, I can well understand the challenges the Prime Minister will have, because when you look around and see the Member for Lopinot/Bon Air West, where do I put this Minister?

The Member for Barataria/San Juan spoke about square pegs in round holes, and you see it. The Revenue Authority in the eyes of the common person, the simple person is asking, where is this money that we are going to collect? Who is going to control it? I think the Member for Oropouche East made the point that it is going to go for the goods and services of the country, but when we look at what we are getting in return, we are concerned.

The Minister spoke about the level of services and how this is going to improve the level of services, how does that affect the current level of services? What does this new Revenue Authority have to do with providing essential goods and services for all our citizens wherever they are?

The mover of the Bill on spoke about the principles of fairness. That does not exist in the PNM, because if there was fairness, this debate may not have taken

place today. What would have happened is that there would have been consultation and the Opposition would have certainly been happy to sit with the Government, the PSA and the other unions that have concerns and work out an arrangement. That still could happen. I would have thought that the Leader of Government Business would have said, "Listen, we have heard the PSA's story today, if we did not hear it yesterday or the day before. We are going to adjourn, meet with the PSA and the other interested bodies, and we are going to come back to the Parliament, having arrived at something that can work in the interest of Trinidad and Tobago.

Madam Deputy Speaker, one of the biggest concerns in this country is what the citizens see as government's wastage in every sector. They are very concerned about putting additional funds. There is also the concern about this new authority going into the private lives of people. What is that concern? As you know, the Government over the years has been intruding in the private lives of people by using different agencies, and today, you heard from the Member for Diego Martin West that the senior promoter of this legislation is the former Chairman of the Integrity Commission. We know the stories that are circulating about that particular gentleman, but you would recall, as Members of Parliament, we are required to file information with the Integrity Commission which is supposed to be highly confidential, and we are given that undertaking, that the information sent to the Integrity Commission shall be kept in similar fashion. You would recall the information of the Leader of the Opposition, the Member of Parliament for Couva North being leaked, and many have pointed in the direction of persons who sat in that Integrity Commission and one of those persons being the former chairman.

So you are seeing a pattern developing, where citizens do not have confidence in the agencies set up by this Government. The Minister talked about staff recruitment, staff development, staff promotions, and we have seen public servants having to go as far as the Privy Council to obtain justice in this country. Members of the Government, privately, have concerns about those things, but they are prepared to hold on to office, to wear jacket and tie, to sell out the souls of people, because they are seeing public servants in their own Ministries who slave for long hours, beyond the call of duty to provide their information being treated in a particular way.

Madam Deputy Speaker, the mover talked about Government providing goods and services, but presently, goods and services are not available to the majority of citizens across the country, and citizens cannot continue this way. You heard the

point the Member for Tobago East made about how workers are treated, and we had argued then that the RHA arrangement was not beneficial to Trinidad and Tobago. We saw that and we had warned the Government. We are also saying tonight, as many of our speakers had indicated, that the Revenue Authority is not in the interest of Trinidad and Tobago, and there are many opportunities to correct that.

Madam Deputy Speaker, you see the concern of dinner is affecting some of them. Hungry bellies make a lot of noise. I can see the Member for Chaguanas East hungry and has nothing to eat, so he has to make some noise. He has to earn his keep. There are a few persons across there who have has to convey to the public, we could talk too and we could say things. The Member for Chaguanas East always talks about money. I understand the reason he talks about money is that the corruption that obtains in WASA and T&TEC, he may have benefited from it.

Mr. Parsanlal: No, no, no!

Mr. C. Sharma: Madam Deputy Speaker, let me repeat that. The Member for Chaguanas East talks about money continuously, and one reason I suspect he does that, is the corruption that obtains at WASA and T&TEC, he may have benefited from it. It could not be by accident that this Member keeps talking about money, money, money.

Ms. Kangaloo: Nah, nah, nah!

Madam Deputy Speaker: Hon. Member, you have been going very good so far, and you used the word "may", but please, you are imputing improper motives. I would like you to withdraw that statement and please continue the way you have been going without those suggestions.

8.30 p.m.

Mr. C. Sharma: Madam Deputy Speaker, am I to understand that the word "may" confirms that he does, is that the ruling?

Madam Deputy Speaker: The manner in which you have put it.

Mr. C. Sharma: Since "may" seems to confirm, I am not confirming. I understand that there is a possibility that you may—[*Interruption*]

Madam Deputy Speaker: Hon. Member, I advise that you withdraw that statement and proceed.

Mr. C. Sharma: Withdraw the "may"? I am withdrawing the "may" because the Deputy Speaker has ruled that it appears to be confirming. I am not

confirming; I am simply saying that if a Minister continues to talk about money, then he has to have links with money and those links have to be from sources outside of what he earns. It cannot be by accident that for a particular Minister there are stories of corruption for the agencies under his watch, morning, noon and night. The Member for Barataria/San Juan spoke about ministerial oversight. Is this ministerial oversight treating with these issues of corruption, where it involves money? If it does, is it that this particular Minister has a larger interest?

I was also in government and that did not obtain in the ministries I was assigned to, because ministerial oversight meant something. [*Interruption*]

Mr. Abdul-Hamid: You and Dhanraj.

Mr. C. Sharma: Having said that, the MORI polls also talk about the people of Trinidad and Tobago having concerns about corruption in Government. The corruption in Government involves all players involved in Government, because those were the findings. One could easily hide and say, "This corruption is only about employees in the Government," or it can be about persons associated with them. The MORI poll does not displace Government Ministers as well.

Look at the international learning in many, many countries. When you look at the Caribbean, where there was corruption in government, Ministers were involved. The PNM has a history of that, when you look at it for 30 or 40 years. Some of us have not been around that long, but when you look at the literature available—[*Interruption*]

We know the revenue authority is about collecting money and spending it, but we know that a report was given to the Member for Chaguanas East, in his capacity as Minister, about the fraud and corruption in the street lighting programme. What did the Minister do? Ministerial oversight? He did absolutely nothing. Did you know that the installation of a street light in Trinidad and Tobago has the highest cost in the world? Did you know that?

In fact, without drawing into the debate, Madam Deputy Speaker, I recall when you were the Minister of Public Utilities, we installed street lights during that period. When you look at the cost of installing a street light under your watch and what obtains under the Member for Chaguanas East, it is like these lamps have gold in the installation; like they are gold plated. It cannot be that you move from $600 to a couple thousand dollars; nowhere in the world does that occur. In fact, OWTU, one of the unions in this country that represents workers at T&TEC, asked about it.

This is why the national community has no confidence whatsoever in the Ministers, because this thing about ministerial oversight is convenient. The Member for Barataria/San Juan introduced the issue of ministerial oversight, to assist the Member for Diego Martin West, and then disappeared. When you look at the Ministry, ministerial oversight does not exist and where it exists, it turns a blind eye to corruption; very convenient.

I am surprised that Ministers of Government who have so much staff around them and could send for consultants whenever they want, when you look at the money the Government spends on consultants, it is the highest in this part of the world. No other government in this part of the Western hemisphere spends so much money on consultants. When you see the amount of money spent, some 21 countries were included in this survey. What did the survey show? It demonstrated, without a doubt, that any government wishing to introduce revenue authorities must tread very carefully. One of the most important areas is that it must be in consultation with all the players.

A brief history of the development of revenue authorities suggests that the restructuring of government has been a constant theme over the last 30 years, as governments have sought to deliver services more effectively and at a lower cost to citizens. This Government is an exception. They do not deliver services at a lower cost; anything they deliver is at a higher cost.

In some cases, traditional government structures, for example, a government ministry organized along the service lines, have been viewed as too rigid to respond to the rapidly changing needs of the public and the challenges confronted by governments in modern society. While changes in government have been described, a developing trend has been for governments to devolve power to agencies or appointed bodies acting on their behalf.

The Member for Caroni East made the point that when you look at their delivery of goods and services for the 15 multipurpose companies, it is beyond the call, because of the cost of it and the delay. The Member for Diego Martin West made the point about the Sport Company. Do you see what ministerial oversight meant? He erected a flag for $2 million, threatened to erect 10 more and when he discovered that the MORI poll said, "People laughing at you, make some noise," he came and changed his story. It does not work that way. You cannot tell the national community, "We are going to approve this revenue authority and the expenditure is going to continue."

I know the Member for La Brea must be saying to himself, "How I find myself in here?" It must be some sin, Sir. [*Laughter*]

In the United Kingdom, which is seen as the forefront of new ways of doing business, since 1990, close to 25 per cent of all government expenditure has been under total check at all times. Canada and New Zealand employ a similar approach. What is this approach? Consultation with the people; consultation with the agencies; consultation with the stakeholders; but more than that, it is about reducing the cost of goods and services to the citizenry and making sure that citizens get more and more goods and services. We are not seeing this under the PNM; we are not seeing this under this Government.

The creation of the first revenue authority dates to the mid-1990s, while within the survey population the oldest revenue authority is in Peru, which was passed in 1988. There are close to 40 revenue authorities around the world, largely in Africa and Latin America. Generally, revenue administrations in these regions were faced with the need for massive reform. How do you obtain massive reform? Well, we would have thought and the citizens of Trinidad and Tobago would have thought that you would have engaged the players in the first hand. You have a willing partner, as I understand it, with the PSA. They are saying, "We are willing to sit and talk and arrive at the best solutions." They too love the country; they too want to live here; they too want goods and services at a lower cost.

Madam Deputy Speaker, all the movers talk about accountability; how suddenly the new mantra is accountability; how this new creation of a revenue authority would have accountability; but, again, we have to look at the track record. This Government does not account to the people of Trinidad and Tobago. This Government has no account for $300-plus billion spent in the last how many years. In less than 10 years, close to $300 billion was spent, yet today our citizens cannot go to a hospital and get an operation within a week. The dates given are 2012 or 2013. A little child needing $50,000 or $60,000 to go for an operation cannot get it; her parents have to go to the public and raise funds. This is what this Government has reduced this country to.

The extent to which roles and responsibilities are clear, authorities are appropriately delegated and those so empowered to make decisions are, in fact, held responsible for them and their consequences. You have a Prime Minister terminating on spot, because of the failure of a contractor to turn off a sprinkler, and you have Ministers of Government with ministerial oversight wasting billions of dollars and not delivering goods and services, yet they continue to be Ministers.

Under the UNC administration accountability was key, both at the individual and organizational levels to which we belonged; a minister had to answer. The Ministers then had to deal with the PSA as well and there was consultation, as I recall it, with all the trade unions. We did not see eye to eye on every occasion, but every time a union appeared before a government agency, minister or ministry, we understood one thing, that the union was representing the best interest of its members and, by extension, the best interest of Trinidad and Tobago. I never recall a union coming to us, attempting to do something that was not in the interest of the people of Trinidad and Tobago.

In fact, we went one step further, and this never obtained under these administrations: Dr. Eric Williams administration, it moved to the George Chambers administration and it moved to the Patrick Manning administration. We were the first government to put a union representative on almost every board in this country, because we wanted to make sure that the needs of the employees were always looked at, because they were the producers of goods and services; they were the drivers of the industry.

We made sure that there was a minimum wage for this country; no other government did it. We made sure of safety at the workplace, and maternity benefits also came into being. This was a government at work. What is this current Government doing? When the PSA and other unions raised concerns, they shut them down; they threatened them.

Government control—the degree of involvement by central Government in decision making within the agencies, both from a programme and administrative perspective; so, again, the learning is available. I cannot understand why the Minister did not take this into consideration. When you look at the Minister's presentation today, it does not suggest that they were in partnership with the country.

Madam Deputy Speaker, there is a definition of a revenue authority in the countries we have looked at. A revenue authority is simply a term to describe a governance arrangement for an organization engaged in revenue administration that provides for more power to make sure that systems work. Since RAs are organizations within a national government, it can be useful to look at typical national government structures along a design that indicates decreasing government control and increasing the powers to the organizations. When you look at this Government, they want to control every single thing. If they do not have control, they are prepared to mash it up. When you look at local government, starved for funds, cannot provide basic

services to this country, but side by side, the Government's multipurpose companies are getting unlimited moneys. No Member of the Opposition can approach these organizations and get any help, but PNM members live out of it. They can make recommendations, they can get employment for friends and family and can get work done on private properties as well.

You would recall in this Parliament there was evidence where a road leading to a Minister's holdings was paved. Where in the world would you find that, Madam Deputy Speaker?

8.45 p.m.

And you know when an Opposition Member draws it to the attention of the House of Representatives; it is the threat of Privileges Committee, suspension, the threat of not having your speaking time extended. Is that the price one has to pay to serve in this country?

Madam Deputy Speaker, the national community has very little trust in the Government. In fact, in preparing for this debate, one of the major concerns that obtained was the role of the Minister of Finance, and she is a colleague, a sister in this House, an elected Member like myself and there is that element of care, trust and love, but it is because of the Minister's conduct in another place at another time. That was not my doing.

The Clico story lives in the minds of people and they are saying this Minister of Finance who is moving this Revenue Authority interfered in the operations of Clico that appeared to be convenient to her. Notice I am using the word "appeared" the last time I said “may be” and I was—so "appeared to be". I really do not believe that, but it is what the national community believes that you did something there and received $16 million or $20 million and I try to tell them that is not true, but they do not believe me.

The fact of the matter is how people perceive something and they have that concern and you need to treat with it. They do not think you are crazy or greedy, they think something is wrong definitely, but that is not our concern, I am sure you can get help for that area.

Direct supervision of the authority to the Minister, a role limited to appointment. Again, when you talk revenue you are also talking confidence, you must be confident. You know in our homes whoever runs the house there must be that confidence by other members of the family; where the mother does the

shopping and spending and so, the family must have confidence that food will be on the table, passage to go to school, savings, the payment of bills, et cetera. When you look at the current arrangement, there is no confidence in the Minister of Finance, no confidence in the Government of Trinidad and Tobago, so the element of trust does not obtain.

Madam Deputy Speaker, we heard of the role of the board and about the intervention of the Minister of Works and Transport giving instruction to a board for which he has no authority to give such an instruction. We also heard from the Minister of Sport and Youth Affairs giving an instruction to the Sport Company for which he has no power and they have to listen because they are appointed by the Government of the day.

Again, the people are questioning that this Minister is going to give directions and one thing the national community has not forgotten is that this Minister was aware of what was happening to Clico before it happened. That was crystal clear, it did not happen overnight.

Mrs. Nunez-Tesheira: I really have to object to what you are saying, unless you have some evidence of that, you need to withdraw that statement.

Mr. C. Sharma: Can you say at what time you became aware? Then, I will know.

Mrs. Nunez-Tesheira: You are imputing improper motives to me and unless you are able to substantiate what you are saying, I am asking that you withdraw that statement under Standing Order No. 36(5), Madam Deputy Speaker.

Mr. C. Sharma: Madam Deputy Speaker, it is nice to see the Government gang up on foolishness. All I have said—

Mrs. Nunez-Tesheira: My reputation is at stake here.

Mr. C. Sharma: Let me finish, you have had your say, let me have mine.

Madam Deputy Speaker: Hon. Member, I recall that the Member had previously given a statement on this matter explaining her particulars and, therefore, that suggestion is not in order. So could you please withdraw that and proceed?

Mr. C. Sharma: Madam Deputy Speaker, I myself am aware of the statement made and I am correct because what I said is that the Minister had prior knowledge before the event unfolded at Clico, the Minister agreed to that because she said that the board had approached both herself and the Governor of the

Central Bank. That is all I am saying, I have not said anything new. If however, what I am saying is incorrect, I shall be guided.

Madam Deputy Speaker: I already indicated that the Minister, on a previous occasion made a statement and made certain things clear. So, on that basis, unless you have any specific evidence as it relates to the allegation then you have to withdraw that statement.

Mr. C. Sharma: Madam Deputy Speaker, I have said something, the Minister has said something, and I have not been told what I am saying is incorrect.

Madam Deputy Speaker: Hon. Member, I will repeat for the third time; could you please withdraw that statement and proceed?

Mr. C. Sharma: Madam Deputy Speaker, I withdraw the statement, and I am going to make an observation. Every time the Opposition says something, somebody gets up and say I say this and sometimes the Deputy Speaker is saying now: "I recall this." How is your recalling different from my recalling?

Madam Deputy Speaker: Hon. Member, on several occasions you have risen and the Government objected and I have ruled in your favour, several occasions. So please, do not go down that road. You know that very well.

Mr. C. Sharma: I never challenged your ruling, I am simply saying that tomorrow morning the evidence may surface that what I am saying is correct. What do we do then?

Accountability, Madam Deputy Speaker, over and over we have talked about the question of accountability, today again having heard the Government respond to this Bill it has not demonstrated to the national community how the question of accountability is being treated. In fact, it is treated—

Madam Deputy Speaker: Hon. Members, the speaking time of the hon. Member has expired.

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

Question put.

The House voted: Ayes 6 Noes 17

AYES

Warner, J.

Persad-Bissesar, Mrs. K.

Gopeesingh, Dr. T.

Partap, H.

Baksh, N.

Maharaj SC, R. L.

NOES

Imbert, Hon. C.

Nunez-Tesheira, Hon. K.

Kangaloo, Hon. C.

Taylor, Hon. P.

Swaratsingh, Hon. K.

Parsanlal, Hon. N.

Mc Donald, Hon. M.

Hunt, Hon. G.

Le Gendre, Hon. E.

Callender, Hon. S.

Browne, Hon. Dr. A.

Jeffrey, Hon. F.

Hospedales, Hon. A.

Joseph, Hon. R.

Hypolite, N.

Ross, Hon. J.

Sinanan Ojah-Maharaj, Mrs. I.

Madam Deputy Speaker: Hon. Members, the result of the division: 17 against, six for.

Unfortunately, the speaking time of the Member cannot be extended.

Motion made and question proposed, That this House do now adjourn to Friday, February 19 , 2010 at 1.30 p.m. *[Hon. C. Imbert]*

Question put and agreed to.

House adjourned accordingly.

Adjourned at 8.56 p.m.