

Leave of Absence

Friday, February 19, 2010

HOUSE OF REPRESENTATIVES

Friday, February 19, 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 Dr. Hamza Rafeeq, hon. Member for Caroni Central, requesting leave of absence from sittings of the House during the period February 19 to March 12, 2010.

The leave which the hon. Member seeks is granted.

PAPERS LAID

1. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Regulated Industries Commission for the year ended December 31, 2006. [*The Minister of Finance (Hon. Karen Nunez-Tesheira)*]
2. Second Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Land Settlement Agency for the year ended December 31, 2003. [*Hon. K. Nunez-Tesheira*]

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

3. Annual audited financial statements of the Property and Industrial Development Company of Trinidad and Tobago Limited for the year ended September 30, 2003. [*Hon. K. Nunez-Tesheira*]
4. Annual audited financial statements of the Evolving TecKnologies and Enterprise Development Company Limited (e TecK) for the year ended September 30, 2004. [*Hon. K. Nunez-Tesheira*]
5. Annual audited financial statements of the Evolving TecKnologies and Enterprise Development Company Limited (e TecK) for the year ended September 30, 2005. [*Hon. K. Nunez-Tesheira*]
6. Audited financial statements of the Community Improvement Services Limited for the financial year ended September 30, 2008. [*Hon. K. Nunez-Tesheira*]
7. Annual audited financial statements of the First Citizens Holdings Limited for the financial year ended September 30, 2009. [*Hon. K. Nunez-Tesheira*]
8. Annual audited financial statement of the CEPEP Company Limited for the financial year ended September 30, 2009. [*Hon. K. Nunez-Tesheira*]

Papers 3 to 8 to be referred to the Public Accounts (Enterprises) Committee.

9. Annual report of the First Citizens Bank Limited for the financial year ended September 30, 2009. [*Hon. K. Nunez-Tesheira*]
10. Draft Elections and Boundaries Commission (Local Government and Tobago House of Assembly) (Tobago) Order, 2010. [*The Minister of Works and Transport (Hon. Colm Imbert)*]

TRINIDAD AND TOBAGO REVENUE AUTHORITY BILL

[Second Day]

Order read for resuming adjourned debate on question [February 02, 2010]:

That the Bill be now read a second time.

Question again proposed.

The Minister of Public Administration (Hon. Kennedy Swaratsingh): Mr. Speaker, thank you for allowing me to join this debate. A lot is being said about the Revenue Authority: why it is being established; some making it out to seem that one day the Government got up and with a whim and fancy sought to bring this to fruition.

Let me, first of all, put on record part of the presentation made by the chairman of the company transitioning the formation of the revenue authority. It must be clear that as far back as 1993, the Government came to the conclusion that the management of revenue collection in Trinidad and Tobago was not optimal. In fact, a lot was made in the contribution of the Member for Oropouche East about being colonial in our approach; but coming out of the colonial era, a lot of what we have inherited as a system of governance has in no small measure not redound itself to the benefit of all our citizens and primarily the way in which we transact business.

All Members of Parliament know this, including those on the other side. They were once in government. It is for us to recognize that many of our systems are not working. Even if, the Member of Parliament for Oropouche East would ask us to leave it as it is; to tweak it; to try to fix it in its current structure, we know from experience that does not work. We cannot fix what we have in the way in which it is structured because the structures and processes are all wrong. It is no longer working; it is no longer relevant.

A friend sent me a magazine from Miami—I just got it actually from a member of the Parliament staff—and in it there is a reference to former Fr. Kennedy Swaratsingh. I was just reminiscing that even in the Vatican II documents, it says that the church in every era has an obligation to seek to be relevant to the people whom she serves. The Government of Trinidad and Tobago has no less an obligation.

We need to be relevant to the people we serve. We, obviously, will not be responsible to the people we serve if we leave such a matter as revenue collection in the current system and form that it is. All Members of this House know that, and also those who are marching around this House. They know that currently our systems are filled with ambiguity and discretions that cannot redound themselves to the benefit of operating in an optimal and efficient way to collect the revenues we require to serve the benefit of the people of Trinidad and Tobago.

Nobody in his right mind could be against the establishment of the revenue authority. In fact in his presentation, Dr. Andre Vincent Henry went on to indicate that since 1993, as a consequence, Government had sought and obtained technical assistance from foreign governments with respect to both domestic taxes and customs.

In fact, in the 1990s, we brought in the US customs to try to reorganize what was going on. We have invested millions of dollars to try to fix the systems. That is one of several of the institutions that we have sought to stream and to re-engineer.

“By 2002, Government was still not satisfied that the two divisions were delivering value for money and customer care to the people of Trinidad and Tobago and whether the existing system was adequate to meet the needs of a rapidly developing economy in a challenging international environment.”

That is the crux of the matter. The economy is rapidly being developed; we are in significantly changing times and the current structures are no longer reflective of the aspirations of the people of Trinidad and Tobago.

People ask: Why the Revenue Authority? When you look around, across the globe, in very many sectors and institutions, in countries and establishments, people are constantly striving to reinvent themselves to be more relevant whether in sport, in government or in political entities. People are constantly striving to understand and grapple with the ongoing saga of what change requires. The revenue authority is no different.

The chairman went on to elucidate:

“That Committee, headed by a former president of the Trinidad and Tobago Chamber of Industry and Commerce observed the following deficiencies in the existing institutional framework:

- Deficient human resource management processes
- Inadequate management capability, accountability and training
- Inadequate staff development training and accountability

T&T Revenue Authority Bill
[HON. K. SWARATSINGH]

Friday, February 19, 2010

- Lack of control over and accountability for Budgetary Allocation
- Inadequate employee compensation packages
- High incidence of corruption and corrupt practices
- Inefficient systems for international investigation and enforcement
- Inadequate information exchange and coordination between the administration of various taxes levied
- Poor customer relations
- Anti-business rules and regulations.”

Let me also put on record that, as far as customs is concerned—I worked for a large local conglomerate and many who have to interact with port relations and customs know the levels of frustration encountered; the levels of discretion that they sometimes have to deal with. It is little wonder, contrary to what the Member for Oropouche East spoke about last week, the President of the Trinidad and Tobago Manufacturers Association has applauded the rationale. *[Interruption]* Everybody who agrees with the Government is a member of the Government. That is correct. You stay with TV6.

Everybody who agrees with the Government is a part of the Government. At the end of the day—*[Interruption]* You want me to show the picture from CAREC or what? *[Interruption]* I always need prayers. You stay with TV6. At the end of the day, the manufacturers association has come out squarely on the side of the establishment of the Revenue Authority. *[Interruption]* I was there with my wife, you know.

That is a typical example of what happens in this country. If you oppose the Government, you are okay; but if you agree, you are labelled PNM. We will accept all who agree with us and gladly welcome them into our fold.

What is more important is that there are very many sober minded and patriotic people who understand what the Government is trying to do and stand solidly behind the Government in its endeavour.

1.45 p.m.

Mr. Speaker, the Revenue Authority it is not a figment of our imagination, that we one day woke up and decided to do this. Clearly, we have sought to respond to the many persons who have asked and lamented: Why have we not reengineered some of our systems of government that impact directly on the people of Trinidad and Tobago? The Revenue Authority is one of them. When we

have the kind of inadequacies and inefficiencies that take place through our ports, that impact on imports and prices, the lives of the citizens of Trinidad and Tobago, the quality of their lives and the price that they pay for goods and services, this also leads to a frustrated business community. There are many times we have to lament, via the newspapers, on how many Christmases we have had to go through where goods have been kept on the port, which led to the unavailability of certain types of products that people would want to get at various times of the year, because of the inadequacies that we face time and again, through our ports.

The business community, because they are in the unenviable position, have to face that time and again. They see the wisdom in what we are trying to do and they have come out suddenly behind it. I say again: Who in their right mind could be against the Revenue Authority?

Mr. Speaker, let me go on, because I found this presentation to be most useful.

“The key argument”—Dr. Henry said—“in favour of the semi-autonomous authority is the dynamic work of revenue administration, with the changing ways in which money is made, transacted, transferred and moved between accounts and countries; the international use of money for all kinds of legitimate and illegitimate reasons require a management framework that can be anticipatory and proactive and flexible. Quite frankly, it has been found that efforts to achieve these characteristics in the context of public service rules have not borne much fruit.”

We have tried it. Other countries have tried. It has not worked. As a consequence, we in Trinidad and Tobago, like so many others who aspire to an optimal revenue collecting mechanism, have joined with others in seeking to establish a revenue authority.

One of the suggestions made by the Member for Oropouche East was that we leave it as is and just seek to find a way to help them to operate more efficiently. There are very many people who would have said to look at BWIA and use it as a negative example of what may happen, but BWIA has moved from a monthly deficit disbursement by Government to a positive contributor to our economy.

When we think in terms of leaving the revenue collection stream as it currently is, we talk in terms of working in a way that allows the inefficiencies to remain entrenched. By that I mean so many public sector institutions are moving to integrate, to use a common platform and to minimize infrastructural investment, so that they can leverage a better value for money proposition by ensuring that we use the efficiencies across the board. It is little wonder that today those who oppose this Government would like this country to remain in a level of

T&T Revenue Authority Bill
[HON. K. SWARATSINGH]

Friday, February 19, 2010

inefficiency, so that they can forever claim that we in the Government continue to mind systems that are not in our best interest. This is one example where they cannot say that. The case for the Revenue Authority has been made out. There is no requirement for us to come together to try to find ways to justify. It is justifiable, based upon the fact that, notwithstanding the amount of money we need to disburse in order to establish the authority, the moneys that we stand to collect will far outweigh, from an economic perspective, what is required.

From a governance perspective, those who argue that the Minister of Finance would have—the Minister of Finance has control now. This is actually putting a mechanism to create a semi-autonomous body, to create greater levels of independence and greater levels of governance that would allow the authority to manage in a way that will not allow the manipulation that sometimes take place.

Mr. Speaker, one of the inaccuracies that was alluded to by the Member for Oropouche East, I am hoping to find my figures here, was that 2,700 persons are being put on the breadline. The actual number is that the established strength of the BIR and customs collectivity is roughly 1,800 persons for the approved positions. I am trying to find—if my memory serves me right, it is about 1,800 persons. The total number of persons in permanent positions—the actual numbers in the establishment is currently 1,870. The total number of persons in permanent positions currently is 1,387, not 2,700 as was mentioned by the Member of Parliament for Oropouche East. The total number of contract workers is currently in the vicinity of 240 and 73 temporary positions. The number of warm bodies we actually have is 1,072 persons and not 2,700. This is my information from customs and BIR. When we talk about the actual number of persons who are going to be affected, it is roughly 1,727 persons at this current time. The new authority will hire in the vicinity of approximately 1,600 to 1,700 persons. In fact, if we look at the established permanent positions, the number of warm bodies is roughly 1,378 persons, whereas those who are to be employed are significantly more than that. There are those who are trying to create a fear that is not real.

I want to conclude on what Dr. André Vincent Henry said. The TTRA, when this was done and I attended, also invited members of the union. Last night I heard Mr. Duke say that they were not consulted. "Mr. Duke just come". He had a predecessor. The persons in the PSA were involved a long time ago, through his predecessor. What is Mr. Duke trying to say that he was not involved? He was not involved because he was not there, but his former president was. The former executive from the PSA was. Sometimes I think we have to be careful, because it stands only to reason, it is only a logical thing to conclude, that if the members

who were there before you were involved, your union was involved. Even if you as an individual did not or were not part of that discussion, you have to carry on. You received a mandate and you have to carry on the work of the former administration. Therefore, the PSA cannot now say that they were not involved. The Minister of Finance was at pains to point out the number of times that they engaged the PSA in discussion.

“In the case of Trinidad and Tobago”—Dr. Henry went on to say—“when once the recommendations of the Committee were accepted in November 2002, there was not an undue and ill-considered rush to establish the TTRA.”

This was since 2002. Unlike what the people are saying, we are not rushing to do this. We are not trying to conclude the debate on the eve of carnival. What we are trying to do is to ensure that as we seek to modernize systems of government, that we do so in one of the most important areas in the management of our economy; revenue collection. As a consequence, the Revenue Authority is now not just being debated, but is being established in a way having come out of a lot of thought and preparation.

The Government's mandate in establishing the TTRA was clear:

- a. Ensuring compliance with the tax laws of Trinidad and Tobago to minimize leakage.
- b. Ensuring the transparent and equitable enforcement of the tax laws of Trinidad and Tobago.
- c. Contributing to the control and security of the country's borders.
- d. Improving constituent services.
- e. Maximizing effectiveness and efficiency of the institution through the harvest of its human capital and the leveraging of technologies.
- f. Internalising high professional values, ethics and integrity in the core of the organisation.”

This is not a willy-nilly approach; it is well thought out. In fact, the type of technologies that will be used—that is one of the reasons we are looking at developing new skills that are required to manage the authority, because we will be increasing the use of technology to minimize the discretion of persons who work in institutions there.

Mr. Speaker, we all know that based on the current systems we have within the public sector, it is difficult to change, given the framework, legislative and

T&T Revenue Authority Bill
[HON. K. SWARATSINGH]

Friday, February 19, 2010

otherwise, that we operate in. We all know that. We would be fooling ourselves to admit otherwise, not to admit that. We will be fooling ourselves to think. We have seen time and again. Look at how much money the Government has invested in technologies. Technologies themselves would not solve anything. You cannot tweak some of these things. It requires a radical departure from what used to be, to what must become. It requires a radical departure. It requires a new remit. That is what the establishment of this authority seeks to do; to establish a new entity that will allow the type of changes that we envisage to take place and to be sustainable.

If it is that we need to recognize the fact that our attempts to modernize places like the Customs Division over the past, this has not worked. If we keep—oftentimes it is said—trying to do new things in the same way, we are apt to repeat the very many mistakes that we have made.

2.00 p.m.

So, Mr. Speaker, I want to humbly submit that for those who say that we should not establish a revenue authority, I think, in my view, and in the view of many persons in Trinidad and Tobago, including persons such as the Trinidad and Tobago Manufacturers' Association and many persons in the business community, that the establishment of a revenue authority is long overdue and ought to be supported in its entirety.

Mr. Speaker, as I indicated, one of the things suggested by the Member of Parliament for Oropouche East is that the PNM in its DNA seeks to dismantle and privatize. You know, as the Minister of Public Administration, one of the things that I am very clear about is that there are some things that we cannot do well in the public sector. We just cannot do them. We need to recognize the fact that a new dispensation is required in some of the institutions that we have.

I had a chat with the CPO this morning, and she indicated that one of the issues raised or that is being raised is that we are trying to de-unionize the public service. I think that is the word the Member of Parliament for Oropouche East used. What the CPO was saying to me this morning is that when you form new institutions, constitutionally it is not advisable that you—and we have done that in the past in some instances through legislation—impose unions upon new persons in new institutions. I think the Minister of Labour, Small and Micro Enterprise Development made that point.

So, at the end of the day, we need to recognize the fact that by clear process this is not about de-unionizing anybody. In fact, unions are free to go inside there and re-establish themselves when the authority is formed. I do not think anybody is opposed to a person joining a union. It is a person's right. Presently, workers

can go to the Industrial Court even if they are not part of a union, if I am correct. Nobody is trying to de-unionize anybody; nobody is trying to derail the legitimacy of union activities in Trinidad and Tobago. It is the workers' right to join any union. This is another way we try to create the type of mirage that is believed to be hysteria and sometimes it has no basis in fact or in law.

Mr. Speaker, one of the things also levelled at us by the Member of Parliament for Oropouche East is what prevented the Government and the Minister of Finance from bringing to justice persons guilty of corruption, fraud and other criminal action. Mr. Speaker, anybody in Trinidad and Tobago who has any iota of integrity whatsoever will know for a fact that we have tried to phase the situation time and time again, and it is difficult to get persons to come forward to deal with this matter in a forthright manner.

I listened to the Member of Parliament for Oropouche East and I really would like to suggest that, at the end of the day, the team of persons that came up with the plan that we are now executing is correct in suggesting this particular course of action. The architecture that they have laid out is clearly an architecture that will allow the authority to establish a clear methodology that will address the inefficiency of the current institutions.

Mr. Speaker, Trinidad and Tobago is a place where, as we look around the public sector, there is no way in which we can address all the deficiencies at one time. Our attempts at public sector reform have amounted to a number of actionable institutions that would allow us to have the rate of success that we would want to have. We know that and it is not just us alone. They had five or six years of it. [*Interruption*] So, it is a known fact the way in which we have gone about this, and this is why the approach that is being taken now is a segmented approach; looking to see how we could optimally re-engineer certain critical aspects of Government's activity that will lead to the kinds of efficiencies that we want.

That is why to suggest that we leave it as is, is not a plausible action. To leave it in its current structure and try to tweak it will not work. It has not worked in the past; it will not work now; and it will not work in the future. For example, there have been attempts at other re-engineering activities within the Government—whether it is the licensing department or the immigration department and so on—we know that together with technology, there must be a significant process change, and we know that.

The current structures, systems and laws do not allow that to take place in the way which it will allow the successful implementation of the change that is

T&T Revenue Authority Bill
[HON. K. SWARATSINGH]

Friday, February 19, 2010

required, and that is why we are changing the legislation to deal with revenue collection. There is nothing sinister behind it. It is not anti-worker because the number of workers that will come into this authority is more than what currently resides there in permanent positions. It is not anti-union, because people are free to join whatever they want to join afterwards.

Dr. Moonilal: They could join the PNM.

Mr. Ramnath: It is a pro-CEPEP.

Hon. K. Swaratsingh: They could not make a better choice. [*Interruption*]

Mr. Ramnath: My apologies.

Hon. K. Swaratsingh: At the end of the day, all those accusations are frivolous, wrong, misleading and meant to mislead those who would like to think otherwise.

Mr. Speaker, one of the things we have been working with the authority to do is to establish, not just a clear road map of methodology, but looking to see how we can use the best technologies that are available in establishing this authority. I am of the view that not only is this needed, but it is needed to be sequenced in a way that will not replace one level of inefficiency with another, and that is why I am confident that this approach is, indeed, what is warranted at this time.

Last week, my colleague, the Member for Diego Martin West, reflected on this and said if, indeed, when we look at what is being established, there is nothing in this that hinder anybody from supporting it. Clearly, this is a mechanism that will allow Trinidad and Tobago to move into a sphere that will allow the business community to operate efficiently; that will allow revenue generation to be collected efficiently; that will allow the operations to be conducted unhindered and without the discretion that they currently have that will lead to greater efficiency which will lead to a greater level of credibility and trust, and that will lead to more earnings for Trinidad and Tobago and; therefore; more money will be available for the development of Trinidad and Tobago. So, what in this is there not to support?

Mr. Speaker, when we think in terms of the establishment of the authority, we need to recognize that this is, indeed, something—that is why when we make statements here—on Friday, February 12, 2010, there was a report in the *Guardian* that quoted a UNC MP saying that 2,700 persons would be on the breadline and, clearly, that is not true. Clearly, we have an obligation to check our facts and get them correct; get them right.

So, Mr. Speaker, when we think in terms of what is being established here, the Revenue Authority, I want to repeat for the sake of clarity that the number of staff that will be required for the new authority and which is currently envisaged is going to be more than the current persons who are staffing the establishment in permanent positions. I want to make that very clear. They continue to talk about what will happen when we close it off; but what is going to happen when we have to rehire new persons to come on board? We are creating employment for additional persons who will be required to staff this authority.

There is a requirement for us, therefore, to recognize the fact that as we seek to bring about public sector reform; as we seek to strengthen the system of governance; and as we seek to re-engineer some of our failed processes, there is no easy way sometimes to bring about these kinds of changes. Sometimes we can walk a journey that allows us to be very mindful of all that we have to undergo in order to bring about the kind of change that is sustainable, and the kind of change that would lead to the efficiency that we want, but citizens need to be reassured that as we put in better systems to collect our revenues—in fact, it is estimated—and customs and excise is one of them and licensing is another one—for example that the current revenue collected by licensing department is \$150 million and that is probably about half of what ought to have been collected. Our systems of governance just do not work. *[Interruption]* We have to recognize that there is a requirement for us to bring about a new dispensation that will allow the kinds of revenues that government ought to be collecting to be collected and to be used for the benefit of all in Trinidad and Tobago.

Mr. Speaker, the other part of the public sector reform that is difficult for us to contemplate or to talk about primarily requires constitutional change which obviously is not part of what we have to do today. At the end of the day, therefore, we can either seek to do nothing until then, or we can seek to change what we can, given the required framework that we have now so that we can begin to fix institutions, at least one or two at a time. The vast approach of trying to change the entire public service cannot and will not work. It cannot, by definition. We have been talking about public sector reform even before Gordon Draper. The approach that we are taking now in trying to reform the public service is looking at various institutions at a time and looking to see those critical institutions that we are required to change as we go along.

2.15 p.m.

We have done so successfully in education where we continue to create new curriculum and so on; we have done so in the Ministry of Trade and Industry

T&T Revenue Authority Bill
[HON. K. SWARATHSINGH]

Friday, February 19, 2010

with a single electronic widow that will allow businesses to have a faster interface with Government. Modern technology has provided us with solutions to questions that we did not have to ask ourselves 10, 15, 20, 30 or 40 years ago. There are new requirements that we have to face up to; new realities that we have to deal with; new concerns that we did not have to face up to years ago, so as a consequence new solutions are required.

If we were to try to approach what we do, in the ways in which we have done in the past, we would need very much to recognize that some of the concerns that are being faced by many institutions are beyond the capacity with which they have to deal. The systems just do not allow it. You do not have the flexibility; you do not have the authority to make the kind of changes that are required. So, rather than do a piecemeal approach, rather than trying to fix it—you know, some time ago we were told in a previous debate that we are bringing things piecemeal, piecemeal; well, this is one such approach or one undertaking where we are trying to have a comprehensive approach to revenue collection; a comprehensive reform of what revenue collection ought to be in Trinidad and Tobago.

That is why we will not take the piecemeal approach; we would not try to take the easy way out. We are prepared to make the hard decisions that we have to make in order to bring about the kind of changes that will be required to optimally collect the revenues for the benefit of the people of Trinidad and Tobago.

Mr. Speaker, one of the other areas that I just want to touch on briefly is the area of transparency. The Member of Parliament for Oropouche East, all but accused this Government, the Minister of Finance and the Prime Minister about seeking to create an institution where they could tamper with the revenue collection in the country. At the end of the day the Minister of Finance and all of us on this side have all but sought to ensure that there is comprehensive transparency in the establishment of this institution.

Mr. Ramnath: And UDeCott, lot of transparency.

Hon. K. Swaratsingh: When we think in terms of what is required today, one of the main factors in forming Government decision—Dr. Henry went on to state—is to establish an integrated revenue authority; is the need to separately address the need for transparency, oversight and compliance.

The current system does not lead to the type of transparency that is required today so why would you oppose changing it if you are so concerned about transparency?

Mr. Ramnath: Explain what you are saying.

Hon. K. Swaratsingh: When you put a board in place, a board that can provide the oversight into the role of the CEO of the authority—when the Minister can give policy directions to the authority you are creating a mechanism where it is more difficult to have the type of collusion, it is more difficult to have the type of discretion that this statement alludes to.

So at the end of the day, this is trying to create the kind of transparency that they all talk about, but that is a classic example of saying one thing and advocating something else, because you want transparency, when you put the institutions to create the transparency you oppose it. In the establishment of this institution there is—

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

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

Question put and agreed to.

Hon. K. Swaratsingh: Thank you very much, Mr. Speaker. There is a proposal in the establishment of this new authority that an enhanced and clearly defined internal affairs unit be part of the integrated internal audit and internal affairs department. It is also important to recognize that in establishing this new entity there is the leeway and the recognition of all the requirements that we need to put into this to make sure that the functioning of this authority is laid against best practice, against what is required for a modern institution of this ilk to function in today's environment. That is why it is important in establishing the authority that this internal affairs unit be an integral part of the internal audit.

It is important to note that while this unit will have an administrative reporting line to the CEO and a direct reporting line to the board of management of the TTRA as a means of ensuring its Independence. Therefore, for those who advocate transparency, this current model or the model that we are proposing is as transparent a model as we could possibly find with all the safeguards in it that we can possibly put in to eliminate the type of discretion that now exists in terms of the functioning of the customs and various divisions that will comprise the authority.

There are other major initiatives, in this regard Dr. Henry went on to speak, the investigative capacity for both tax fraud and criminal fraud. What would also be enhanced will be the enforcement—because people do not want to hear the truth, they want to continue to carry on with the inaccuracies that they want to

T&T Revenue Authority Bill
[HON. K. SWARATSINGH]

Friday, February 19, 2010

promulgate to further their own end, but the reality is that the requirement of today's environment means that there is an authority that is needed in the revenue collection of Trinidad and Tobago that would have an enhanced internal audit function that will deal with all the types of fraud that we now find ourselves confronted with.

Mr. Ramnath: For example?

Hon. K. Swaratsingh: Tax fraud, criminal fraud—

Mr. Ramnath: Stadium.

Hon. K. Swaratsingh: Well, stadium is not me down the road. You could talk about stadium, I cannot deal with stadium, that was in your time; stadium was in your time.

Mr. Ramnath: Brian Lara.

Hon. K. Swaratsingh: I would not want to get into all the internal business at this time. [*Interruption*]

Mr. Speaker, for those who talked about persons on the breadline, I just want to state that at the customs and excise side there has been an increase in the staffing going into the new AUTHORITY, not a decrease. We are going to require more persons if we have to deal with an enhanced enforcement function. So the myth that 2,700 persons are going on the breadline must equally be debunked with the fact that more persons will be required in this new authority than currently exists in both customs and BIR collectively.

I think it is important that as we look towards the establishment of this Authority, that clearly there is a requirement for those who have the type of institutional memory beyond which I would have. This is long in coming. In my view, I really find it hard-pressed to understand how anybody could be against the establishment of the authority. Clearly, even those who are opposed to us must recognize the need to establish this authority, must recognize the need to own up to the deficiencies of our current system; must also recognize the need for us to modernize the system for the benefit of all.

It is also important for us to recognize the fact that we are moving to a new dispensation of recognizing the operation of Government in a way that allows us to leverage common platforms, synergies, establishment of shared services so that in our investment enforcement in public sector reform and recognized institutions that we are able to get value for money based on the economies of scale,

based upon recognizing the fact that as we seek to modernize institutions where we could create the type of integration that will allow for the functioning and that would allow for the evolution of the governance process that will take into consideration where institutions can work and leverage together.

For example, the Government has spent quite an amount of money to establish the government quarter, and a lot of what we do now can work because of the portal. We have established a new customer service approach called tconnect where we are pushing more and more, many of government services to be disbursed in one location so citizens would not have to go to various locations to access government services. Once we have passed the amendments to the Exchequer and Audit Act, the Electronic Transactions Act, the Protection Bill, then persons will be able to access a number of government services from their homes via their computers. That is the platform we are putting down now.

In this Revenue Authority we have a centralized data storage facility that we have leased from Fujitsu. So we are trying to create a more efficient way for Government to operate and that is precisely why the technical and corporate support that is going to underpin this authority, a lot of which already exists and can be leveraged via what Government has established, so it makes good sense with us. It allows for greater efficiency; faster decision making; greater synergies and for one government approach, if you were to amalgamate a number of institutions under one mechanism and framework.

I would therefore like to ask many of my friends opposite to really start to look at what is being done and how it will benefit Trinidad and Tobago. How it will allow Trinidad and Tobago to become more efficient and allow us to be able to generate and to recoup that which can be used for the development of all of our citizens. That is why when I was reflecting on the contributions last week, I really was at a loss to understand how persons with the kind of intellect that they are supposed to have can talk the type of things that they sometimes do.

When we think in terms of what is required in Trinidad and Tobago today, this Government must be commended for making the kinds of decisions that it has made. For taking this step that will allow the authority to be established, and for recognizing the fact that as we seek to modernize our citizens of governance, as we seek to modernize our institutions, that the approach that we took in the past did not yield the type of results. We have learnt from those that we would have done in the past, and now we recognize the fact that there is no other approach to take, but this approach.

2.30 p.m.

Mr. Speaker, there is no easy way to do it. There is no easy way to say it. Consequently, what we would try to do, and the undertaking I give as the Government seeks to implement this, that we would allow the type of dialogue that we are still required to do as we take this forward, that we have to recognize the people factors that are going to allow us therefore to take into consideration all the issues that we need to take into consideration. We do not want any of our workers to feel that we have done this in a rushed high-handed manner. It is not correct for Mr. Duke to say that he was not consulted. His union has been involved from day one. This matter has started years ago, since as far back as 1993. This is not a new issue, it is an ongoing issue. There has been much dialogue on this matter. There has been much talk on this matter. There have been a lot of inputs from different persons as we come to this point, and therefore, it is not true to say this is done on a whim and fancy, that we come one Carnival Wednesday to try to bring this and spring it onto the population.

We have been preparing for this for a long time, and there is no better time like now. We know that it is never a good time, an appropriate time to introduce things such as this, but Trinidad and Tobago cannot continue to operate and move towards developed country status with the type of framework processing systems that we currently have in many of the institutions.

Mr. Speaker, we have tried very many approaches. The one that has proven to be successful is, the complete reengineering and the starting up of a new entity that would allow us to make the kind of changes that we require, so that it will have a chance to be successful, to be sustainable, to be transparent, to be efficient and to lead in this case, the optimum revenue collecting agency for the development and well-being of the people of Trinidad and Tobago.

Mr. Speaker, I thank you. [*Desk thumping*]

Mr. Subhas Panday (*Princes Town North*): Mr. Speaker, it seems to me that the hon. Member for St. Joseph has confused himself. It seems to me that he really did not understand what he was saying because what he said does not make much sense. The hon. Minister of Finance said that they are going to send everybody home. That is the euphemism. You are going to fire all the people. You are going to fire all the workers in the Board of Inland Revenue and in Customs and Excise. But they carry another argument by saying, "Oh, the new structure will require more persons". If that is the case, why do you have to fire the workers? [*Desk thumping*] There is no need to separate them. Take them in, take the additional workers and move on.

So when you all argue and give the impression that you are taking care of people and you are not hurting any of the workers, in truth and in fact, you are not speaking the truth. We ask the other question according to the hon. Minister's argument: If you have a certain number, 1,300 or whatever figure you called and you are going to need more—and you are sending people home—that means that some of the persons you are sending home, you are not taking them back? Why? What criteria will you use to deny people further employment? It seems to me that there are persons that you have in mind whose throats you want to cut, and you have decided not to take them, you will take other persons. In your argument, you are not saying that all the workers who have been separated, we will take them. You are saying that the new structure will require more persons, and yet, you are sending persons home. So, Mr. Speaker, I think everything else which he said was really a regurgitation of what all the other Members had spoken about.

The other argument that the hon. Minister advanced was that this system creates transparency, in that the CEO has to report to the Board, and the Board has to report to the Minister. But I humbly submit that that is in contradiction to the point where the Minister hires the Board, where the Minister hires the CEO, where the Minister hires the Deputy CEO, and the Minister then gives instructions. So, look at that relationship. Do you not think that could create some cloud, and the transparency which you spoke about would not really be there? I think all that my colleague on the other side has spoken about was really regurgitation, save and except those two points.

Persons who are looking on from the outside will see that this is a very dangerous piece of legislation. Very, very dangerous! I would have liked to say this is the beginning of the end of the public service, but they have started already.

Mr. Dumas: Not true.

Mr. S. Panday: I agree with you that it is not true. It is a continuation and an ongoing process to destroy the public service. I am certain about that. To destroy the workers, this is the aim of the Government. The hon. Prime Minister has said on many occasions, that the public service is not designed for the functions which they are being called upon to perform. That is the idea of the hon. Prime Minister. Therefore, all the actions which are taking place now are designed to fulfil that statement.

Mr. Speaker, this Bill will be destroying the lives of workers. This Bill is dangerous because it is a frontal attack on the labour movement, and in particular, the trade unions. This Bill is dangerous because it intends to dismantle the public service. This Bill is dangerous because it intends to destroy the procurement

T&T Revenue Authority Bill
[MR. S. PANDAY]

Friday, February 19, 2010

process, and therefore, create an opening for corruption. This Bill is dangerous because it attacks the Constitution, the supreme law of Trinidad and Tobago, and as I develop the point, the Bill intends to destroy the service commissions. This is one of the steps that this Bill is going along to destroy the service commissions. This Bill also creates a situation where it undermines the Constitution. These are the areas of this Bill that makes it very dangerous, and therefore, the public must become aware of the problems or the sinister moves, the clandestine moves of the PNM, to destroy these institutions.

Mr. Speaker, I go back to the first point, the first limb of my argument when I said, this will destroy the jobs of persons. It may be that they may recruit some of the workers. It may be that figure might be a very small figure and all the numbers which you have quoted today, maybe many of those may not be employed. You are going to destroy those people. You are going to destroy the public servants in the Customs and Excise and in the Inland Revenue. Not only those workers you are going to destroy, but you are going to destroy their families. You are going to hurt people. I will show you where you had transformation before without hurting any worker, and I will ask the question: Why do you intend to hurt these workers? Is it a new movement? Is this a new direction of the PNM? Do you remember the argument and the debate when we changed the NHA to the HDC? I will come to that in a minute.

Mr. Speaker, we will be sending home those persons. We might not take them back. Could you imagine the state of mind of those persons? No one knows which one will be taken back, which one will be sent to the pasture to graze. Have you ever thought about those persons who are probably in their mid-40s have heavy, heavy mortgages; have children to send to school? When you send these people home, how would they be able to deal with their problems?

Dr. Gopeesingh: They will come back on contract.

Mr. S. Panday: Those who come back on contract will come back as "puppy dogs". I do not want to go there yet, I am developing another argument. When you give them the VSEP and send them home, by the time they pay all their expenses and all the debts which they are owing, those people will be impecunious. Those workers whom you are sending home will not be able to adequately educate their children. Do not tell me anything about GATE. GATE is only a part of the process. GATE is a small part of the expenditure of educating your child. So soon after they have dissipated this money, all those workers will be on the breadline. So hon. Minister, when we spoke about putting persons on the breadline, this is the thought that we have in our heads. This is the argument, pain and suffering, and agony which we see those persons going to endure because of the PNM.

Now, your history has been this. This is not VSEP you are giving them. You are giving them FSEP, forced separation; not voluntary separation, you are forcing them out of work. Those persons, when they joined the public service, because of the history of the public service, many of those persons with good qualifications chose the public service because of the security of tenure. Many of those persons did not go in private enterprise where wages will be high, as security of your employment will not be insured. They came into the system. When they came into the system, they worked themselves up. When they worked themselves up, they planned their lives from the time they were moving up, up to the date of retirement. They know how to plan their families. They know how to move on. They know when they will finish pay their mortgages. They know the moment they have completed their work, they go on to pension and they move on with their lives.

This is the destruction which you are causing. PNM, you have hurt many people before. You have made the people of Caroni cry blood when you forced them out of employment. You gave them the FSEP as you did on that occasion, and by the time they paid their sugar welfare loans and they paid other debts, they were impecunious. Most of them did not know what to do. Most of them bought foreign used vehicles and are running PH to make a living. That is what you reduced persons who had skills in Caroni to: mechanic, machinist, you reduced them to PH drivers.

2.45 p.m.

Do you intend to reduce the workers in Inland Revenue and Customs to PH drivers? It will be worse than that, because there are too many PH drivers on the roads right now; you will make them cry blood. The people of Caroni suffered the same fate that these workers are going to suffer at this time.

Just recently, the Government had decided to distribute the residential lots and had indicated that the average was \$20,000 a lot, or some figure like that. Do you know that over 70 per cent of the former workers of Caroni (1975) Limited were so poor they could not raise the \$20,000. They could not raise it. When you send these workers away, would you not be putting them in the same position? That is why we support the workers on this issue and we make no apologies for it.

Mr. Speaker, another issue for these workers is that they are specialized employees; they have been doing this job for some length of time. In all the arguments we heard today and before—we heard about VSEP and taking back some and not others—these people are specialized. The question we ask is: Where do you expect them to get those types of jobs in the private sector or elsewhere?

You have spoken about VSEP and said, "We are taking back some"; we have never heard a single Member on the other side speak about retraining those workers.

Mr. Dumas: You were not listening.

Mr. S. Panday: Of course you did not. Has a training programme been put in place or are you doing them like in your Ministry, where you intend to destroy local government and teach them to make toolum and sugar cake? That is the training you are giving them? We find that very dangerous and, as such, we cannot support that move. I will tell you something: You are going to destroy these people. Members on the other side have used the Parliament to make sure that they completely destroy them.

When the hon. Minister spoke in this debate, she mentioned that the aim of this legislation was to create greater efficiency in the system so, therefore, more taxes could be collected. She tried to give the impression that because of the complexity of the matter, we had to go that way. She went on to say that we needed a much more efficient service and efficient workers. She also said that the present system had a deficient human resource management, so they were moving them across:

- “inadequate management capability, accountability and training;
- inadequate staff development training and accountability;
- lack of control over and accountability for budgetary allocations;
- high incidence of corruption and corrupt practices, especially within the Customs and Excise Division;
- inefficient systems...
- poor customer relations;
- lack of appropriate information technology systems;
- poor physical infrastructure and accommodation;
- deficiencies in the legislative framework.”

So, basically, the hon. Minister was saying that in this system because of the inefficiencies, the full capacity of the department to collect taxes was not being utilized. But as the argument went along, you really saw the aim of the Government in destroying the workers.

In the contribution of my good friend, the hon. Member for San Juan/Barataria, he veered away from the issue of competence and called the people in the Board of

Inland Revenue (BIR) and Customs and Excise corrupted, corrupted, corrupted. He called them that about 15 times in his contribution.

Mr. Dumas: We said the system.

Mr. S. Panday: Check your own notes; you said the people. Who constitutes the system?

Mr. Swaratsingh: I said the system facilitated it.

Mr. S. Panday: They have come here and used parliamentary privilege to call persons corrupted. Yes, you did it.

Mr. Dumas: You are using parliamentary privilege to abuse people.

Mr. S. Panday: You use parliamentary privilege to call people corrupted. When you say they are corrupted, you are saying that they are corrupted in the exercise of their functions as workers. What you are really telling the population is that, "They are not ordinary thief who hungry and they go into the grocery and steal or yuh passing on the road and see some piece of iron and you want to fix your post, so you pick it up." When you call people thieves and corrupted in the exercise of their duty as workers, you are saying that they are calculated thieves and they are persons to stay far from. [*Interruption*]

Mr. Ross: Mr. Speaker, I would like the Member to quote me exactly where I called the members of the Board of Inland Revenue and Customs and Excise corrupt.

Mr. S. Panday: Mr. Speaker, as I go along, time permitting, I will quote his *Hansard*.

When you say that these people are corrupted, you are telling other employers that once a "fella" has been dismissed from the Board of Inland Revenue or Customs and Excise, stay far from him. That is the message you are sending and those are the people's families you are destroying. That is why we are saying that you have an ulterior motive. In every system there are persons who do not conform to the norms. Why do you not deal with them? Why do you not identify and deal with them? Why do you have to throw away the baby with the bath water?

There are many persons who have distinguished careers in the Customs and Excise Division; persons who have distinguished careers in the Board of Inland Revenue, persons who are very professional. When you make statements like, "The system is corrupted"—I will go to the lowest point where you say that the system is corrupted—those are the people who have sacrificed their lives for the public service and for the people of Trinidad and Tobago, and you are saying that they are participating in a corrupt system.

T&T Revenue Authority Bill
[MR. S. PANDAY]

Friday, February 19, 2010

I am certain that the father of the hon. Minister of Finance is probably spinning in his grave to hear what you all are saying about public servants; the great and distinguished Mr. Nunez; a distinguished public servant.

I cannot see the rationale for sending home everyone. You said that you were clearing the slate, but when you clear the slate and put a new system, you are giving an impression, you are giving the workers hope that, "Look, most of you might be coming back into that new system"; we do not trust the PNM. We believe that the PNM has ulterior motives. [*Crosstalk*]

Mr. Ross: You do not trust the Auditor General either? [*Interruption*]

Mr. Dumas: That is why Kamla said she wanted the whole slate clear, so she does not want you all. [*Crosstalk*]

[MADAM DEPUTY SPEAKER *in the Chair*]

Mr. S. Panday: If you wanted to send home some of the persons, why did you not offer a Voluntary Separation of Employment (VSEP) package. What you are offering is an FSEP package. Those who you thought were a bit thirsty, you could call them and say, "Look, you might as well take this and go," like how they are doing with some high official in the judicial system. I am certain that what they are trying to do could be done in a more humane manner.

Mr. Dumas: You just smeared the whole Judiciary. You said that they called somebody and say, "Go home". Do you not know that you smeared the whole Judiciary by that?

Mr. S. Panday: The Member for Tobago East had time to speak and he spoke nothing for so long; now I am trying to speak and he is disturbing me.

Mr. Dumas: [*Inaudible*]

Mr. S. Panday: If you say that, I am merely trying to imitate you. And try as I might, I cannot.

Mr. Dumas: Your feet are too small.

Mr. S. Panday: One would have thought that if you wanted some persons to go home, you could have offered a proper VSEP package. For example, you could have said, "Look, those who are tired, those who want to go home, if you are age 50 we will top up your service for you"; "Although you are going at 50 years, we will top up your service and carry it up until age 55."

Mr. Dumas: That is for the union to argue; you cannot put that in law.

Mr. S. Panday: You should be ashamed of yourself. You are a Minister of Labour, Small and Micro Enterprise Development, and that is the way you speak about workers? You should be ashamed of yourself. [*Interruption*]

Mr. Dumas: Madam Deputy Speaker, my best advice to the Member for Princes Town North is that the matter he is referring to is a matter to be argued by the union and not to be put in the law.

Mr. S. Panday: "Is you and de PNM who cutting the people throats and making their blood flow from their necks; you who doing that." [*Desk thumping*] It is not the union; the union is not doing that at all.

Mr. Dumas: Volume does not make it true.

Mr. S. Panday: You as a Minister of Labour, Small and Micro Enterprise Development should be ashamed of yourself. [*Crosstalk*] It is you who are introducing this separation. It is you, the PNM, who are sending people home.

Mr. Dumas: The union is going in a back room and selling the workers for political benefits.

Mr. S. Panday: Madam Deputy Speaker, I did not expect better from the hon. Member for Tobago East, because in his contribution, hear what a Minister of Labour, Small and Micro Enterprise Development said:

"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."

You as a Minister of Labour, Small and Micro Enterprise Development would have the temerity to make a statement like that in Parliament?

Mr. Dumas: I will repeat it anywhere.

Mr. S. Panday: You will repeat it anywhere? That is the shamelessness of the PNM; that is the boldfacedness of the PNM; that is the way the PNM behaves. They destroy people and then stamp on their heads, as though they mean nothing. That is the arrogance of PNM and that would be your Waterloo. Imagine you are in a debate in the Parliament.

Mr. Dumas: Your view on that matter has to do with the right to association.

Mr. S. Panday: They could have made this thing so much more pleasant, as I said, by topping up persons' service. If they are 50 years, they could have said, "If you go now, we will make it count as 55 years." It is still possible.

3.00 p.m.

Mr. Dumas: No, that is to be argued by the union.

Mr. S. Panday: It is you who are attacking the workers. Your heart should have been so big, you should have said we love the workers, we care about them, and we are going to make that offer without the union having to ask for it. If you really cared about the workers, you would have done that.

Mr. Dumas: Your back room political nastiness has been exposed.

Mr. S. Panday: I have never spoken to anyone from the PSA, the OWTU, NATUC or CPTU. If you had a scintilla of shame or kindness, you would have come with that and it is no back room nonsense, not at all.

You have come here and indicated that you are going to send the people home "jump high jump low". In those circumstances, Madam Deputy Speaker, we are afraid, but we have to stand on the side of the worker, when we do that, we also stand on the side of the country because we want an efficient system, and we assure you, we can have that without destroying the workforce.

Madam Deputy Speaker, the point I was making was that this is the beginning of the end, or the continuation to the end and if the public servants allow you all to get away with this on this occasion, bet your bottom dollar, you are coming to destroy the rest.

Persons from the municipal corporations have been calling us saying they do not know what to do. They do not know if they are going forward or backward, they do not know what is happening to them, please ask the Government. The same arrogant manner in which you just behaved, they said when the hon. Minister of Local Government was contacted, saying that they were afraid of what is happening, they do not know their future, they were told that they fired 10,000 in Caroni (1975) Limited and "nobody ain't dead." You are showing off and boasting about it. You fired 10,000 persons from Caroni (1975) Limited, and nobody dead yet.

Mr. Dumas: Those are your words.

Mr. S. Panday: That is when they asked her in a meeting. You may not know, they may not be dead but most of them are half dead. Most of them are suffering, they are in a state of poverty, most of them cannot see their way. So when you say: "10,000 persons gone from Caroni (1975) Limited and nobody ain't dead."

Mr. Dumas: Nobody said that, those are your words.

Mr. S. Panday: Is that the way you speak to workers? The point I am making, and I am warning the unions that the Government intends to move and the second

set of persons who will be going home and are going to be destroyed very soon are persons from the municipal corporations. Not only the municipal corporations, they are going for the monthly and the daily-paid workers. Do you know how I know all that? They had a White Paper on Local Government and it contained all the functions that local government carries out according to section 132 of the Municipal Corporations Act.

It gave all the functions of the local government and the White Paper repeated the functions of the local government and when they should have brought legislation to reform local government and save the jobs of the workers, this wicked PNM Government went back to a Green Paper and took away all the functions of the local government. It reduced the local government to nothing, to merely looking along at what is taking place.

All the functions like roads, bridges, pavements, all that have been taken away and now you are saying in your Green Paper that the MAJOR ROLES AND RESPONSIBILITIES OF MUNICIPAL CORPORATIONS: FOCAL AREAS are:

- “Establishing standardized procurement and inventory management systems.
- Monitoring capital and infrastructural assets by implementing modern Asset Management Systems.”

The same thing like this piece of legislation:

- “Utilizing Project Management methodologies.
- Employing G.I.S to develop and manage Asset Registers.
- Complying with accounting policies and procedures.
- Preparing, reviewing and approving annual operating and capital budgets.”

Nothing about the functions of local government to repair and clean roads, see about sanitation and health.

- “Providing cash flow projections for capital and infrastructure projects.”

They are not going to do it you know, they are only going to provide cash flow projections.

- “Facilitating the development of commercially viable options in the sphere of local tourism.”

T&T Revenue Authority Bill
[MR. S. PANDAY]

Friday, February 19, 2010

Information and communication technology just like this paper here, you are talking about information technology and nowhere in this document have you spoken about the roles and functions of local government as it pertains to the workers.

Madam Deputy Speaker, I am saying that local government is the next set of persons they are coming for and soon you will see the Local Government Act before the Parliament and the same thing would happen again. That is why all the workers in Trinidad and Tobago should come together; they must come together at this point in time and resist the PNM.

I want to tell those workers and union leaders; some of them have taken positions on committees. They "mamaguy" some of those union leaders and gave them positions on committees making them feel they are part of the process and at the same time cutting their throats, and at the end of the day, they will do just as the hon. Member for St. Joseph said, that they have had discussions with the unions and then they will say they even participated in destroying the workers. They are setting up the unions and the unions must stand.

I want to say that every public servant should stand up on this issue because today is the Board of Inland Revenue and Customs and Excise Division, tomorrow it would be them. So they must stand up and they are the majority. If they do not stand, when they deal with Customs and Excise Division today and nobody says anything, and they deal with the Board of Inland Revenue and nothing, then they will take local government and if all the workers do not unite, do you know what will happen to the last man who is standing? When they come for him, there will be nobody around him. That is why it is not too late for the unions to come together and fight this issue.

Madam Deputy Speaker, the second point I made was a frontal attack on the labour movement and in particular, the trade unions and I will show you exactly what I mean when I said this legislation is dangerous.

It says in clause 20:

“The Board may, on such terms and conditions as it may determine, employ such persons as the Authority may require.”

I will show you what they did on another occasion. At this point in time, I move to the Housing Development Corporation Act when they were changing to HDC. They said that the National Housing Authority (NHA) was inefficient, there was corruption and, therefore, they wanted new machinery, a new system, the same thing the hon. Member for St. Joseph is saying. But in the case of the NHA when

the law was passed it said about the staff in section 39 of Act 24 of the Trinidad and Tobago Housing Development Corporation the following:

“39.(1) Subject to the Industrial Relations Act, the Public Services Association of Trinidad and Tobago and National Union of Government and Federated Workers shall be deemed...”

This same PNM Government on September 05, 2005 said:

“39.(1) Subject to the Industrial Relations Act, the Public Services Association of Trinidad and Tobago and National Union of Government and Federated Workers shall be deemed to be the certified recognized majority unions under Part III of the Industrial Relations Act for the bargaining units comprising the monthly paid and daily paid employees of the Corporation.”

So, therefore, in that situation you had all the workers in the NHA when you transferred them to the HDC, there you protected the PSA and NUGFW. You speak from both sides of your mouth.

Section 39(2) says:

“(2) An application for the certification of recognition under Part III of the Industrial Relations Act shall not be entertained or proceeded with where the application is made earlier than two years from the date on which this amendment comes into force...”

Hon. Member for St. Joseph, if you wanted to attack the PSA or NUGFW, you had to go to court:

“...but an application may be made with leave of the Court although two years have not expired since the amendment came into force, in which event the procedures set out under section 38(2) and (3) of the Industrial Relations Act shall apply.”

3.15 p.m.

So on that occasion you said, not only have you protected those unions at that time, but no other union could have applied for recognition within two years of the passing of this Act. You come in this House today and you argued otherwise. The hon. Member for St. Joseph said people have freedom; people could join any union they want; nobody is preventing them. We ask you: Have you changed your position from 2005 to now? You said this was in train since 2002. Why did you go in that direction at that time and you have changed direction now? Is it because of the change in the leadership of the PSA? Is it because the former president of

T&T Revenue Authority Bill
[MR. S. PANDAY]

Friday, February 19, 2010

the PSA had indicated a clear intention that she was against the UNC when she said she would make life for the UNC hotter than a chulha? Do you remember that—the former president of the PSA? Therefore, you protected the PSA then?

Why did you not put the same provision in this Bill? Why did you have this provision for the NHA going into the HDC? When you put the HDC to replace the NHA, why you did not put it in this Bill?

I pity them. You know, when they had time to speak and they could have explained it, they would not explain it, but when you are trying to talk, they are trying to heckle and disturb. That is the level at which you all debate. Or is it because you are hiding your intention?

Let us go back to clause 20 where it says:

“The Board may, on such terms and conditions as it may determine, employ such persons as the Authority may require.”

So what has happened, the plan the Government has for the workers is this. They will give them individual contracts, and when they give them individual contracts, the terms and conditions of one contract will differ from the other. You will have the workers divided; you will have the workers split up; you will have the workers not knowing how to move.

I speak today from experience with the Caroni workers when they destroyed 10,000 lives in Caroni (1975) Limited. They formed the Sugar Manufacturing Company and they said they were going to recruit some workers to run the factory. Do you know what they did?

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

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

Question put and agreed to.

Mr. S. Panday: Thank you very much, Madam Deputy Speaker and especially the Member for Tobago East.

What they did there, they gave them individual contracts and when they started to destroy them, they could not have stood together. I am certain one of the clauses which will find itself in the contract with those workers is that either party may terminate this contract without any reason by giving the other party one month's notice. So any time the workers tried to move together, they cut their throat.

You know, now you go for the shop stewards. You identify persons in the union to destroy them by pressurizing them. In this one you will institutionalize it and destroy workers where workers cannot stand up. This is the way that this Government intends to go and this is the way they intend to destroy workers and that is why we have to stand up against this Government.

When all the Members on the other side came and spoke, they did not speak about these issues; they just passed over them and they attacked the workers. If they had come here and put all the cards on the table, then there would have been transparency; workers would have been at ease; workers would have been at peace. But instead, what you all are doing, when we argue, you say it still could happen. As I say, I speak also to all other unions. When they begin to destroy the largest unions in the country and bring them to their knees, the other unions will also be weakened. In those circumstances, not only unions that have representation in the public service, but all unions should be aware. All workers' representatives in this country should be aware.

The other point which I made is that they intended to destroy the public service; not only destroy the public service but they have also decided to undermine the Constitution. This Bill undermines the Constitution. The framers of the Constitution had put in the Constitution, service commissions. But before I go to that point let me go back to another point as I am on the Constitution. Right now, if they fire a public servant and the public servant is aggrieved, you know he could go under Chapter 9, Part I, section 130 of the Constitution, to the Public Service Appeal Board to have redress. When you bring this new system and they give you a contract and they fire you, do you know there is nobody to whom you can turn?

Mr. Manning: The Ministry of Labour, Small and Micro Enterprise Development and the Industrial Court.

Mr. S. Panday: Prime Minister, what? The Ministry of Labour, Small and Micro Enterprise Development and the Industrial Court? But that is nonsense, hon. Prime Minister, with no disrespect to you, because you have a constitutional provision. You are saying throw the constitutional provision away which safeguards the rights of workers and go to the Industrial Court and go to the Ministry of Labour, Small and Micro Enterprise Development with a Minister like that? Never!

The purpose of these service commissions—

Mr. Dumas: You looking for a brief from the Industrial Court?

Mr. S. Panday: Me?

Mr. Dumas: Is brief "yuh" looking for.

Mr. S. Panday: The framers of the Constitution had set up these service commissions to insulate public servants from the viciousness, the vagaries and the eccentricities of politicians. That is why the members of those commissions were appointed by the President, because people see the office of the President as being an independent office. Therefore, these commissions were designed to protect the workers; to protect public servants from politicians for good reason, because public servants should make sure that whichever government comes into office, they will serve that government without fear or favour.

What this document does here is that it attacks the Constitution; it attacks the service commissions because the service commissions—what are the functions of the service commissions? You are shaking your head. Look, I would not waste time on you, "yuh know". Read page 89 of the Constitution, Chapter 9: Appointments to, and tenure of, offices—Service Commissions, Public Service Commission: the Police Service Commission; the Teaching Service Commission, and you will see the function is "the appointment, promotion and disciplining of public servants".

What is happening here is this. Is a politician now pushing away the Constitution; kicking the Constitution aside; showing no respect for the Constitution? Listen to what is happening now, and I quote now from clause 8, the Board of Management of the Authority:

“(2) The Board shall be appointed by the Minister...”

The Minister is a politician. Hon. Prime Minister, you have always said that these special purposes and these state companies, they are there to carry out the policy of the Government.

Mr. Manning: Yes.

Mr. S. Panday: Yes, I agree with you. And the persons who are supposed to be appointed on those boards and in those companies must be persons who are sympathetic to the policy of the Government.

Mr. Manning: Yes.

Mr. S. Panday: Agree? Do you know what that means? Only PNM people are getting appointed here. That is what it means. It means people who are sympathetic to the PNM, only those persons will be appointed.

Mr. Manning: How did PNM come into government?

Mr. S. Panday: What did you say, hon. Prime Minister? So the Board shall be appointed by the Minister and shall comprise nine members. It says the Minister shall appoint the chairman, the Minister appoints the vice-chairman, and not only that, the Minister will appoint the chief executive officer and the Minister then will appoint four other persons, at least two of whom shall be from the private sector. The only two persons the Minister will not appoint to the board are the permanent secretary and the nomination of the Tobago House of Assembly.

We have no problem with the Minister having oversight but when the Minister appoints, that is one thing, but then you know, later on in the same Bill it says the Minister has the power to fire.

Imagine we are passing legislation for a revenue authority to collect taxes from everybody in Trinidad and Tobago and what we are doing here today is giving the Minister, not only the power to hire those people; we are giving the Minister the power under clause 19(2) which reads:

“The Minister may, by written notice, remove the Chief Executive Officer or Deputy Chief Executive Officer from office—”

And they enumerate a number of issues. But then late down in the Bill, the last line in the clause at (h) it states:

“for any other sufficient cause.”

Sufficient cause according to whom? To the Minister. This is what we are doing here. Therefore, all those persons there, I wonder if they will be zombies of the PNM; if they will be zombies of the Executive. We do not know.

Therefore, we do not know if this would be like a mongoose gang to be used against persons whom you feel are your opponents, to harass them and molest, them. Because you could appoint them, and it says in the Bill here that you could give them general directions, but when you could fire the CEO when you want, he has to abide with, not only what you say, you know; not how you think, you know, but how he feels you are thinking.

I want to tell you something, Madam Deputy Speaker, do not forget the Integrity Commission. The Integrity Commission was appointed by the President. That was a commission that was supposed to have been an independent organization dealing with persons under its purview. What happened is that it was used as a mongoose gang, not only against the UNC, but also against your own—the Integrity Commission, which you had no power to appoint or dissolve.

3.30 p.m.

Mr. Manning: Madam Deputy Speaker, is the hon. Member for Princes Town North aware that, as Prime Minister, I have been investigated by the Integrity Commission on about six occasions?

Mr. S. Panday: In your case nothing happened; but in his case he went before the court on bogus information.

Mr. Manning: Is the hon. Member aware that nothing happened because I had done nothing wrong?

Mr. S. Panday: Are you using your office as hon. Prime Minister to say he did something wrong, that is why he went?

Mr. Manning: Madam Deputy Speaker, I remind the Member for Princes Town North that I was only speaking about me and no one else.

Mr. S. Panday: The point is that the court found that the Integrity Commission had no evidence to put the hon. Member for Diego Martin West before the courts. If that is supposed to be an independent body appointed by the President and they could have done that in this society under the PNM Government, against a member of the PNM who it feels was against them, what can the authority do? Trust this authority? Never! We do not trust the PNM. Anything it does, look and you will see they have something up their sleeves.

There is a minister appointing and giving supervisory powers. The argument is, under the supervisory powers, that: I am the Minister and I am responsible, so I am supposed to give instructions and have a supervisory role. We have no problems with that if it is in the interest of the people; but we have a problem when that same Minister could hire and fire you.

We have Ministers with supervisory roles in state companies. Look at the Trinidad and Tobago Sports Company. That Minister, the Minister of Sport and Youth Affairs, did he not have control and oversight over the sports company? He sat there and said he wanted to have oversight because he is responsible and members of this Government sat there and allowed the same thing to go on.

Look at the flag. You are a seamstress; you should know about this. *[Laughter]* Okay, a tailor. You should know about the cost of flags and about the cost of sewing; but you allowed the sports company to spend \$2 million on a flag and come before this House and defend this on the first occasion when you said that you could not measure national pride in terms of dollars and cents. And you want to have oversight? Waste of time!

If you have the power, you must bear the responsibility. The Minister should pay for the flag. The sad thing is that the hon. Prime Minister said it was a misstep. You see this "missing" thing—a misstep, a misspeak and a misspoke—it is corruption. And you treat it so casually. When he realized that the country could not take a flag for \$2 million, he came back to the House and said he was sorry; it would not happen again; it was a misstep. With a misstep like that, he should overbalance and fall out.

Mr. Manning: [*Inaudible*] You are attacking your leader.

Mr. S. Panday: I am saying that you, as hon. Prime Minister, supported him when he said it was a misstep. You supported the corruption when you said: It is a misstep; let us move on. That is the cavalier fashion in which you treat the public money?

Mr. Manning: Madam Deputy Speaker, I am taking careful note of what the hon. Member has to say about misstep and his objection to people moving on after a misstep. I wonder what comment the very distinguished Member for Siparia would like to make on that.

Mrs. Persad-Bissessar: Do not draw me into that!

Mr. S. Panday: This hon. Prime Minister has always been irrelevant in this House. When he spoke on the Prisons Service Bill, he was very irrelevant. Is this the lesson he is giving these neophytes? When he spoke on the Prisons Service Bill, he spoke for half an hour and did not make one mention of the Bill. They come here now and are doing the same thing.

We cannot put such an important institution in the hands of politicians. There must be checks and balances and, in this legislation, there are no checks and balances on the Minister.

In closing, we ask the question: What is the need for sending workers home? They are using technical language to tie us up when they say "the establishment of permanent workers". Why not treat the workers of the Board of Inland Revenue and the Customs Department in the same way you treated the NHA workers when you formed the HDC because you wanted a new vehicle?

I think it is important to quote the statement of the hon. Member for Diego Martin West. I quote from page 17 of his contribution:

“This is interesting and I draw it to your attention because as we move from the NHA to the housing corporation, HDC and as we seek to create a new culture”—like you want to do now, a new—“climate”—like you want to do now and—“efficiencies”—like you want to do now—“we make provision for the staff that is there now.”

T&T Revenue Authority Bill
[MR. S. PANDAY]

Friday, February 19, 2010

You are making provision for the staff.

“This section applies to a person who on the date of the assent of this Act—

(a) holds a permanent appointment to”—and hear what they did with the NHA, a person not only holds a permanent appointment, but—

“(b) holds a temporary appointment to, and has served at least two consecutive years...”

It says:

“(2) A person to whom this section applies may, within six months of the appointed day, exercise one of the following options:

(a) voluntarily retire from the public service on terms and conditions agreed between him or his appropriate organized association and the Chief Personnel Officer; or

(b) transfer to the Corporation, with the approval of the Statutory Authorities Service Commission on terms and conditions no less favourable than those enjoyed by him in the service...”

But in this Bill they are going to appoint them on terms agreed by the corporation; nothing put in there to save the workers on terms less favourable.

Hear what they say:

“We will insert at the appropriate time a third option which is the transfer to the wider public service.”

Why not give the public servants that option now?

“There are three options available to persons who currently are in the NHA.”

Hear why he is here and you are there.

“Option (a) envisages a VSEP. We have been in touch with the unions. There are two unions representing the workers at the NHA:...(NUGFW) who represents the daily-paid workers and...To date we have had 17 meetings with these unions, with respect to...VSEP.”

You said you had meetings, tell us how many. You are trying to cast aspersions on the present President.

“...for workers who choose to voluntarily retire...and for those who do not want to accept VSEP, to have the option of going into the housing corporation...”

They gave them three options. Why are you not giving the same to the workers in the Board of Inland Revenue? The persons who work there and at customs have been appointed by the independent organization, which was the commission. Is it because they are in that position and persons appointed in the NHA were people the PNM sent for work and you had to save them? Did you see the NHA as a PNM party group or as a PNM safe house? Is that why you put these measures to protect them? These persons who are bona fide public servants; persons who have sacrificed their lives for the public service, there is nothing for them.

We ask you to look at your own legislation and see how you have deviated and tell the population why you are behaving in this manner. We have no problem with change; we want to see an efficient revenue authority; we want to see more revenues collected and used for the benefit of the people; not spent on a \$2 million flag.

In those circumstances, we have no problems with the TTRA. We have a problem with the way you treat workers. You will make them paupers. You intend to destroy them. We humbly submit from this side of the House that both can coexist where you have a change in the system and we save the workers and the additional workers you bring from the outside. Unless you explain this to the population, they will not accept it and we will not accept it. We are not standing in the way of the TTRA; we are standing for the people of Trinidad and Tobago.

The Minister of Community Development, Culture and Gender Affairs (Hon. Marlene Mc Donald): Thank you, Madam Deputy Speaker.

I stand here this afternoon in support of the Trinidad and Tobago Revenue Authority Bill which seeks to provide for the establishment of the Trinidad and Tobago Revenue Authority to replace the Board of Inland Revenue and the Customs and Excise Department, both located in the Ministry of Finance.

I want to state publicly and I grasp this opportunity to do so because I think we should state our views. I have been hearing so much from the Member for Princes Town North. It seems they do not understand the people with whom we work.

3.45 p.m.

I have the privilege, in my Ministry, the Ministry of Community Development, Culture and Gender Affairs, of working alongside some of the hardest working public servants. I am from the private sector and I can tell you that this period as a Minister is the hardest I have ever worked in my life. I can state that carnival, when we look at the success of Carnival in 2009 and 2010, is about the public servants going out meeting and supporting the Government. I

T&T Revenue Authority Bill
[HON. M. MCDONALD]

Friday, February 19, 2010

want to place that on record, because for the Member for Princes Town North to say that we are trying to destroy the public service, I want to state categorically that is not so. Just aside, I want to place on record, the Government's respect and thanks for these hundred and thousands of CEPEP workers who came out and cleaned up after we had utilized and made a mess for carnival. [*Interruption*]

Mr. S. Panday: You used them!

Hon. M. Mc Donald: Member for Princes Town North, just listen! I am placing on record this Government's gratitude to the CEPEP workers out there. It was your government and your people who said, when they came into existence, that all they were good for was to paint stones. What do you say about them today? [*Interruption*]

Mr. S. Panday: Stop taking advantage of them. They do not have a union.

Hon. M. Mc Donald: This Revenue Authority is not a novel concept, but one which has found favour with at least 50 countries around the world, including the developed countries. The Revenue Authority governance model has been cited as an avenue for revenue generation and compliance with the revenue laws to offer a more efficient service to taxpayers. It also affords an opportunity to retain a cadre of professional staff and also to enhance the capacity to address issues of malpractice and corruption. Those are basically the objectives of this Revenue Authority. I dare say that Trinidad and Tobago has the benefit of considering all the precedents before them.

If you look at the 50 countries, I have selected three and our model is based on the United Kingdom's model.

[MR. SPEAKER *in the Chair*]

I think this is crucial. I have researched three of these revenue authorities operating in the United Kingdom, Kenya and I have looked at the Canadian model. I really want to look at the Kenyan model. This was established on July 01, 1995. What was the objective for the establishment of the Revenue Authority in Kenya? This authority was charged with the responsibility of collecting revenue on behalf of the Government of Kenya and the overall objective is to provide operational autonomy in revenue administration and to create a modern, flexible and oriented customer-based system; one that would respond to the needs of the customer.

Mr. Speaker, since the inception of the Kenyan Revenue Authority, the revenue collection has continued to grow, whilst the revenue administration has been enhanced. I can tell from the facts, that the overall revenue collection has

increased from \$202 billion between 2000/2003 to \$297 billion in 2005/2006 financial year. It is expected that the Kenyan Revenue Authority would realize 13.4 per cent increase in its revenue collection in 2009/2010 over 2008/2009, from \$480 billion to \$545 billion. While I am saying this, in all the models, all three, what we are trying to do is to close the gap between the revenue collected and the revenue which should have been collected, because there are leakages in the system. All we are trying to do is to make the system more efficient and more transparent. It is a case where, every time we introduce something new on this side, something that will improve the systems in this country, we are attacked, abused and maligned. The very people on the other side will criticize us for not taking steps. It is a situation where "damned if you do, damned if you don't". We are going to do. We are going to take the necessary and appropriate steps.

When I examined all the objectives to the right and establishment of the Revenue Authority, a common thread runs throughout all the countries. What is it? There are basically two. One is improvement in the services to the customers and the other is efficiency in the collection of the revenue.

I want to take time out to look at the Customs and Excise Division. I am speaking on behalf of the man in the street. In my constituency, Port of Spain South, numerous people have asked: "What is this Revenue Authority about? How is it going to affect me? How is it going to improve my standard of living? Tell me." I have not heard this in this debate. I heard criticisms. I heard the Government wants to destroy the public service. Let me state this afternoon that while I think it is important, because the workers have their voices across there and the voice sitting in the gallery—[*Interruption*]

Mr. Speaker: Do not make reference to strangers in the public gallery.

Hon. M. Mc Donald: I withdraw, Sir. Someone must have a voice for the man on the street, the man in Woodford Square, the man on Charlotte Street or the man behind the bridge. There are two deficiencies which emanated from the Government-appointed committee set up in 2002. One is that there is a high incidence of corruption and corrupt practices, especially within the Customs and Excise Division and secondly, poor customer relations and services were characteristic of both divisions. How are we going to alleviate the problems in this system that the small man faces?

I want to place myself in the situation. As you might be aware, I was born and raised in Laventille and there are numerous people up there, children whose parents would have gone overseas and would send a barrel. They were called

T&T Revenue Authority Bill
[HON. M. MCDONALD]

Friday, February 19, 2010

barrel children some years ago. At Christmas, we looked forward to receiving barrels from our parents overseas. I recall—and this has happened to many people, but I would give an example—when the two barrels came to Trinidad, they were sent to the Port of Point Lisas. I got the notice and hired a little van to take me to collect the barrels. I got there after 6 o'clock. When I got there, there were lots of people and they said to me: "Yuh come late." [*Interruption*] 6.00 a.m. They said: "You are late. You should have been here since 4.30 a.m. to collect your chit with your number." I said: "So what is going to happen?" They simply told me: "You have to come back." What could have happened is, some people said to me there, "You could pay someone to come and stand in line to get your ticket for you and you can come after and collect it." [*Interruption*]

Mr. Ramnath: They do that for passports too.

Hon. M. Mc Donald: Mr. Speaker, I did not engage in that activity. I returned the next day at 4.30 in the morning and I got the ticket and I went in line. You would not want to experience that. You sat on a bench and they called the number in groups of five. From one to five, you went into one little room. They then called numbers six to 10 and you would move into that room and the other set moved out from that room. You went like that whole morning. By the time you get to the examination room, God forbid if 2 o'clock should meet you there, you cannot get your barrel. Why? The cashier closes at 2.00 p.m. "Yuh looking at yuh barrel, so near, but yet so far. Yuh have tuh turn around and go back home and leave yuh barrel." Imagine the anxiety of children to see what their parents sent for them. [*Interruption*]

Dr. Moonilal: "De toys in de barrel."

Hon. M. Mc Donald: The toys; you are quite correct. Make light of it, but it is quite correct. You have to go back the next day and start all over again to get your barrel. Yes, Member for Laventille East/Morvant, if those people have to go for lunch, that is another hour or so sitting and waiting.

I want to tell the small man and the man on the street behind the bridge, those who ask me, those in Chaguanas, those down south, those in the north and those in the east, that all of this will come to an end when we implement the system. We are about efficiency. [*Interruption*]

Mr. Ramnath: I will be alive still.

Hon. M. Mc Donald: Yes, you will be. The Minister of Finance said last week that 90 per cent of the Government's revenue is collected through these

agencies, Customs and Excise Division and the Board of Inland Revenue. That is no small money. That is no joking matter. If you look at the systems of all the countries: Kenya, the United Kingdom and Canada, from the time they are implemented, their revenue authorities have all improved on their revenue collection. That thing called leakages is what is causing the problem. Can you imagine if we could improve, if this Government could improve, its revenue collection by at least 5 per cent?

4.00 p.m.

When I go walking in my constituency, do you know what constituents ask about? They ask about roads, drainage, housing and water; they do not ask about property tax. [*Desk thumping*] Mr. Speaker, if we can collect those lost revenues, could you imagine what we could do? All the hospital beds—Member for Caroni East, we could buy hospital beds; we could buy more.

Dr. Moonilal: You could buy it now.

Hon. M. Mc Donald: We could do that.

Mr. Peters: Put on a next room—

Hon. M. Mc Donald: The point about it is—[*Interruption*]—"don't be malicious Mayaro". You just got three community centres and you could get more if we stop the leakages. [*Desk thumping and laughter*]

Mr. Speaker, I want to say to the small people out there—those people who I touch every Thursday, because that is a very deprived constituency—when they ask me, I must be able—[*Interruption*]—well, you better listen and go back and tell them. [*Desk thumping*]—to stand and explain what this Government is trying to achieve by the establishment of this Revenue Authority. To be honest, we could look at another way where leakages occur. Mr. Speaker, let me tell you a little story here.

Mr. Manning: Sock it to them!

Hon. M. Mc Donald: Mr. Speaker, now this is true, but I would know how to couch it. Let us say I am an importer and I am importing glasses. I will bring in a container of glasses, drinking glasses, and I would be friendly with a customs officer, say Mr. B—[*Interruption*] The rule is, when the container comes in and it goes to the port, you cannot open that container when you go to clear it. I am the owner, the importer, and I cannot open the container unless there is a customs officer present. When I open the container, because I have a liaison and a nexus

T&T Revenue Authority Bill
[HON. M. MCDONALD]

Friday, February 19, 2010

with a particular customs officer, Mr. B—in that container we have drinking glasses; we have eyeglasses; we have TVs; and we have stereos—do you know what? Only the drinking glasses would be recorded because that is exactly what is on the document; drinking glasses.

Mr. Speaker, only duties would be charged on the drinking glasses and all the other goods contained in that container would arrive in this country and no taxes are paid, hence the reason we say we want to make the system transparent and we want to improve on the revenue collection, and this is what I am referring to; having a more efficient and effective system of the collection of revenue. When we block those holes and leakages, as a Government, we will be able to afford more goods and services to the communities, not only the PNM communities, but everybody, all of you. We all belong to Trinidad and Tobago. This is the point I want to make.

I support the introduction and the establishment of this revenue authority. [*Desk thumping*] I have studied it and I have seen what it can do, because I am talking to the constituents, those barrel children who went through that problem. I had asked my sister not to send anything else for me and I will try to fight up in Trinidad. I told her I do not want anything else, because I do not think that I could have gone through the problems and the horrors to go down there. Of course, when you are inside there, if you want your barrel to be cleared quickly, you pay a little customs tout. All your papers would be piled up there and then somebody would say, "Oh God, yuh waiting long, yuh waiting long, am gih meh ah lil something", and they would push your papers, and so if you were tenth in the line you are now second in the line. This is what happens; customs touts.

Mr. Speaker, we want to make the system transparent and efficient; that is what we want to do. That is all we are trying to do. We have no hidden agendas. We recognize our hard-working public servants but, do you know what? We have a mandate from the people to make this country more efficient and we are speaking to the efficiency through Vision 2020.

Mr. Speaker, this is very simple. I think we needed to hear the other side—how the small man thinks, because he is asking how this is going to help him. I believe that once this is introduced, even the other side might be in praises when they see how this plan rolls out. This matter about destroying the public service—where is the Member for Princes Town North?—is absolute nonsense, total nonsense, because we are encouraging corruption. What we are trying to do is stamp out corruption. That is what we are doing. [*Desk thumping*]

Mr. Speaker, with those few words, I want to say that I support the Minister of Finance, the Member for D'Abadie/O'Meara, and the tabling of this particular Bill. I hope that Members on the opposite side will see the wisdom and the vision in what this side is trying to achieve. [*Desk thumping*]

Mr. Speaker, I thank you. [*Desk thumping*]

Mr. Jack Warner (*Chaguanas West*): Mr. Speaker, thank you. I rise to take part in this debate because of the fact that I believe the Government has failed to allay the fears of labour. I believe the Government has failed to allay the fears of those workers who will be affected by the passage of this Bill. Mr. Speaker, I rise to speak on this Bill, because I do not believe that the change which the Government proposes will bring any added value to the national communalities and it will not serve the interest of the people. [*Crosstalk*]

Mr. Speaker, I want to refer to some points raised by the last speaker. The Member for Port of Spain South, hon. Marlene Mc Donald, said that she was born and bred in Laventille and that she, of course, knows the suffering of the people of Laventille. Mr. Speaker, the hon. Member also said that this Bill is intended to improve the lives of the people in Laventille, the small man, and, therefore, I would like to ask the hon. Member for Port of Spain South, before this Bill came to this House, can she tell us what she has done to improve the lives of the people of Laventille? Can she tell us how many businesses were opened in Laventille? How many branches of First Citizens Bank are in Laventille? To come here and to pontificate about Laventille because she did not get a barrel and to give the impression that she is so concerned about Laventille is not fair.

I want to make the point that it was said here by the very last speaker, that you have to get the money from this Bill to build roads, bridges and to get water and so on, but I want to make the point that the money that you get from this Bill will do much more than that, and that is our concern. We are concerned that the corruption to which the speaker has referred would not be removed by the passage of this Bill. [*Desk thumping*]

Mr. Speaker, I came back in the country yesterday and I got this picture in my small postbox. [*Picture in hand*] This picture, I am told, is a picture of a church being built in Guanapo Heights by some Shanghai Chinese. Mr. Speaker, I ask the question: Is this where the money is designed to go? [*Interruption*]

Mr. Imbert: What?

Mr. J. Warner: If this is correct, can the Prime Minister tell this House—

Mr. Speaker: Order!

Mr. J. Warner: —whether he knows anything about this church. Mr. Prime Minister, can you tell us please?

Mr. Manning: You talk.

Mr. J. Warner: Okay, you are not going to answer. So to come and talk as if this Bill is the be all, end all and the cure all for corruption is not correct. *[Interruption]* I am making the point for the last speaker that the corruption to which the Member referred and for which she has not documented anything so far, will not be removed by the passage of this Bill. *[Desk thumping]* It will not be.

Mr. Speaker, the last speaker made the point that the people of Laventille never asked for property tax, they want roads, bridges and so on, but I want to say to this honourable House this afternoon that there is no way the people in Laventille, based on past experience, will get anything if even they pass four Bills like this. They will not get anything because experience has shown, Member for Port of Spain South, that Laventille continues to be an area that is totally neglected.

The Member made the point about the barrels and that she had to suffer and squeeze and return the next day, but you do not have to go for a barrel, but go to the Chaguanas Magistrates' Court and see how the people suffer in that court. Go to the Licensing Department; go to the Arima courthouse or go to any court in the country and see for yourself. So to make the point that you will not have to squeeze to get your barrel if this Bill is passed is coming here to tell us untruths.

I will not spend much time with hospital beds and so on, but I will come to that. Mr. Speaker, of course, I will not spend much more time except to make one more statement on the last speaker. The last speaker made the point that there have been these leakages over the years. She talked about the glasses, the stereos and eyeglasses and so on that come in the container and there is where the leakages are. I ask the question: Having known that, what has been done to correct this over the years? What has been done? Tell us!

Mr. Manning: Ask the Member for Couva North.

Mr. J. Warner: Why do you not ask him? Why do you not ask him?

Mr. Manning: You not talking to him then?

Mr. J. Warner: He was there for six years. Anyhow, how long have you been there?

4.15 p.m.

You became a Member of Cabinet on April Fool's Day 1978. There is a reason for that. I would not say more at this point in time, but on April Fool's Day you became a Member of Cabinet for the first time.

Dr. Moonilal: That explains it all.

Mr. J. Warner: Thank you. They made the point that the small man will suffer no more, but I want to tell the Government that there are areas where the small man is suffering up to today and nothing is being done to help the small man.

A man will work for the Government for 20—30 years, will retire and it will take him three years to get his pension and gratuity. What have you done for that small man? Do not come here this afternoon and behave as if the small man is the reason that you have gotten the change of heart. [*Interruption*] Shedding tears to fool people, but Laventille cannot be fooled and they cannot be bought, so I am not bothered by that.

Mr. Imbert: You tried to buy them. [*Crosstalk*]

Mr. J. Warner: When I was a pupil at school I used to do Latin and they told me *ex nihil, nihil fit*.

Hon. Member: What is that?

Mr. J. Warner: Out of nothing, nothing comes, so it is all right. *Ex nihil, nihil fit*. Out of nothing, nothing comes, make noise; make noise "nah". [*Laughter*]

So I make the point that we on this side—[*Crosstalk*]

Mr. Speaker: Order! Order!

Mr. J. Warner: We on this side cannot support this Bill for reasons which I shall advance today.

Hon. Member: We whom?

Mr. J. Warner: I stand here this afternoon because I believe that the major challenge to this Bill has both to do with credibility and integrity which this Government over the years has failed to demonstrate.

The people do not believe that this is a Government they can trust. I stand today to speak on this Bill because of the Government's inability to maintain its sacred trust to this nation and I want to make the point as I go along to show where the position of credibility and integrity are the two areas, where, of course, they have failed drastically. Speaker after speaker from the other side has come

T&T Revenue Authority Bill
[MR. WARNER]

Friday, February 19, 2010

here to speak about the virtues—this is change they will make to this country. [Interruption] They suggest that the Bill will guarantee that certain objectives are met.

The impression is given that this Bill, which is the lofty dream and ideal of the Government, if it is not passed, the objectives will come to naught and the corruption will continue and all kinds of—[Continuous interruptions]

Mr. Speaker: One minute please. The hon. Member for Chaguanas West is on his feet and he is the only person who should be speaking, so please, show him some respect. Continue!

Mr. J. Warner: Thank you, Mr. Speaker. I have done that while all the others were speaking, but in this House reciprocity is a foreign word.

Mr. Speaker, as I was saying—[Interruption] I will tell you just now. [Interruption] You could talk you know—the Member for Diego Martin West in a very passionate and convincing speech warned this House about these guarantees which the Bill is touted as being able to present, and he said that these guarantees are not real. [Interruption] He gave concrete examples of two special purpose companies—[Interruption]

Mr. Speaker: Order!

Mr. J. Warner: Father forgive them. [Laughter]

He gave examples of two special purpose—[Interruption] Yes, I know about that. [Holds up picture] That is why the church is being built. [Interruption] I know about that. [Crosstalk] With taxpayers' money. [Crosstalk] Tell us, Mr. Prime Minister. If it is not taxpayers' money, tell us with whose money? Tell us! [Crosstalk]

The Member for Diego Martin West showed two special purpose companies—UDeCott and sport—[Crosstalk]

Mr. Speaker: This is really getting out of hand. This is a special majority Bill; presumably all want to vote on this Bill this evening, if I put you out of the House you would not be able to vote. Please continue!

Mr. Ramnath: If you put them out of the House, they will put you out of the Chair. [Laughter]

Mr. J. Warner: I was saying that the Member for Diego Martin West in a passionate and convincing speech showed two special purpose companies and said UDeCott and sport as examples, and he told us here that we should not believe that because you have formed a special purpose company that all of the problems and the issues will be blown away. He said it does not follow.

He spoke about UDeCott and sport as reasons why all of us have to be cautious about the claims being made about the TTRA and this company that is to be formed. He said those claims cannot be real and he said that UDeCott and sport are examples to look at. In other words, he is telling us, do not look at the companies as any automatic solution or panacea for the ills that we have. The question which the Member for Diego Martin West raised has not been answered in this House to date and they try to fool us and tell us that the remedy for all the woes we face will be cured overnight—abracadabra—when they pass the TTRA.

I have sat here, Mr. Speaker, and I have listened quietly. I never said a word to anyone; I have listened quietly to the Member for Barataria/San Juan and aspersions which the Member for Barataria/San Juan cast on this side when he accused us of continuously resisting change. I said to the Member for Barataria/San Juan when he accused us of resisting change, in some ways, possibly, he is right, in other ways he is wrong, as you could see from the political leader we have here. [*Interruption*] He is right when he makes the point about us resisting change and in some ways he is wrong, and I will tell you where he is right.

The truth is that we on this side are resisting change because we represent a large section in the House of those members, the public, the small man who cannot come to the House; we represent those people who play "ol' mas", who sing calypso for the first time in years, we represent their voices and the dissent which they have against the methods which the Government is proposing, and they are the people who continuously resist change from a government we cannot believe. It is the small man, who, today in his calypso, his "ol' mas" and his J'ouvert celebrations who is now saying he is against a government he cannot believe, and if that is the change that they are resisting—Member for Barataria/San Juan—yes, you are correct.

So you are right, that is the kind of change which Government Ministers could be booed from Skinner Park to Port of Spain, and if that is the kind of change that we resist, okay, fine. Because that is the kind of change which we shall resist because those are the changes which bring no relief to our people; those are the changes which bring no respite to the social demise which we are experiencing in this country; those are the changes which do not redress the betrayal of the people by a government they have voted into power. So you are right in some ways.

Mr. Speaker, having read the Bill over and over again and having listened to the contributions of the Members on the other side, I now have more respect in many ways, more appreciation for the anger of the people, for the anger which

T&T Revenue Authority Bill
[MR. WARNER]

Friday, February 19, 2010

this Bill has evoked among the labour unions, especially the PSA. I have today an understanding and an appreciation for the anger which the workers of this nation have against the Government today.

If one takes a casual glance at the intention of the Bill, one must admit that the Government is noble in its attempt to seek to improve the collection of outstanding revenues. Any government that seeks to improve the method of collecting outstanding revenues must be given some credit. So I am saying the intention of the Bill, I have no quarrel with. Any government that seeks to have compliance with revenue lost across the nation, I have no quarrel with, and therefore I am saying the intention of the Bill, from where I stand here is laudable.

Mr. Speaker, what is the intention of the Bill? Let us look and see very quickly, very succinctly, what is the intention of the Bill. I could summarize the Bill's intention in four stages. The first intention of the Bill is to replace the Board of Inland Revenue and the Customs and Excise Division with one umbrella organization called the Trinidad and Tobago Revenue Authority, of course it was called "RATT" before and RATT was not sounding good so they call it TTRA. But that is the first intention, to put everything under one umbrella of the TTRA.

The second intention of the Bill is to legitimize this authority, the TTRA, which would be responsible for the assessment, collection, administration and enforcement of every law in this country. Nothing is wrong with that; they give us the intention, very laudable.

The third one is that this authority must be managed by a board appointed by the line Minister, the Minister of Finance. I would come back to that just now.

The fourth intention is to establish the framework for the employment of the CEO and other staff of the authority.

Last, but not least, to formalize the protocols with regard to the application of the Integrity in Public Life Act to officers of the Authority.

So there are five major intentions of the Bill. I want to reiterate, those five intentions are laudable. This is what a government is supposed to do and if the Government was able to do this it should be applauded, but the fact is, the platitudes come to a sudden halt when one examines the process by which the Government hopes to achieve these intentions. [*Interruption*] I am not. That is where I make my deviation from the Government.

The process is flawed. It is flawed with twists and turns, with contradictions which upon thorough examination present themselves as a travesty against labour.

That is why the people of this country, especially the workers, cannot and will not trust the Government.

Mr. Speaker, if you make an excursion into history and go back to 2002 when the PNM came into office, in that year, March 21, 2002, by a Cabinet Minute a committee was established to examine the feasibility of setting up the TTRA. That was done at the time when the Government had come into power mere months before. The Government had been voted into power and its Ministers were all aligned to the grass roots, to the small man from Laventille mere months before. They believed that they had to support the working class—

Mr. Speaker: Hon. Members, the sitting of the House is suspended for tea and will resume at 5.00 p.m.

4.30 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

Mr. J. Warner: Thank you, Mr. Speaker. Before the tea break, I was making the distinction that the intention of the Bill is good, is laudable, and I commended the Government for that because our function here must never be to oppose for opposing sake. Therefore, I want to repeat, the intention of the Bill is good. When I say the Bill is faulty, it is the process. The process is flawed. It is a victim of twist and turns of contradictions, and therefore, I am suggesting that while the Government has to be applauded for the intention of the Bill, the platitudes come to a halt when you examine the process by which the Bill is designed to go into effect.

Mr. Speaker, I made the point that by a Cabinet Minute dated March 21, 2002, a committee was established to examine the feasibility of setting up a Revenue Authority in Trinidad and Tobago. I make the point that this was the time when the Government had just returned to power mere months after the election, at the time, I said, when the Ministers were still aligned to the grass roots of this nation, and the views of the working class then were quite sympathetic, because they used the working class to get into power. By November 28, 2002, the Cabinet had accepted the final report and they agreed then to inter alia:

1. To shift operations of the BIR and Customs and Excise under one umbrella organization called the TTRA;
2. That employees of the Inland Revenue Division and the Customs and Excise Division become employees of the authority to facilitate a seamless transition, such employees to retain salary benefits, accumulated leave and pension benefits.

T&T Revenue Authority Bill
[MR. WARNER]

Friday, February 19, 2010

I want to read that again:

1. By November 28, 2002, the Cabinet had accepted the final report from this committee which they appointed on March 21, 2002, and they said that they would merge the BIR and the Customs and Excise Division under one umbrella, called the Revenue Authority;
2. That the employees of BIR Division and Customs and Excise Division become employees of the Authority to facilitate a seamless transition, such employees will retain salary benefits, accumulated leave and pension benefits;
3. That all positions except legal positions that were in the Customs and Excise Division and the BIR Division be transferred to the Authority with the same terms and conditions.

Mr. Speaker, these terms and conditions were accepted at a time when the vote which labour had given to the PNM, was still, of course, in their minds. These terms and conditions were given at a time when the arrogance of the PNM—the Government—was not as pronounced as it is today. This was a time when the Ministers who held various portfolios cared about the workers in this country, and chose not to ride roughshod over them. This is the period that the Member of Parliament for Diego Martin West was talking about, when he spoke about the policy of the Government in dealing with the NHA and the Civil Aviation workers. It was still humane he said, because the Government had not lost the common touch.

The Minister of Labour, Small and Micro Enterprise Development should do well to research the history of this Bill. If he did that, he would recognize that the argument for an amenable approach in dealing with the workers had nothing to do with political positioning. In fact, what it will show is that, it had to do with the fact that the Government has now reached a position where the Government could not be trusted. Mr. Speaker, excuse me, please.

Mrs. Persad-Bissessar: No, it is okay. It is okay. You go ahead.

Hon. Members: Ooooooh!

Mr. J. Warner: Do not worry with me. I am all right. [*Interruption*] It comes natural.

Mrs. Persad-Bissessar: Thank you.

Mr. Dumas: Good training.

Mr. J. Warner: My parents trained me well. In 2002, this Government accepted the recommendation that the workers at both the BIR and the customs are of value to the TTRA.

Mr. Speaker, at the end of 2002, what we are hearing today is that these very workers were not viewed as corrupt and inefficient. The controls which seem to be a systemic dysfunction even in the current special purpose companies, those issues were never raised. The fact is that compliance to revenue laws were never used as an argument, and all the arguments we are hearing today, how these workers are so bad, corrupt in some cases and so ill-trained, never arose in 2002. There was no attempt to use those arguments as an excuse to get rid of all the workers. Therefore, the question is: If these arguments were not there in 2002, from where then did these arguments arise? Where did these arguments against the workers of this country arise?

By August 19, 2008, the Minister of Finance met with stakeholders including the PSA, and tabled a draft Bill, 2008. In this draft Bill, the workers were given three options. In 2008, the first option they had was to voluntarily retire from the civil service under terms to be decided; the second option was to transfer to the TTRA; and the third option was to remain in the service as long as their commensurate office was available. Three options, and yet though there were changes in 2008, the options were not so draconian, were not so bad because it appears as if the Government was still acting in good faith. The workers were given a chance to voluntarily retire; they could be transferred to the TTRA; or remain in office, as I said earlier on. Therefore, I am saying again, that position was similar to the NHA and the Civil Aviation Authority.

Mr. Speaker, by letter dated March 11, 2009, written by the Permanent Secretary in the Minister of Finance, the full betrayal of the workers began to emerge. The Permanent Secretary wrote to the PSA, and informed the PSA that Cabinet had decided that a Voluntary Separation of Employment Plan will be offered to all employees of the Customs and Excise and BIR, with no guarantee of employment with the TTRA. They had gone full circle from voluntary retirement, to now of course, no voluntary retirement. In fact, they made the point, no guarantee of employment either.

I want to tell the Member for Diego Martin West, that is why the PSA had to ask us to talk for them, because as a Government Member of Parliament, labour has lobbied. Because like him, the workers argued that this behaviour is contrary to the PNM, and therefore, wherever they could get help from, they came. They came to us here and asked for help because they felt that this was not the PNM they knew in 2002.

Mr. Speaker, in my view, this has to be the most insensitive, uncaring and callous action by any government of this country within recent and antecedent

T&T Revenue Authority Bill
[MR. WARNER]

Friday, February 19, 2010

history. This is anti-worker, anti-family and anti-Trinidad and Tobago. It is no wonder that the population, especially the women of this country, are crying out for a female Prime Minister because they believe that a female Prime Minister will be a Prime Minister who cares, and therefore, they are begging for a Prime Minister who cares.

In fact, when we met the PSA at a meeting at the PSA office, the PSA made the point to us that the Prime Minister who we have is not the Prime Minister whom they knew. They were saying that this is the worst example of anti-labour that they have seen. I ask myself: What will this Government tell the children of these workers after they force their parents into retrenchment? How will this Government treat with the social fallout when their acts of insensitivity and heartlessness result in mortgage bills not being able to be serviced? The workers took out mortgages on the presumption that they have many more years remaining to work, and their mortgage was predicated on the number of years which they had to work. How will they service these mortgage bills now?

Mr. Speaker, these children who are now at universities and are supported by their parents who are employed in the Customs and Excise or in the BIR and have to drop out of school, what will they tell their children? I ask the question: How will this Bill bring added value to the people who work in the BIR Division and the Customs and Excise Division? As leaders, have we drifted so far that we cannot be moved by the common touch of our people? I ask the question: Based on the Bill before us, where is the milk of human kindness? What do we tell the workers who will be retrenched? What do we tell their children?

Last week a picture emerged on the front page of the *Express*, and it showed that the Prime Minister's lawn was being watered by a hose. The Prime Minister came to Parliament and fired the worker who is a contract worker. The Prime Minister did not tell us that he met the worker, spoke to him and had an enquiry. No! Contract worker, you come here; abracadabra, you fired.

Mr. Manning: Mr. Speaker, what I said in the Parliament, contrary to what the very distinguished Member for Chaguanas West is trying to say, is that the contract of the contractor will be terminated. What the Member for Chaguanas West is not aware of, is that MTS has been brought into the residence, and all the workers who worked on the residence before will be reemployed by MTS. So from the standpoint of the worker, the worker is much better off because they will now have a permanent position at a higher salary, with a state enterprise. Those are the facts.

5.15 p.m.

Mr. J. Warner: Mr. Speaker, that was never said in the Parliament.

Mr. Manning: That is the point; they get up and make statements without knowing the facts, without checking, and expect that the onus is on you to correct it. It is he who alleges must prove. You must stop that.

Mr. J. Warner: I thought I gave way for clarification. I will leave that for Mr. Hunt.

I am not talking so much about the contract workers who I now know have been rehired, but I read where a woman who had eight children was begging and saying, "All yuh help me, please; I need to keep my job." I read that in the newspaper, so, therefore, it is not so much the hiring or firing, but the process. The process is that being a contract worker, they committed a misdemeanor and the Prime Minister came to the Parliament and fired the contractor.

Mr. Manning: It was not the worker. This is the point; he keeps giving the wrong impression. I made no comment in the Parliament about the worker. What did I say about the worker? Nothing; I talked about the contractual arrangement being terminated; that was a different matter.

Mr. J. Warner: I will not belabour the point; if you are happy with that, so be it. I know that I read where a woman with eight children was crying and begging for her job.

Mr. Speaker, apart from that diversion—[*Interruption*]

Mr. Manning: What diversion?

Mr. J. Warner:—the Minister of Labour, Small and Micro Enterprise Development tried to convince us about the benevolence of the Government and that this benevolence was given to the Caroni workers who were forced into retrenchment. We on this side represent the majority of those workers; we meet them daily in our constituencies. These are the same people that this Government made promises to and they had to go to court to force the Government to keep those promises.

Mr. Manning: They were used politically.

Mr. J. Warner: These are the same persons who are yet to receive land in accordance with the separation package. Many of these workers are still to receive the training this Government guaranteed them under the VSEP programme. Where is the training you promised them? Tell me who you have trained in Chaguanas West? It was a promise you made when you said that under the VSEP, they would be given training. Who did you give training in Chaguanas West?

Mr. Manning: They were given training for those who requested it. The question therefore is: How many persons from Chaguanas West requested it? Please be accurate in your statements.

Mr. J. Warner: Again, the package said that the workers would receive training which the VSEP package guaranteed them. I want to talk for 75 minutes, therefore, I do not want to spend time toing and froing. I will move ahead, if that helps you.

Mr. Manning: You are talking nonsense.

Mr. J. Warner: Your turn will come and you will talk sense then.

The problem with the Bill has to do with the credibility and integrity of the Government. As far as the workers are concerned, they can trust this Government no longer. In fact, if this Government was to give us guarantees about the success that the Trinidad and Tobago Revenue Authority (TTRA) would bring, then tell this House when the Brian Lara Stadium in Tarouba would be completed and at what cost. Tell us about the recreation grounds in Diego Martin, Santa Cruz, Grande Riviere and Marabella, where guarantees were given that those grounds would be delivered and not one has been delivered. Tell us about the enquiry which has been promised for those persons who were granted scholarships and who never got them, but moneys were paid. How far has the enquiry reached? Tell us. Merely giving guarantees and mouthing hollow statements cannot be enough. Nothing this Government has guaranteed in the past was ever delivered, nothing. Why are we, therefore, to accept your guarantees about the TTRA today? *[Interruption]* Nothing this Government has promised in the past has been delivered.

Miss Mc Donald: Member for Chaguanas West, you made mention of the enquiry into the scholarship funds, where certain persons claimed that their names appeared in the newspapers and they had not received funds.

Actually, the investigation is still under way at the Ministry. There were 16 such persons who made those claims against the Ministry; so far we have completed 12 and we have traced those funds to the overseas missions for all 12. In those cases, some of the students, or most of them, gave wrong addresses and numbers, so the mission could not contact them. The mission overseas could not contact them by telephone. There are four more to be investigated, and when we are complete with that particular exercise, all 16, after Cabinet has viewed it, we will make a public statement.

Mr. J. Warner: Hon. Minister, Member for Port of Spain South, I thank you for the edification. If it took this Bill to get that from you, I am very happy indeed.

I will say this, however, there is a price this Government would pay if it passes this Bill. The workers of this country will never forget this Government, because it is their children who will suffer as a consequence. *[Interruption]*

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. [*Dr. R. Moonilal*]

Question put and agreed to.

Mr. J. Warner: Thank you, Mr. Speaker and thanks to my colleagues.

My other concern has to do with the process that brings the board into place. I want to repeat that my next concern has to do with the process that brings the board into place.

The Minister of Finance appoints the board of which the Chief Executive Officer (CEO) is a member. I ask a question at this point in time: How can we feel comfortable that a body of private individuals appointed by the Government would now have the power to prosecute individuals where the sanction would result in heavy fines and, in some cases, imprisonment? How could a Government feel comfortable that its Minister appoints a board and the board has the power to impose heavy fines on the people and even imprisonment? I suggest to the Member for San Fernando East that the system with the Public Service Commission is better.

Mr. Speaker, the current Customs and Excise Division has the power, among other things, to obtain search warrants, to enter private property and even to seize property. How can we trust persons appointed by a Cabinet Minister to hold that power? You may feel happy today, because you are on that side, but very soon, in less than two years, you will be on this side. Therefore, if it is wrong, it is wrong. No Cabinet Minister should have the power to appoint a board which has the power that could imprison, prosecute, seize and so on.

Mr. Imbert: Which clause is that?

Mr. J. Warner: Do you know what could happen if by chance Calder Hart is the CEO? The Member for Diego Martin West would be in trouble. This board, which the Minister would appoint, has the potential of being a weapon of mass destruction in the hands of a vindictive government. Therefore, it is wrong, wrong, wrong.

Today this Government is managing large budgets, bigger budgets than ever in history. Most of the money in the budget has been spent on foreign consultants, foreign contractors, foreign suppliers and foreign labour. In fact, an article written in a newspaper of the 11th says:

“TTRA, a closer look”

T&T Revenue Authority Bill
[MR. WARNER]

Friday, February 19, 2010

It was written by Steve Alvarez. I would not read all of it, but it makes the case in point. Steve Alvarez said that most of the money had been spent on foreign consultants, foreign contractors, foreign suppliers and foreign labour.

The Ministry of Tourism said that when this Bill is passed it could collect \$2 billion more. If that money stays in the hands of nationals, that is a good thing, but based on past performance, that money would go in the hands of foreigners. That is wrong.

Mr. Speaker, I want to make some recommendations and not only criticisms, because it is quite easy to knock the Government, but in knocking them you must also tell them the areas where they could improve and embellish the Bill, if they so wish.

Part III, clause 8(4)(a) needs to be revised, where it says:

“A person, other than that the Permanent Secretary and the Chief Executive Officer...is disqualified from appointment as a member,...”—for certain things, including not being an ordinary resident of Trinidad and Tobago.

This means that the CEO can be someone who is not a resident of this country. You are saying that a CEO who is not a resident of this country must be able to get 90 per cent of the money from this country and manage it. The point I am making to you is that is not correct; it cannot be correct.

Mr. Imbert: Is he managing the money? He is just collecting the money.

Mr. J. Warner: Clause 11(1) to (5) treats with the disclosure of interest, but ought to suggest penalties for board members who fail to comply, Mr. AG. The Bill is silent on penalties for members who fail to comply; that too should be addressed.

Clause 12 of the Bill offers some suggestions when it comes to ministerial oversight of the board. Like the Member for Diego Martin West, I want to know what is the Government's position on ministerial oversight. In fact, in the context of the Bill, what does that mean?

All it says is that this section suggests mandatory compliance to whatever directions the Minister gives the board. This section seems to suggest that there has to be mandatory compliance to whatever instruction the Minister gives to the board. So, therefore, the control of the TTRA is virtually in the hands of the Minister of Finance. [*Interruption*]

When you start to talk, you could correct it. I repeat, go to clause 12 of the Bill and you would see it. This is absolute power which will corrupt absolutely, and I am saying also that the Clico story is still fresh in the minds of people in this country.

5.30 p.m.

Mr. Speaker, the Minister of Finance in her presentation said that many nation states have now passed this Bill and has given this as a reason for its acceptance. The same point was made by the Member for Port of Spain South that many countries have passed it: Kenya, England, Canada and so forth and, therefore, if they have passed it we should also.

I am saying, it is all well and good to say that they have passed it, but in saying so, one must seek to extrapolate the parts of that same argument which agree and which do not give the whole story. There are parts in the argument which do not give the whole story about these countries' acceptance, and I am going to the Philippines 2005.

The Philippines in 2005 in its Institute for Government Studies made certain recommendations before they could implement the new revenue model. Because of time, I will not be able to go into all the details, but the Philippines gave three recommendations which have to be accepted before the Bill becomes law and it would be worthwhile for this Government to look at the Philippines and the three recommendations which it has put forward before the Bill becomes law.

So it is all good to say that "X" and "Y" country accepted the Bill, but I am saying to you that "A" and "B" country accepted the Bill based on certain recommendations. Look at those. Do not come and tell us that 10 or 15 countries took the Bill and Kenya, England and Canada. There are those who took it with certain conditions and you should tell us what they are and see if we here have to adapt to those conditions.

Mr. Speaker, I cannot support this Bill and I will not support it because it lacks the credibility and integrity to obtain the trust of the people. The Government Bench talks about accountability and it said that the Board of Inland Revenue (BIR) and the Customs and Excise Division lack accountability, but I am saying this Government has no moral authority to talk about accountability to anybody. [*Desk thumping*]

Mr. Abdul-Hamid: That is CONCACAF talking?

Mr. J. Warner: Mr. Speaker, you yourself on more than one occasion had to beg this Government to answer questions laid in Parliament and to be accountable to the people. I was here when you begged them time and time again to account to the people based on the questions we asked, and the questions kept coming again and again for six months with no answers. How many questions I asked this afternoon are still outstanding and for how long?

T&T Revenue Authority Bill
[MR. WARNER]

Friday, February 19, 2010

In fact, if the basis for dissolving the two arms—the BIR and the Customs and Excise Division—is accountability, then I say this Government should bring a Bill to dissolve itself because the Government does not demonstrate a level of accountability to the people.

Mr. Speaker, I cannot support this Bill because you cannot trust what this Government says. As recent as this debate, the Member for Diego Martin West had to correct the esteemed Attorney General and raise questions about his truth and to lay evidence in support of the Member for Oropouche East.

Hon. Jeremie SC: What is that?

Mr. J. Warner: In this House last week the Member for Diego Martin West had to correct the Attorney General and raise questions about his truth and lay unequivocal evidence in support of the Member for Oropouche East. That is what I said.

As recent as this month, the Minister of Sport and Youth Affairs had to renege on his boast about the nation being in support of a \$2 million flag; he had to go back on his boast. How then can we know when this Government is telling us the truth? How can we know when it is truth or when it is fib, and most times it is fib? How can we know? The Bill provides too many unanswered questions and the motive for the need to change is not clear and as honourable as it seems.

Mr. Speaker, there is something sinister about this and the Government lacks the character to convince us on this side to support this Bill. In 2002, when the idea first came to fruition, there was a kind of honesty in the Government insofar as the workers were concerned, but since the years have passed, this Government has forgotten how they felt when they sat on this side and where they will be in less than two years.

Mr. Speaker, over the years from 2002—2009, the arrogance of this Government grew and it can change 13 permanent secretaries in a half day, it would not change that; the arrogance of this Government has grown over time and so has the arrogance of its Ministers. This Government has lost the common touch and the electorate is now taken for granted.

This Bill will not bring any value to the people of this country because based on precedence, the fact is the extra money which this Government will collect from the Bill will not help to improve the lives of the people one iota with the \$2 million which the Minister of Tourism said the Government will receive. Will the \$2 million give us extra beds in the hospitals? Will crime be reduced? Will the road deaths subside? Will water flow in the taps? Will jobs be created? It would not give us a

better life; all it will do is give jobs to foreigners and, therefore, I am saying to you, this Bill cannot be accepted by us. The Bill is anti-labour, anti-family and anti-Trinidad and Tobago and I make the point that these issues which confront us prevent us from agreeing to this Bill.

Before I conclude, let me make the point that a major consideration of this Bill is the character of this Government. I said before, they lack integrity, they cannot be trusted to do the right thing and somebody in this Parliament must stand up and take the side of the depressed and downtrodden, and we on this side are doing that.

It is our function to talk for the poor, the oppressed and the downtrodden, whether they are in Laventille, Penal or Chaguanas West. [*Desk thumping*] That is our function. Somebody must take their side, somebody must talk on the workers' behalf and my dear friend, the Member for Diego Martin West—whether in this House or the next—wherever we are, must talk on the workers' behalf. We must do that.

Therefore, we will not and cannot support this measure. This is veiled and concealed retrenchment, it is forced retrenchment on the workers and I am saying the time has come when somebody here must stand up for the rights of the workers. I heard my colleague, the Member for Princes Town North, chiding the Minister of Labour, Small and Micro Enterprise Development saying that he is anti-labour and I said to myself why does he not get up and say he is not. He was being chided as being anti-labour, and did not rise to correct that. Something has to be wrong.

And, therefore, Mr. Speaker, today we on this side take a stand for the workers. Whether you want a three-fifths and you believe you have it, go ahead. At the end of the day whatever vote is taken here, this Government will pay a political price because the workers will never forget what is being done to them here today.

I thank you.

The Prime Minister (Hon. Patrick Manning): Mr. Speaker, I really did not intend to intervene in this debate because I had not heard much from hon. Members opposite that would have been worthy of a response of any significance from this side. But the Member for Chaguanas West in his contribution did, in fact, go a certain route—and it was the crux of his argument—seeking to convince hon. Members that the Government, in seeking to establish a revenue authority, was in fact demonstrating that it was anti-labour.

Mr. Speaker, he did not elaborate on the point, but if I am to be guided by what had been said by the very distinguished Member for Princes Town North, he was clearly giving the impression that because it was the Government's intention,

T&T Revenue Authority Bill
[HON. P. MANNING]

Friday, February 19, 2010

it is the process by which a Voluntary Separation of Employment Plan will be offered to the workers, an enhanced plan will be offered to the workers, and employment would be severed by this mechanism and out of those workers, the Revenue Authority will recruit. In the first place he was giving the impression that that was anti-worker.

He did not talk about the intention of the Revenue Authority, or the Government, to have the Revenue Authority recruit in the first place from those workers who previously were employed by the Inland Revenue Department and by the Customs and Excise Division. He did not mention that because it was not convenient for him to do so, he was giving a general impression.

Mr. Speaker, what are the facts? The approved establishment of both the Customs and Excise Division and the Inland Revenue Department is 1,865 positions, not 2,200 as has been bandied about by so many. The 1,865 positions is the approved establishment. Of that, 1,386 of those positions have been filled. Additionally, there are 224 contract positions and many are filled by public servants who were authorized to apply for contract positions operating in the contract positions in accordance with public service procedures.

In addition to that there are 72 temporary workers and 15 daily-paid workers to give a total of 1,697 persons in place. Those are the facts. The establishment of the Revenue Authority provides for about 1,650 positions. In other words, the number of persons who will be employed in the Revenue Authority is roughly equal to the number of persons employed today in the Board of Inland Revenue Department of the Ministry of Finance and the Customs and Excise Division. The argument, therefore, that the Government is anti-worker by the Member for Chaguanas West, conveying the impression that what the Government is doing is firing the workers, is a misrepresentation of the facts. [*Desk thumping*]

5.45 p.m.

The Member for Chaguanas West is being less than forthright with either the Members of this honourable House or with the members of the national community.

And he talks about a church. You see, because those of us who subscribe to the tenets of the Bible will tell you that in the book of Genesis there is the tree of good and evil. Remember, there are two trees; one is the tree of good and evil and the other tree was the tree of life. The tree of good and evil, in fact, represents the devil, you know. That is how the devil operates. He speaks some truth and then he speaks some untruth. It is truth and untruth; truth and untruth, conveying an impression that is entirely—in fact, some truth, so that the credibility of the

untruth is established. And while I am not saying by any means that the Member for Chaguanas West represents the devil or any such thing; I am not saying that; I am not saying that at all, what I am saying is that his method of operation bears very close resemblance to a method of operation with which he obviously is very familiar. [*Desk thumping*]

Mrs. Persad-Bissessar: You are skating on the edge there.

Hon. P. Manning: Which edge? Which edge? Skating on no edge! The Member for Siparia now wants to take over the position of the Speaker, because, you see, they believe that they can stay on that side, say what they like and that we on this side have no right to respond—[*Desk thumping*—]—and that if we leave it unattended, then it passes off in the national community as fact. It is not fact at all.

Mr. Speaker, I did not intend to intervene, like I said, but in the face of what the Member for Chaguanas West has said and in the face of the direction that he sought to go this evening, it is incumbent on me to get up and make the facts of this position clear, which I am now seeking to do. [*Desk thumping*] So that contrary to the Government of Trinidad and Tobago being anti-worker because as the Member for Chaguanas will have us believe, we are firing the people from Inland Revenue and from Customs, the net effect of the change is roughly equal. The last state is roughly equal to the state that existed in terms of numbers. Therefore, the argument that the Government is anti-worker is not substantiated by the facts. [*Desk thumping*]

Mr. Warner: What are the facts?

Mrs. Nunez-Tesheira: He just read it out to you.

Hon. P. Manning: This man is asking, what are the facts. [*Crosstalk*] Mr. Speaker, I sat here and I listened to the Member for Port of Spain South talk about her own experiences as someone growing up in Laventille. Do you know what it reminds me of? It reminds me of the very first job that I did when I left school. In fact, I did not leave school.

Dr. Moonilal: You were thrown out.

Hon. P. Manning: I worked at Christmas time in Montano stores. They owned seven stores on High Street in San Fernando and I worked in several of those stores as a student attending Presentation College in San Fernando. I understand one of those stores was bought out by the Member for Siparia under conditions that appear to be dubious, but we would get to that at another time, not now, because that is not before us now.

I remember working in Bobby's Shoe Store and we were unloading shoes. Shoes come in crates.

Dr. Gopeesingh: Not the Reebok?

Hon. P. Manning: It did not have Reebok in "dem" years. That was 1963/1964. That was before the hon. Attorney General was even thought of. Is that what you are saying?

You open the carton of shoes and there is a row of shoes on top. You take out the row of shoes on top and below it is paper. Below the shoes is paper, because the carton, as the investigations proved—in fact it was all part of an insurance investigation. The carton was tampered with in the port. They took out the bulk of the shoes, leaving the top, so that if you opened the box to examine it and to inspect it, you will see shoes on top, but the minute you take that row of shoes off, then it was paper at the bottom.

I saw that as a student in school. So that the problem with customs; the problem is not a problem of today. I am not saying it is customs officials alone who might have been associated with that. There were other categories of workers on the port. But all I am saying to you is that a method of operation has been in place for such a long time that is facilitated by the system that is in place; that the time has come for some government in Trinidad and Tobago to have the courage of their convictions and to take a course of action, not designed to protect so much the worker—you protect the worker—but designed to protect the interests of the citizens of Trinidad and Tobago. [*Desk thumping*]

Mr. Warner: Thank you very much, Mr. Prime Minister, for giving way. Mr. Prime Minister, you knew of the system as a little boy. You are the longest serving government parliamentarian in this House. Did you do anything over the years to adjust the system?

Hon. P. Manning: Mr. Speaker, I would like to advise the distinguished Member for Chaguanas West that when I became Prime Minister in 1991, in the following year 1992, I paid a visit to the United States of America and I visited with the then President Bush, the 41st President. This is the father of the Bush that has just demitted office. Following our discussions, I met with the head of the US Customs Service, a lady, a very pleasant and amicable lady—amiable lady—and we discussed assistance from the United States of America to the Government of Trinidad and Tobago to reform the system of customs. We discussed that, and following those discussions, a contractual arrangement was entered into between US customs and the customs department in the Ministry of Finance and customs in Trinidad and Tobago for US assistance in reforming the customs.

It is not that the establishment of the Revenue Authority was the first position adopted by the Government of Trinidad and Tobago. Before we did that and before we took the position that we wanted to offer VSEP to workers and so on, we tried to reform it. This is the point. We tried to reform it. [*Desk thumping*] I am talking about 1992 which is 18 years ago, and 18 years later the position today is no better than the position as it was in 1992. In fact, the position today might even be worse than it was in 1992.

Mr. Ramnath: That is speculation. It is pure speculation.

Hon. P. Manning: You could say what you want. I am telling you, I was there. I do not know where the Member for Couva South was; I was there. I held discussions with the President of the United States on the matter; I held discussions with the head of the US Customs on the matter, and arising out of that the arrangement was put in place and experts were down here for a long time. For years this thing went on and eventually I think the arrangement might have been terminated in 2005 or something like that, when it was clear that we were making no headway with this matter; none whatsoever.

While that is happening, we are facing the arguments, especially of the business community, that the customs are inefficient and that the inefficiency of the customs is a contributing factor to high food prices in Trinidad and Tobago. That is what we are hearing. [*Desk thumping*] We are hearing that all the time.

Mr. Ramnath: You have nothing to substantiate that.

Hon. P. Manning: When the Government decides to take the point and do something about it, those on the other side who specialize in saying that the Government does not like to listen—that is what they like to say; the Government does not listen, but when the Government listens, they have something else to say; that the Government is anti-worker. So it is “damned if you do”; it is “damned if you don’t” and you just have to do what you think is right and be damned. Let them damn us if they wish. [*Desk thumping*] Let honourable Members opposite damn us if they wish. The one thing that we are certain of is that when we leave office, when it is the will of the people of Trinidad and Tobago that we leave office in this country, the situation at customs as it exists today, will not be the same then. We will fix it. [*Desk thumping*] We will fix it and that is the commitment we make. It is a commitment to fix it.

It is not that we are coming to the people of Trinidad and Tobago with any ideas that are surreptitious. Our cards are on the table. In the year 2000, we had an exercise beginning before that within the PNM itself and arising out of that

T&T Revenue Authority Bill
[HON. P. MANNING]

Friday, February 19, 2010

exercise we took a decision that our vision for the country is developed country status by the year 2020 by a democratic process. Inside the PNM there are democratic structures and democratic processes. I do not know that hon. Members opposite could say the same thing.

Mr. Ramnath: Do not get involved in our affairs.

Hon. P. Manning: What you are hearing from hon. Members opposite is people questioning the integrity of—now read it in the newspapers. I am not getting involved with that. I am just listening. And like I said to them, I am a student of the politics of this country and if you do not want me to see what is taking place in your party, then do not put it in the newspapers. [*Desk thumping*] Do not put it in the newspapers. There is a thing called discipline that is very alien to all of the hon. Members opposite. You have no idea what discipline is. [*Desk thumping*]

Dr. Gopeesingh: Speak for thyself.

Hon. P. Manning: They like to say—and they use it to criticize the PNM, you know—that the PNM is a closed party and this and that. I will tell you one thing. The PNM is the only political party that has subsisted in this country from 1956 to today, whatever you may think. [*Desk thumping*] Not only that, there is hardly a significant decision that has been taken to improve the lives of the people of this country in which the Government of the People's National Movement was not involved. [*Desk thumping*]

Talking about vision, they have no vision. The actions that have taken place in the country today are actions of the Government in accordance with a vision clearly articulated and published and the subject of public scrutiny and support.

Mr. Ramnath: You think Rowley agrees with you?

Hon. P. Manning: Just in case my good friend from Couva South does not understand that of which I speak, this is the vision statement.

Mr. Ramnath: I do have something to say after you.

Hon. P. Manning: It is clear, but I want you to read the vision statement before you say anything and hear how it goes. Because I doubt you could read, eh, or that you have the time to read. When I say, could read, I do not mean unable, you know; I mean unwilling.

“By the year 2020 Trinidad and Tobago will be a united, resilient, productive, innovative and prosperous nation with a disciplined, caring, fun-loving society comprising healthy, happy and well-educated people and built on the enduring

attributes of self-reliance, respect, tolerance, equity and integrity in which every citizen has equal opportunities to achieve his or her full potential.

All citizens enjoy a high quality of life where quality health care is available to all and where safe, peaceful, environmentally friendly communities are maintained.

All citizens are assured of a sound, relevant education system tailored to meet the human resource needs of a modern, progressive, technologically advancing nation.

Optimum use is made of all the resources of the nation.

The family, as the foundation of the society, contributes to its growth, development and stability.

There is respect for the rule of law and human rights and the promotion of the principles of democracy.

The diversity and creativity of all its people are valued and nurtured.”

Mr. Speaker, on top the table, published since 2002; published since then. In other words, when we take actions today in Trinidad and Tobago and when we take actions to improve the efficiency of the country, we are doing it in accordance with our vision that has been clearly stated and which has been put to the people of Trinidad and Tobago and which was the basis of their support for the PNM in the years 2001, 2002 and in the year 2007; on three occasions.

6.00 p.m.

It goes on to say that there are five pillars on which we will pursue our developmental priorities. The first is enabling competitive business; governing effectively; nurturing a caring society; developing innovative people and investing in sound infrastructure and environment.

When the business community gets up and says that the customs department is an impediment to the efficient conduct of business in Trinidad and Tobago; and when the Government responds to that and decides to do something about it, the Government is in fact operating on the basis of developmental pillar, enabling competitive business, in accordance with the vision that has been clearly outlined and published for the consideration of the people of Trinidad and Tobago.

We are not "vuping". We are operating in accordance with principle. I ask you a question. We have read our vision this afternoon. I would like you all to be kind enough to provide me with yours. I do not want any vision on the hoof. We do not want that. We have a document in which our vision is published. I would like to see yours.

Dr. Moonilal: We direct you to the Internet site.

Hon. P. Manning: There is a difference between a manifesto and a vision document. You clearly do not understand this thing.

Mr. Ramnath: Our vision is to see all of you out of office.

Hon. P. Manning: Mr. Speaker, by the admission of the Member for Couva South, their vision today is no different from the vision of the NAR in 1986 and that is to get the PNM out. That is the only vision they have.

They won an election in 1986 and did not know what to do after that. By 1988, a year and a half later, we had Club 88 and we are seeing the makings of Club 2010 now. As it was in the beginning, so shall it be in the end. Nothing has changed. The more things change; the more they remain the same. I am thankful for the Member for Couva South putting it as clearly as that. All of that is so because they have no vision. [*Interruption*]

Mr. Speaker, when they are talking, they do not like anybody to interrupt but, when we decide to respond, they do not want to hear it. Gentlemen and ladies, hon. Members opposite, you have no vision at all and, therefore, you take this position today and that position tomorrow and you change with every breeze that blows because you have no vision. I do not want anybody to articulate a vision on the hoof. Show me your vision document.

The time has come for the business organizations in this country to stand up and be counted. Do they agree with the establishment of a revenue authority or not? What is the position of the trade union movement? Do they agree with the Revenue Authority or not? We would like to know. We do not want to be aiming at any moving target. We subscribe to openness and are prepared to discuss any matter that affects the people of Trinidad and Tobago. We are not hiding. We are not afraid. We are prepared to come to the Parliament and to justify why we are taking the position we are taking.

Mr. Ramnath: Why not talk to the PSA? They are moving around the building.

Hon. P. Manning: Mr. Speaker, the Member for Couva South is asking why not talk to the PSA. There was an election in the PSA recently and the leadership has changed. The previous leadership has been in constant discussion with the Ministry of Finance on the TTRA and has been kept up-to-date at every stage of what is taking place.

What you are seeing in the PSA today is the effect of a change of leadership. I want to say to the new leadership that the labour activities of the PSA did not begin with the advent of the new leadership. There is continuity in the organization and, therefore, it is not fair for hon. Members opposite or the leadership of the PSA to give the impression, if indeed they have been doing that, that they have not been consulted. That is not true.

In the Ministry of Finance, we have a body called the policy formulation committee, which meets every Wednesday morning. It is chaired by the Prime Minister and we have had discussions there involving the PSA. It is not that we are "vuping"; we are not "ol" talking; that is how it is. Therefore, we have to debunk all the misconceptions they are trying to put out into the national community as fact. It is not true and the time has come for business organizations to stand up and be counted.

What is the position of the TTMA on this matter? They have made their position clear. The president of the TTMA has applauded the rationale behind the TTRA, so they support the TTRA. I want to find out from the Trinidad and Tobago Chamber of Industry and Commerce: Do you support the TTRA or not? Does the South Chamber of Industry and Commerce support the TTRA or not? Does the San Juan Businessmen's Association support it? Point Lisas; every business organization must say if it supports the establishment of a TTRA in Trinidad and Tobago or not. I call on every business organization in the country to say to the national community whether or not it supports the Government's efforts in bringing greater efficiency to the conduct of revenue collection in Trinidad and Tobago or not. Everyone must make his position clear. *[Interruption]*

Hon. Member: *[Inaudible]*

Hon. P. Manning: I leave the Minister of Finance to answer that. *[Interruption]* The answer is yes.

It is quite clear that hon. Members opposite do not understand what is involved. In the year 2001, the revenues collected by this country were \$12 billion. Do you know what it is in 2010? The sum of \$46 billion.

The Member for Port of Spain South made the point that there is tremendous leakage. Let me give you a story, Mr. Speaker. I will not name the person. It was in Eric Williams' time. The story is told that Eric Williams one day invited friends home and told them that he had a special bottle of whiskey from which to give them a drink. They came and he gave them a drink. They said: Let me see the bottle. When they looked at it, one of the gentlemen laughed and said: Where did

T&T Revenue Authority Bill
[HON. P. MANNING]

Friday, February 19, 2010

you think this passed before it got to you? It has to pass the docks before it gets to you. I had that already. Have you ever heard that story?

Mr. Ramnath: You are simplifying the story.

Hon. P. Manning: I am not simplifying it. The person was able to speak that way and in speaking that way, was making a very significant point. It has gone on for too long. We are not anti-worker.

I remind hon. Members opposite that when the TTRA begins to recruit, it will first recruit from among those who previously worked in the Inland Revenue Division and the Customs and Excise Division in the first instance because the TTRA and the Government recognizes that in the Inland Revenue and Customs and Excise Divisions there are honest and hard-working public servants. Therefore, that is where the recruitment will start in the first instance. We also know that among them there are enough bad eggs who have sullied the name of customs and Inland Revenue and that is what we are trying to change.

At the end of the day, when these changes are made and we have greater efficiency in revenue collection both from the revenue previously collected by the Board of Inland Revenue and that previously collected by customs; and we have additional revenues as a result, then, like my good friend, the Member for Port of Spain South said, the Government will be in a much better position to provide for a lot of the ordinary amenities that the ordinary citizens aspire to and which perhaps at this time he or she is not able to access.

There is one more point I would like to make, which is a dangerous point that hon. Members opposite seem to be subscribing to. We on this side reject categorically the notion that you put people up for election; that the population elects a government to office and then Members opposite come and say that the elected government is not competent to conduct the affairs of the people of Trinidad and Tobago.

Mr. Ramnath: What is wrong with that?

Hon. P. Manning: You can say what you want. If the people put their confidence in the Government, who are you to say otherwise? Then, they say we are anti-democratic.

Dr. Gopeesingh: Call an election now and the people will speak.

Hon. P. Manning: I am not taking any basket from you. Do you think that I take decisions on elections based on basket from the Member for Caroni East or anybody else?

Mr. Ramnath: That is the most backward statement I have ever heard.

Hon. P. Manning: I will make it again because it is not backward. Let me tell you what it leads to. They now come with the argument that because they do not trust the Government and believe in its competence, we must now set up structures in which the Government will have no involvement. That is what they are saying and the PNM rejects it categorically. What they are unable to achieve by the electoral process, they are trying to achieve by browbeating the national community by way of the national Parliament. We reject that.

Mr. Ramnath: You are a minority government.

Hon. P. Manning: Mr. Speaker, we have 26 seats; they have 15, but we are a minority government. [*Desk thumping*] Donkey logic!

It reminds me. You said monkey logic. The Member for Couva North said that the Member for Siparia has a monkey on her back. I read it in the newspapers, Mr. Speaker. The Member for Chaguanas West says he is referring to me. It was in the newspapers. You do not want me to comment; then keep it to yourself.

6.15 p.m.

Mr. Warner: Did you read in the newspapers about \$12 million on the TTRA? If you did, tell us about it.

Hon. P. Manning: Mr. Speaker, "yuh see what ah tell yuh, misinformation again. Dey put that in the papers and then—" [*Interruption*]

Hon. Members: We read it in the papers!

Hon. P. Manning: And now they repeat it as though it is fact. But, I am not to be sidetracked by my friend for Chaguanas West. Let me remind you of this story. The story is told of a banquet that the animals had in the forest once. All the animals got together and they had a banquet. When the banquet was over, lion said: "Ugliest man wash de wares." Monkey say: "I eh washing no wares." I do not know that lion called monkey's name. I do not know that at all. I am not aware that the Member for Couva North—[*Interruption* "I am not defending nobody", I am a student of the politics of the country. "If yuh put yuh business in de papers—[*Interruption*] dis is one extempo yuh go lose—and I read my papers dat yuh bring in de house in which I live and paid for with my money, how yuh go vex wid me?" I read it in the newspapers. If you do not want me to comment on what I read in my newspapers that I paid for, then keep your business to yourself. Do not wash your dirty linen in public.

T&T Revenue Authority Bill
[HON. P. MANNING]

Friday, February 19, 2010

Mr. Speaker, for far too long the inefficiencies in the public sector have been a constraint of our rate of development and on the amenities that our citizens can enjoy. By bringing a new Revenue Authority proposal to this Parliament, what in fact we are seeking to do is to tackle an area of concern to the national community which has led to corruption, which has led to inefficiency, which has, as the business community has said, led to high prices and all the Government is trying to do is to improve the lives of our citizens.

Thank you very much.

Mr. Ramesh Lawrence Maharaj SC (*Tabaquite*): Mr. Speaker, I think we are debating a very serious measure in this honourable House. I am a bit surprised that the Prime Minister, with such a serious measure in which 1,800 lives are going to be affected—[*Interruption*]

Hon. Members: Again!

Mr. R. L. Maharaj SC: Children and the education of children would be affected. Mr. Speaker, the Prime Minister got up in this honourable House and said that there is no truth that these people will be dismissed, but the fact of the matter is that the Minister of Finance told the union which represents the workers, that in a short space of time these public posts would be abolished. If the posts are going to be abolished and if there is no guarantee that any one of these public servants will be rehired, the Prime Minister could get up and say what he wants. The fact of the matter is that 1,800 jobs are threatened. Therefore, nobody is saying—because I think, with the greatest respect to the Prime Minister, he has missed the boat—or contending that the rationale for outsourcing or divestment may be wrong. As a matter of fact, what we are contending here is, if you are going to outsource or if you are going to set up a state corporation under the Companies Act, then you must do it with the process which is fair and you must act fairly to the workers. That is what we are saying.

It is no sense that you get up, hon. Prime Minister, and talk about Vision 2020, because there is no benefit in reading a document if people are not being cared for by the Government. It is no sense you telling us it is a loving Government and that you care, but we are not seeing the care. If you are going to send home 1,800 workers, you must come and tell this honourable House the case for you sending home 1,800 workers.

It is not sufficient for the Government to put all the blame on the workers. Let us understand. Any Minister, under the Constitution of Trinidad and Tobago, with respect to his or her department, has, under section 85, the power of direction and

control over the departments of his or her Ministry. From 2002—2009, when the union was told that the offices were going to be abolished, successive Ministers of Finance had the power of direction and control over the Customs and Excise Division and the Board of Inland Revenue. If there was all this corruption, inefficiency and negligence, then it is not the workers alone who are negligent, it is the Ministers of Finance who were negligent. Therefore, if the Government's case today is that these workers are incompetent, incapable and they cannot perform in this authority, then the Government must present the evidence to this House.

The Government has to be fair to these workers. If it is that over these years, you tried to have reform and the reforms were not working, you must then come and tell us what were the reforms you installed or tried to institute and did not work and who the workers were. If that was the case, you should talk to the union and tell the workers, but it is not sufficient. That Vision 2020 document would mean nothing; you can tear it up. If you can come to this House and abolish the post and say: "Well, they were not performing and therefore the national interest deserves that we do it", I think the hon. Prime Minister should hide that Vision 2020 document. You should not read it in this House. You cannot talk about love and care when—

Do you know since 2002 to now, how many serious crimes have been committed in this country? There were 150,489 serious crimes.

Mr. Manning: The Revenue Authority.

Mr. R. L. Maharaj SC: No, you are talking about caring. There were 150,489 crimes. Do you know how many were detected? The sum detected was 34,102. The Prime Minister is saying this is a measure which shows care and that the Government cares, but this Government does not care. If the Government cares, 150,000 serious crimes and 34,000 detected, but Minister of National Security is the best Minister of National Security this country has ever had. "Yuh fire de hose man. Yuh should ah fire de Minister of National Security." Mr. Speaker, however we want to call this measure, there is no doubt that there are arguments for reform, but the fact of the matter is that the Government has to show that these reforms are necessary in the way it is doing it.

I have with me, and the Member for Chaguanas West has started doing it. I want to—*[Interruption]*

Mr. Manning: I thank the Member for Tabaquite for giving way. I am glad that he agreed that there are arguments for reform. I wonder if he could be kind enough to articulate some of the arguments that he sees in favour of reform, please.

Mr. R. L. Maharaj SC: I want to deal with the question here of what you are doing. This reform that you are calling reform is that you are in effect doing the same thing.

Mr. Manning: What are your arguments for reform?

Mr. R. L. Maharaj SC: What you are doing is you are saying you are outsourcing, but you are outsourcing to a company in which the Minister would still have control and in which there is really no outsourcing.

Let us look at the history of this matter, because it is important. [*Interruption*]

Mr. Manning: Your arguments for reform.

Mr. R. L. Maharaj SC: I will give you it when I want to give it to you. Let us look at the history of this matter. According to the records I have, which have been published, in 2002, when the Cabinet appointed the committee to make recommendations in respect of these two divisions, the recommendations of the committee were that the employees of both bodies were to become employees of the authority; all positions would be transferred to the authority with the same terms and conditions; the authority would develop its own staff policies and job classifications; and upon completion of that exercise, employees would, within a certain time frame, have the right to continue in the employment of the authority. If they did not wish, they were to retain their benefit in areas such as pension and gratuity. Those recommendations were accepted by the Cabinet. Those recommendations were communicated to the union which represents the workers. The workers were being told, from 2002 to March 2009: "Yes, we are having an authority, but you are going to be transferred if you wish, to the new authority under the same terms and conditions."

As a matter of fact, on August 19, 2008, at a meeting between the Minister of Finance and the Public Services Association, a Bill was given to the workers and it contained those three options. It contained the three options of voluntary retirement, transfer, et cetera. Mr. Speaker, what happened after August 2008? Out of the blue, in March 2009, the Government informed the PSA, I think it was March 05, 2009, that the Cabinet decided that VSEP was to be offered to all the employees of the two divisions, with no guarantee of employment by the authority. The three options were therefore withdrawn. The expectations of the workers were obviously taken away arbitrarily and the only promise was that they can accept VSEP.

Then, according to the PSA, on March 17, 2009, at a meeting which was called for by the union, the union was told by the Minister of Finance that in a short

space of time, all public posts which its staff occupied in both divisions would be abolished and the workers would have no guarantee of employment with the authority as they would only receive an offer of VSEP.

The facts are clear, from 2000—2009, for seven years, these workers were told: "Yes, we are going to create this authority. Your jobs would be secured. You would have the option to go to the authority. You would have the option, if you do not want to go to the authority, but your terms and conditions would be preserved, but there would be continuity in your employment."

6.30 p.m.

Mr. Speaker, I have not seen in the Minister's speech and I have not heard from any Member on the other side, why in March 2009 there was a sudden change of heart. If in 2009 there was a sudden change of heart, was there consultation with the union to change this decision? The workers were being given the assurances and the undertakings for seven years, and these are workers who have given their lifeblood, sweat and tears for Trinidad and Tobago. There is no excuse. I sympathize with the hon. Member for Port of Spain South. Yes, you are going to have problems, but there is no excuse that if there are rotten police officers in the police service that you would abolish the entire police service. If that is the case, then you may abolish Parliament too. Is that the way the Government is going to operate?

That is why I think we are on a serious matter, and the serious matter is that we need to know—I am glad the Attorney General is here, because I am sure he will agree with me that if there was consultation, in order for there to be proper consultation, they had to satisfy certain requirements. In other words, the Government in March 2009 would have told the workers exactly what are the reasons and facts for the change, and give them an opportunity to be heard and then for a decision to be made. Now, I do not know, but from what I understand, my information is this never occurred. [*Crosstalk*] What I am talking about is fairness and justice.

What I do know is that if consultation has to be tested in law—I am not saying that it would be—the legal requirements are that you must state all the facts; you must give the reasons; you must give a genuine opportunity to be heard in respect of it and, at least, you must appear to consider those representations. So that if there was going to be a change of heart by the Government, I think it is only elementary principles of fairness—if there was a change of heart, or view or a change of decision—that they should have been given and treated fairly.

Mr. Speaker, that raises an important matter, because it does not give credibility to the assertion by the Government that these workers were not capable of working in the authority. It does not support the contention which is being put forward by the Government that these workers are incompetent; they are incapable; they are corrupt and they cannot function in the authority.

For seven years, the Government was taking the continuous decision and position that these workers were entitled to go and be transferred to the new authority. So, if it is that there were these genuine allegations of corruption and dishonesty—they could not do the work and they were negligent and careless—how could the Government explain that for seven years nothing happened? They were, in effect, saying that they were capable and they were competent. Mr. Speaker, this is important because if this precedent goes—and I am not talking about the courts now—unchallenged by the national community and the Parliament, we would be setting a serious precedent, because the Government can come and do that with the police service and the teaching service, and then what is going to happen is that the entire public service would be dismantled and then you would have created in Trinidad and Tobago a different constitutional system. What a famous judge talked about in one case is the spoiled system, and that is to say when there is a new government, the Government dismisses the entire public service because they are on contract.

So when I deal with some of the legal implications, I want to make it clear that based on some of the legal cases, I cannot say for certain what view a court would take, but what I can say is that if this precedent is allowed to go unchallenged—prevent the Government from doing this—I am not talking about a case, I am talking about the national community—this has serious repercussions for the question of governance in Trinidad and Tobago, because any government could then say let us do it with the Parliament—let us do a separate parliamentary service where the Ministers will have control. So that is why these matters are important.

One of the things that I also want to put on the Table, and probably the Government could give me an explanation is that what we are doing by these measures is that the Government intends to outsource to a government owned private company, which it is calling a Special Public Purpose Company, and which will operate under the Companies Act, the task of collecting revenues which will involve the assessment and collection of taxes—

Hon. Jeremie SC: I thank the Member for Tabaquite for giving way. This is the second or third time I have heard the Member refer to the Government's intention to create a private company. The Bill does nothing of the sort. It creates an authority which is a statutory corporation. It is not a private company.

Mr. R. L. Maharaj SC: What I meant is that you have two kinds of private companies; one in which the Government owns the shares and another one in which private individuals own shares. What you are creating is a company owned by the Government under the Companies Act.

Hon. Jeremie SC: This is not a company which will be registered under the Companies Act. It has no shares; it is a statutory authority, so its life is given birth by the legislation. There are no shares.

Mr. R. L. Maharaj SC: So you are creating a corporation; a statutory corporation? Am I correct?

Hon. Jeremie SC: Yes.

Mr. R. L. Maharaj SC: Okay. So here it is you are establishing a body corporate, an authority to be known as the Trinidad and Tobago Revenue Authority. So you are establishing a corporate body by statute in which you are outsourcing to that statutory body the tasks mentioned in clause 7. If it is that under the present set-up you already have a situation in which a Minister of Government has the power of direction and control over the customs department and over the Inland Revenue Division and the Minister can give direction. In effect, what is happening here is that the Government is creating a similar machinery in which it would have direction and control, and the Government would be able to influence the corporation in the same way that it could influence the Customs and Excise Division and the Inland Revenue Department. The point I am making is, how it is then that all these new reforms and so on would make a difference if you have the same structure with the exception that the staff would not enjoy security of tenure?

My point is that I have looked at the principles of outsourcing—what government does and what are the international best practices—and if it is that the Government is saying that it wants to improve the efficiency of the departments—they want to have it better equipped with people; to have better technology; and to transform its business practices—outsourcing has to be properly structured and managed, and the question which arises here is: Is there going to be a proper structure and management by outsourcing this corporate body? You are going to have it as a state body and you are still going to have the Minister with the power—the Minister has probably a little more—but how is this new state body going to deal with these reforms? If that is the case, what prevented the Government from putting these new initiatives into the existing department with an authority?

Mr. Speaker, you see, I have done some research in this area. I am not an expert in this field, but I have done some research in this area because when I read

T&T Revenue Authority Bill
[MR. MAHARAJ SC]

Friday, February 19, 2010

the Bill, to me it was not making sense. I could understand that the Government believes that reform is needed and there are problems, but let us be practical.

Mr. Speaker, public sector reform has been on the agenda of governments, not only under this Government, but under the previous government. As a matter of fact, in 1999, the UNC government had to restructure the post office in Trinidad and Tobago and TTPost was created. The workers were given the same options that the Government gave from 2002—2009 with the exception that the Government did not withdraw those options and there was an Act of Parliament and, therefore, it is part of the public sector reform. What had worried me and what continues to worry me is: Why are we outsourcing the Government services to a company which really has no guarantee or which really would not make much of a difference? Why is this not being done in the proper way?

Now, I have found some help in this very good article written by a distinguished lady who is an expert in this field, Mary King, and I will refer to the article shortly. What the Government is saying is that this move to establish this authority was to upgrade the system of the two entities—to change the culture; and to erase the alleged corruption which obtains in these departments.

Hon. Member: Total deception!

Mr. R. L. Maharaj SC: Now, if I may refer to the article, this would probably say it better than I can say. If we go to an article written by Mary King who writes regularly on matters like these—this is an article in the *Express* dated March 23, 2009 in which she was dealing with this same topic of outsourcing and the Revenue Authority, and I want to put what she stated in the record of this Parliament. She stated:

“Outsourcing by governments is defined as multi-year contracts for entire processes or functions wherein a public sector process moves to the private sector. The outsourced service is for specifically contractual outputs. It is not necessary for public sector employees to move to the private firm though, as part of the outsourcing contract, they may be re-assigned, rehired/retrenched or transferred to the outsourced supplier.

A general definition, then, of government outsourcing is contracting with a private sector firm to take responsibility for a function or a process for which the Government remains accountable.”

6.45 p.m.

Mr. Speaker, the Government, therefore, is outsourcing to itself the duties that the Government had to do in these departments, but just making them be done by a

statutory corporation and the only difference is—the Minister would have the power, direction and control, et cetera—that the staff would be on contract. The question that I am asking and which the Minister would be able to answer, I hope, what is the difference in that structure for supervision and control to what the Minister and Ministers had over the last few years? How would this new authority with the same kind of powers of the Minister be made different to what the Minister had over the years in having direction and control?

That is why it is recognized that the best practice in outsourcing is sometimes for the government departments to remain as they are for the private firms to go into the government department, because the private firms would have to have a contract, they would have to have a vision, they would have to have a mission, they would have to achieve the objectives; there will be strategies. And if the private firm is not doing it you can fire the firm and if the private firm is negligent you can recover moneys from the private firm.

So if there is a genuine desire to reform and to make a difference to these two departments then the Government could say why it is not going this route. They may have a very good explanation.

So, Mary King went on to say in that same article:

“For outsourcing to work it has to be properly structured and managed. Effective outsourcing starts with the establishment of clear strategies and goals by the related government agency (ministry, department). Before undertaking any outsourcing governments must evaluate the view of their constituents, stakeholders and measure the internal support, and so address the threats (human resource, legislative?) and opportunities they face. They must specifically state what they hope to accomplish for their stakeholders.”

This is how I understand it, because when I was a Minister of government I also had to read about public sector reform. I am not as expert as some of my colleagues on the other side, because, obviously my brain is dull with that now and I do not know what my fate will be for the future, but the fact of the matter is [*Interruption*] I can still tap on some of the knowledge that I had in those days, and I am very indebted to Mary King for saying this thing so clearly to the national population, and she continues:

“Hence outsourcing could be effective if the Government has a strong business case supported by the Government agency directly affected. Top down mandates from, say, a cabinet breeds lack of enthusiasm at best and resentment by the staff at worst. Australia's attempt was derailed for this reason.

T&T Revenue Authority Bill
[MR. MAHARAJ SC]

Friday, February 19, 2010

Best practice is for the government agencies to be accountable for their own outsourcing decisions within a results-oriented regulatory framework with guidance from the cabinet. The government agency that may require outsourcing should be clear on its own goals and should, starting with its vision, choose to outsource either by bringing in specialised skills or separately improve the speed at which new services are—to be—“implemented. On this benchmark alone”—she submitted—“the decision to establish the Revenue Authority is flawed.”

[MADAM DEPUTY SPEAKER *in the Chair*]

That is a major aspect of this matter in which unfortunately the Government would not only have to satisfy me, have to satisfy the Opposition, but would have to satisfy its own Members and the national community. I am sure that the Public Services Association must be congratulated for waging—I would not say a battle—a major initiative to be able to show to the national community [*Desk thumping*] that not only their interest and the interest of their workers are at stake, but the interest of everyone in Trinidad and Tobago is at stake. [*Desk thumping*]

So if the Government has to make a case for outsourcing it has to show that it will outsource with the best practices, and therefore what the Government had to do, as it seems to me, efficient outsourcing needs objectives, needs strategies to accomplish these objectives. It needs control and information feedback to monitor and improve the company's performance. I have not seen such plan; I have not seen those initiatives and I have not seen those matters before here. It needs a vision and a mission.

The first task of the Government was to evaluate the views of the people concerned in the ministries who are to be affected by the outsourcing measures, and so evaluate the internal support and address the threats and opportunities faced. That did not take place. If it took place then it meant that the decision which the Government made from 2002—2007 was the more reliable decision in which the workers would have been transferred on their same terms and conditions.

The demonstration which the unions are having is that the Government has failed in this area. That is the area to evaluate the views, et cetera. Next, the Government must provide a strong business case which must be supported by the agencies whose task is outsourcing. Top-down mandates from the Cabinet, as Mary King said, would breed a lack of enthusiasm and resentment of staff, and therefore I have not seen that the Government has presented this case and I would like to appeal—as a matter of fact, the case which the Government is presenting is for there to be a top-down decision, exactly is prohibited in practice.

Therefore, Madam Deputy Speaker, I would hope that in the same way that the hon. Prime Minister waved the remarks about the business community, I would make an appeal to the business community to consider these matters, to consider what Mary King has said, what other experts have said about this. There are many other experts who have written about this, I am not going to quote all. Consider the arguments for and against, and I would ask them to discharge their responsibility to the country that if they are supporting this initiative, to ensure that it conforms with international best practices.

As I see it, the Government had to then examine the workforce. The fundamental problem of outsourcing is the proper management of the workforce issues, in particular mastering the ability to transfer workers from the public sector. This has been badly managed and it would seem to me that what I said before that for seven years you said they could be transferred and then in March you just changed your decision. [*Interruption*] That is not good management practice, and it certainly is not good human resource practice.

Hon. Member: Callous! Callous!

Mr. R. L. Maharaj SC: Madam Deputy Speaker, when we examine, because that is what the Government had to do, it had to examine it to itself and then examine it with the national community—Let us examine the governance structure. Is there an outsourcing contract? Who is going to run this? Has the Government got a plan? Who is going to run this thing? Is there going to be a contract or is it going to be just as it is? Are they going to get people from the ministry to run this? Who are they going to get? What are they going to do? It is not sufficient.

I think for the Government to merely come here and say, we want to pass this; we want to set up an Authority and the Authority would have the power to employ, the national community must be told something about the objectives, the strategies, and that is why the governance structure for outsourcing has to be examined and has to meet the scrutiny of the public.

We are talking about the outsourcing to a corporation which has had no track record. No track record whatsoever, and we need to know, as I am sure the union needs to know; how is this going to substitute for two departments of Government which have been tried and tested for years, yes, they had some failings, and are we going to be in a worse position?

Now I find it very difficult, when you look at clause 27 of this Bill and it has to do with the Central Tenders Board—remember that it is not sufficient for the

Government to say that they would be able to control this company because it cannot control UDeCott. It has not been able to control UDeCott.

Hon. Member: UDeCott controlling them. [*Laughter*]

Mr. R. L. Maharaj SC: So, let us look at clause 27. Under clause 27 the authority would be exempt from the Central Tenders Board Act until rules are made by the authority.

The rules are to be made by the board of the authority subject to the approval of the Minister. The rules would govern the award of contracts by the authority for goods and services and related matters. The rules would not be laid in Parliament, would not have to be approved by Parliament and in order for anyone to get a copy of the rules they would have to apply for it and pay a fee.

Mr. Imbert: Where you get that from?

Mr. R. L. Maharaj SC: From clause 27(5):

“Rules made under this section shall be available to any person on request and on payment of the prescribed fee.”

So on an important issue of rules and on the important issue of tendering for contracts, I cannot approve this clause. I cannot in conscience vote for this clause, because I have seen under this Government the erosion of powers under the Freedom of Information Act when certain state financial institutions have been exempted from its ambit. I have seen that the Government has, with respect to UDeCott, its omissions, has basically facilitated UDeCott to challenge the commission of enquiry. I have seen and I have heard the allegations and the evidence of corruption in UDeCott. I have seen that the UDeCott CEO has stated that he is not responsible and accountable to his line ministry; he does not take instructions, they cannot order him to do anything. So I have a difficulty and I have seen the constraints which have been placed by this Government on parliamentary joint select committees.

There is another reason why I cannot support this clause, because it seems to me that we are putting the cart before the horse. We talk in this Parliament about a draft procurement policy to protect the country against official corruption such as bribery, embezzlement, fraud, extortion and influence spending. The Government has refused to enact that draft procurement policy and that policy has been formulated, there has been consultation, there has been agreement by Cabinet that has been subject to some comments from a public official—

Mr. Imbert: I disagree.

Mr. R. L. Maharaj SC: Well you could say that, if you say it has been disagreed. You could get up and say that. We have seen that since 2002 to now the perception of corruption under the Transparency International Index has increased from 31 to 72 in 2008.

So, the perception of official corruption in Trinidad and Tobago has increased since 2002 to over 130 per cent. I cannot support this. How could I support this when constituents are telling me—in the constituency of Tabaquite, we have the Navet Dam. Sixty per cent of water in this country goes from the Navet Dam. Sixty per cent of the people in the constituency of Tabaquite do not have pipe borne water. I am not blaming the Minister, he just came.

7.00 p.m.

Madam Deputy Speaker, I did an assessment for all the moneys given to the developmental programme for the Couva/Tabaquite/Talparo region. When you take all of that and you work it out, every constituent of mine in the constituency of Tabaquite gets 20.2 cents per head for developmental programmes a year. How could I, with respect to facilitating, agree to a corporation and agree to these measures, which in effect are licensed for this company to be another UDeCott? Are we creating another UDeCott? What the Government is doing, is using the UDeCott model and all the models of these special purpose companies. Are we creating another UDeCott? What will prevent the UDeCott people from doing what they are doing now? What will prevent this authority from doing what it is doing now? As a matter of fact, the Cabinet has the power to get rid of the board of UDeCott, and what would prevent it?

Madam Deputy Speaker, we must remember—I am sorry the hon. Prime Minister left. The Prime Minister in his budget speech of 2005 in this honourable House said that urgent reforms were needed to Government's acquisition of goods and services. He said the procurement process had to be reformed for the public to have confidence in its integrity, which had to conform to international best practices. He said that the deficiencies had to be redressed urgently, and he promised the country that by June 2006, the country would have a new procurement regime. This is what he said and I quote:

“...which will signal to the local, regional and international community, the Government's commitment to quality of governance that reflects the highest standard of ethics, transparency and accountability in the conduct of the people's business.”

T&T Revenue Authority Bill
[MR. MAHARAJ SC]

Friday, February 19, 2010

He said the target date for that procurement policy to become effective was June 2006. [*Interruption*]

Mr. S. Panday: Four years ago.

Mr. R. L. Maharaj SC: Yes, four years ago. During that period, billions of dollars have been spent in contracts, and we have had billions of dollars of fraud and corruption. What we are doing, we are in effect not putting in the procurement policy is law, but creating more companies and giving them the power to award contracts contrary to well-established rules.

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 and agreed to.

Mr. R. L. Maharaj SC: I am much obliged, Madam Deputy Speaker, and I must thank my colleagues and my friends on the other side for giving me the opportunity to continue. We must remember that with this authority, it is going to deal with 90 per cent of the revenues collected for Trinidad and Tobago. Therefore, when you talk about procurement—it is given the power to contract, to invest—we must understand what we are doing in this matter.

Madam Deputy Speaker, I want to say a few more things about this UDeCott model, because that is exactly what we are doing here. I want to say that it was UDeCott at the Uff Commission of Enquiry, which said it was not responsible to the associated Ministry. It was UDeCott which claims that it interfaces directly with the Prime Minister and Cabinet, and it is not interested in seeing its line Minister—that led to the Rowley affairs, if I may properly describe it that way—and here it is that we are having a situation in which this House is being asked to go this road.

I want to deal with some of the things the Minister of Finance said about this measure, and I think I owe a duty to persons who cannot speak in this House, to put on record that I totally disagree with some of these things. The Minister said that the objects for the creation of this authority are firstly the duty of care the Government owes to the people; secondly, the Government is fulfilling its commitment to safeguard the well-being of the citizens of Trinidad and Tobago; thirdly, safeguarding the nation's border, and facilitating competitive business to secure superior quality of life for each of our citizens.

Madam Deputy Speaker, if the Minister means that, which I have no doubt that she means what she says, I would ask the Minister to consider what we have said, to consider what are the best practices for outsourcing, to consider what has happened with UDeCott, what will happen with this company, what are the risks involved. This is a corporation which has not been tested. It has no track record for the Minister to decide that she is not going to pursue the completion of this Bill today. I am going to ask the Government that it considers this matter being referred to a joint select committee so that the policy in this Bill could be reconsidered by the Government, that the national community would get proper opportunity to have consultation with the Government, that the Government would be further enlightened from the consultation process, because if it is that the Minister wants to act fairly and with care as she stated, then I think that the Minister should really consider with her government doing this.

The Minister in her presentation itemized seven grounds, why the Government is making this fundamental change in the framework for the management and collection of revenue by the authority. Her first ground was the increased complexity of managing revenue in this century and in this country with an open economy, vibrant energy sector and vibrant financial services. The Minister has agreed that from 2002 to 2009, these employees were capable to perform a role in achieving this objective, how can she satisfy this Parliament that with nothing before us, that this new corporation would be able to achieve this objective? What I want to say is, if the Minister and the Government had any evidence that the staff could not do these things, they had a duty as good industrial relations practice to give the staff particulars, to give the head of the department, to have discussion with the union, and to bring it to the attention of the union that these workers cannot fulfil these obligations. I am told nothing like that happened. So are these words empty words?

The second reason the Minister gave is that the public sector must keep pace with changes, with the way money is made and transmitted from country to country. Is that an impossible task for the public sector in the customs department to do? Can the Minister tell us, if they were failing to do this, was it drawn to her attention? She is a Minister of Finance. There were previous Ministers of Finance. She was given the power of general direction and control, was this brought to her attention over the years? Was this drawn to the union?

The third reason given by the Minister is that money is sometimes moved between countries for illegal purposes, and therefore, effective revenue collection with rigorous compliance must be put in place. Did the staff get an opportunity to

T&T Revenue Authority Bill
[MR. MAHARAJ SC]

Friday, February 19, 2010

do this? Was training offered? Was human resources needed? What is the role? Are they supposed to detect money laundering? Were they trained in it? Did they refuse to do it? The Minister cannot come and just say that this is a ground without providing the particulars on the evidence. This is very unfair to the workers. The rules of natural justice and fairness demands that if the Government was making these serious allegations of misconduct, incompetence and inefficiency against these workers, they should give particulars and show that this was drawn to their attention, and they did not redress it. [*Desk thumping*]

The fourth reason given by the Minister was there is a nexus between national security, that is border protection and customs administration. The Minister again has not stated how this has failed. That is also a function of the police. Does it mean too, that tomorrow they would say that the police has not done that, and therefore, we should have an authority for the police and not the Police Service Commission?

Mr. Imbert: But we have changed that.

Mr. R. L. Maharaj SC: The fifth ground is transparency and equity in the handling of Government's resources. Well, how are the workers to be blamed? This Government is talking about transparency and equity, how are the workers to be blamed? What are the particular charges against these workers? What is the framework that the Minister had in mind? From the time she became a Minister to now, was she aware of these things? What did she do? Were previous Ministers aware of it? What did they do? Did they just sit and accept it?

The sixth ground which the Minister gave was that there is need for better customer service at these departments.

Well, Madam Deputy Speaker, I do not think the Minister could be serious that that is a major ground for disbanding or creating an authority, constructively dismissing the workers, abolishing their offices and telling them that they only have a chance to apply after seven years. You led them to believe that they would be absorbed into the new authority.

In my final moments, I want to deal with some of the legal implications which arise from this matter. I think I should put on the record that under the present system, the position of a public servant is that the public servant has security of tenure. The public servant cannot be dismissed at the pleasure of the Government. The public servant cannot even be dismissed at the pleasure of the service commission. There is a special procedure for disciplining and dismissing public servants, and all officers who fall under the independent service commission.

As a matter of fact, what the Government is using for this measure is that there are decisions which seem to suggest that since the regulations and the Act provide that the post of a public servant can be abolished. What the Government is doing, the Government is using that section to abolish the posts, and therefore, it is saying that because of that, the question which arises of the independence of the service commission would not arise.

So, Madam Deputy Speaker, in the famous case of *Thomas and the Attorney General of Trinidad and Tobago*, which was decided by the Privy Council and which court reviewed the position of Public Service Commission, the Privy Council in that case made it quite clear that service commissions are autonomous. The purpose of it is for the public officers to be free from political interference, so the workers do not have to be subordinate to the wishes of the political party in government. They are protected and cannot be removed from office, except by the service commission.

7.15 p.m.

In this case, the Government is removing them from office, not through the service commission, but through legislation. The Government is removing them from office because they have the power to remove them, because the law says you can abolish a post in a ministry or department.

If this matter is ever challenged, obviously the question that would arise is whether when the Act said that, did it mean that the Government could abolish the post in an entire department and then hire persons in a state corporation and allow them to perform some of the same functions and duties which these posts which were abolished had. The question which would arise is whether this was a tolerable device for contravening the rights of workers. There is a principle in constitutional law that you cannot do indirectly what you cannot do directly. So I cannot say for certain what the position is, but I think it is my duty to put the two sides of the coin.

Also in this area, there was a case which went to the Privy Council when the UNC did the 1999 TTPost Act. The question which arose in that case was whether the Government acted unconstitutionally in divesting these government services to TTPost. The Judicial Committee of the Privy Council stated that the Government did not act unconstitutionally, but the Privy Council did say that if the Government had sought to devolve the police or prison service to a corporation, as opposed to delivering letters and parcels, analogous to the Trinidad and Tobago Post Office, there would be strong arguments on which it was unnecessary to pronounce for holding that such a change contradicted

T&T Revenue Authority Bill
[MR. MAHARAJ SC]

Friday, February 19, 2010

expressed terms of the Constitution and assumptions on which it was based; but no such problems arise here.

In Lord Bingham giving the judgment of the board at paragraph 15, the Privy Council seemed to have given approval to the concept that the Government could abolish posts in the public service, but it did not say whether in an entire department or whether it was done for individual cases. Reading it, I suppose the Government would be entitled to rely on this. I think this is what the Government is relying on.

There is a case from Guyana which does not help the workers, because it is where the Guyanese Government took steps to set up a revenue authority and the Comptroller of Customs and the Director challenged the decision. The Court of Appeal of Guyana, in effect, stated that what the Privy Council said in the case of *Perch*, which is the one I just referred to, was really not obiter; it was not a decided view and, therefore, the Guyanese Court of Appeal went on to decide that although the revenue authority functions were core functions, the court did not see any necessity of having a special majority. They said that it was not unconstitutional.

One of the matters I want to raise here, however, and I think I have a duty to raise it, is that I have a problem with core executive functions, such as the police functions, the functions of even assessment of tax, of arrest or detention, of forfeiting property, being exercised by members of this authority. It would seem to me those are really executive functions of the central government and those are functions which cannot be lawfully exercised by officials of the authority.

I know that the Government could say that based on the Guyanese case they could do it, but it seems to me that it would be wrong for that to happen. It would not be right in law. I did not know, Madam Deputy Speaker, and I should put it on record, that a custom officer has all the powers of a police officer and officials of the Inland Revenue Department also have coercive powers. I would like to appeal to the Government to look at that issue.

Madam Deputy Speaker, in conclusion I make an appeal. I see the hon. Prime Minister is here. I want to make a special appeal to the hon. Prime Minister. I would like to remind the hon. Prime Minister that in 1994 when I had the occasion to speak in the Parliament, I told him, and he probably would remember, that with some of the measures, at least the Government should appear as though it was taking on board the views of the population. I would like to make an appeal to the Prime Minister, that was in 1994 and a general election was held in 1995. I am talking to the Prime Minister again; we are making an appeal to him again in 2010. I do not know when the general election would be held, only the Prime Minister knows that.

Mr. Imbert: 2012. [*Laughter*]

Mr. R. L. Maharaj SC: I am making a case and a plea on behalf of the workers of this country who have been affected, on behalf of the union and on behalf of the national community, for the Government to reconsider this measure and for the Government to, at least, go back to what its previous decision was, that the existing workers would be transferred and absorbed, as the Government had decided from 2002 to 2009, so that they would have security of tenure. I would also like for the Government to consider that if it is outsourcing, to consider outsourcing to the private sector so there could be proper checks and balances, because a private sector company could be dismissed, if there is a contract they would be able to show whether there are targets and what were their strategies. If you do not do that—[*Interruption*]

Mr. Manning: I heard the Member for Tabaquite making that point before. I am wondering how exactly outsourcing to the private sector would work, with the Inland Revenue Division and the Customs in place.

Mr. R. L. Maharaj SC: I am glad you asked me that question. It is not uncommon in different countries; there is precedence for that. You have the government department and a private consultant company is brought in; it works with the particular department and it works in order to assist management. You could even give a management contract. That is why you have to get the workers on board with it.

Mr. Manning: Are you suggesting then that you do that with all the workers in place, the workers are not affected, but you bring in a company to supplement the efforts? How many persons are involved in a company like that?

Mr. R. L. Maharaj SC: Madam Deputy Speaker, I can produce to the Prime Minister instances in which countries have done this, in that, you have a department of government in which you have existing workers, but you want to improve the efficiency of that department; you believe that department has not performed as it should have performed. You can then contract a management company, or a company which has particular skills, to work with the department in order to achieve its targets. This has happened in ministries in Trinidad and Tobago; it happened with ISCOTT.

Mr. Manning: Within the public service, as it now stands, with the existence of the Public Service Commission and the rules of the commission, is that what you are saying? How is that to happen? What happens, therefore, if the private company concludes that individuals are standing in the way of the efficient conduct of business or otherwise have had their integrity prejudiced? How do you handle that?

Mr. R. L. Maharaj SC: The way it is done abroad and the way it is done here sometimes, when you have departments of government—because when I was a Minister this was done, from time to time, in some departments— you bring in the union and you talk to the workers. That was what I talked about. You get them on board and tell them what are the options open to the Government. If, for example, a man is a manager and he needs help in managing, because it needs special skills, then obviously he would be happy to have those skills and then the union comes on board.

Mr. Manning: And the manager says, "In this department where there are 15 people, and for which I have responsibility, there are some of them whose integrity I cannot vouch for and I believe they are affecting the department adversely, considerably, what do you do?"

Mr. R. L. Maharaj SC: Mr. PM, you would know that when you are in Government you have some persons saying that in certain departments there are persons who are dishonest, therefore, you have to either take the step to get rid of them through the process of the law or you take the step in which you are forced to condone it. In my view what should be done is that the Government should try, because you have to try with the union and the workers. I am giving you a blueprint which has been used in other countries and, obviously, the Government must have had that in mind when it decided that the workers would be transferred to the authority. The Government could not have had in mind that they would just transfer the workers to the authority without bringing in a private sector consultant or a company or a group of people to assist in the process.

Mr. Manning: I thank the Member for Tabaquite once again for giving way.

The Member is, in effect, saying that we continue to rely on the systems and processes in the public service that are available for the exercise of discipline. He knows that is one of the strongest arguments for changing the arrangements involved in the service commissions; those procedures do not work. People tell you, "If I make a report, I have so many questions to answer that it looks as though I am the subject of the inquisition rather than the person on whom the report was made." That is the reality of the public service.

Had it been possible for us to rely on existing public service arrangements, there would be very little argument in favour of significant public service reform. We just cannot; it is not working. I made the example of the US Customs coming here since 1992—2005; it did not work.

Mr. R. L. Maharaj SC: I think the Government would have a hard task to explain to this population what the Prime Minister was saying without even trying. The

fact that your Government, from 2002—2009, agreed for all these persons to be transferred, you must have had in mind that you were not just transferring these people to an authority. You must have had in mind that you would have some management, some consultancy involved in working with these people. So how is the Government saying now that even without trying—I take all your points, but you have to try.

Why did you not call in the union? Why did you not discuss it with members of staff?

Mr. Manning: Madam Deputy Speaker, I know that I have spoken already and I am really grateful to the Member for Tabaquite for giving way.

It is because the process that the Government contemplated between 2002 and 2007, has been proven elsewhere not to have worked. Had it been a process that worked, it would be very easy to continue it. Elsewhere, it has not worked. My colleagues would deal with that matter when they speak.

Mr. R. L. Maharaj SC: I am glad you said that. So the Government is saying through the Prime Minister, that from 2002—2009 it was prepared to allow it to work, but something happened in March 2009 when he found out that it did not work elsewhere, so he changed that decision and that is why he decided to abolish the posts in the public service. That cannot be right. Is that the position? If that is the position, the Government owes an obligation to tell this Parliament where he was talking about, what was the issue, what were the matters which came to the Government's attention and why they changed it.

Thank you, Madam Deputy Speaker.

7.30 p.m.

The Attorney General (Sen. The Hon. John Jeremie SC): Madam Deputy Speaker, I rise to join this debate on the Trinidad and Tobago Revenue Authority Bill. I speak late in the evening and after two contributions on the law, made by the Member for Tabaquite and the Member for Princes Town North.

Madam Deputy Speaker, two issues have emerged on the law with respect to the contributions which have been made. The first is that in the Bill, there are coercive powers granted to individuals and these are customs officers in the main which render the Bill unconstitutional.

The second is the argument which I refer to as the Chapter 9 argument; that in creating this new statutory authority, what we are doing is, in effect, creating a

parallel public service to discharge the functions of the Revenue Authority and the customs service.

With respect to the coercive powers point, I think that is easily answered by reference to the existing law. So customs officers do have certain powers which are coercive in nature under the various statutes which govern their operations, and all we are seeking to do is to incorporate those powers to ensure that employees of the authority would have those powers. In other words, the powers which are going to be exercisable by these officers in the new dispensation will be no greater than those exercised now by customs officers. That is how I deal with the first point.

Mr. Maharaj SC: Hon. Attorney General, I just want to know if I understand you correctly. If the authority comes into force, it employs persons as customs officers whether they are persons who were in the system before or new officers—if I may use that expression—they would have the same powers of arrest, detention and forfeiture, et cetera, as customs officers now?

Sen. The Hon. J. Jeremie SC: Yes, precisely the powers of arrest. We are not repealing the statute, so they would have the powers which the customs officers have.

With respect to the second point which is the more substantial one; the parallel public service point, I think you yourself—and by that I mean of course the Member for Tabaquite—referred to the Perch case which was decided just around the time you demitted office.

Now the Privy Council in that case dealt extensively with the question of what constitutes a parallel public service. The argument, as you will remember, dealt with the abolition of what was then the Post Office and the creation of TTPost. The argument advanced by Perch was that in doing that, you had in effect created a parallel public service to discharge what were functions of the central government. The Privy Council dealt with that at page 464, paragraph 5 and if I can be allowed to read it—I would have to read paragraphs 5 to 9 of the judgment, I think, of Lord Bingham who was the President of the court. He said:

- “5. Chapter 9 of the Constitution governs appointments to and the tenure of public offices. Provision is made for a Police Service Commission and a Teaching Service Commission and, relevantly to these appellants, a Public Service Commission. All three commissions are so composed, structured and regulated as to ensure that they are independent and immune from political pressure, the object being to ensure that civil servants, police officers and teachers are similarly independent and immune.”

He then goes on to quote Lord Diplock in the Thomas case which was central to the Perch appeal which said:

“(1) Subject to the provisions of this Constitution, power to appoint persons to hold or act in offices to which this section applies, including power to make appointments on promotion and transfer and to confirm appointments, and to remove and exercise disciplinary control over persons holding or acting in such offices shall vest in the Public Service Commission.”

He goes on to say in paragraph 6:

“6. In Trinidad and Tobago, as in other countries, there came a time when the policy of the Government was to limit its participation in commercial activities...”

Then he goes on to say:

“Technological advances such as facsimile transmissions and electronic mail were rendering postal services vulnerable to competition. The Universal Postal Union, of which Trinidad and Tobago is a member, contemplated a change of practice as early as September 1994 and at its Congress held at that time appealed to governments of member countries (among other things) to ‘Give the Post a legal status and a modern management system which guarantee it appropriate financial independence, and of course accountability, in particular, as regards a commercial approach and greater satisfaction of customers’ needs”.

I pause there to say that as with the same arguments which were advanced for the abolition of the Post Office at the time as you described it—for the devolution of those functions to TTPost—apply today with respect to the Revenue Authority and the movement from the Customs and Excise Division and the Board of Inland Revenue Division to the Trinidad and Tobago Revenue Authority. This is all the Government seeks to do; to modernize its systems of government consistent, as I have said, with the statement of the hon. Prime Minister on Vision 2020.

Lord Bingham continues:

“The 1999... Trinidad and Tobago's response to this appeal...”

That is the appeal of the UPS, and to the changed environment in the postal service was the Act itself.

“The Act did not apply to telephones, which had always been run by a commercial company.”—It—“repealed most of the Post Office Act...and established the corporation referred to at the outset of this judgment, Trinidad

T&T Revenue Authority Bill
[SEN. THE HON. J. JEREMIE SC]

Friday, February 19, 2010

and Tobago Post, which was charged to provide inland and foreign postal services...and empowered to carry out related businesses... It was given wide powers...including borrowing powers,...”—which are similar to the powers given to the Revenue Authority here—“and was required to operate on sound business principles”—as is the Revenue Authority in this statute—“and to implement Government policy as conveyed to it”—as is the revenue authority in this statute—“It was given certain exclusive rights for a 5-year period.”—That does not apply in the case of the Revenue Authority.

“Management of the corporation was entrusted to a small board,”—as is the case with the Revenue Authority—“appointed by the President...acting on the advice of the responsible Minister...The President could revoke the appointment of a board member...and the Minister could give directions in writing to the board on matters of broad public policy, to which the board was obliged to give effect (section 17).”

All of those you did, Member for Tabaquite, and that is all we seek to do in respect of the Trinidad and Tobago Revenue Authority.

Mr. Maharaj SC: I am glad you are doing this. Is this the Government's view? As you know, in the Perch case, it was of one post mistress whose post was abolished, I think there were three persons and a case where they had exercised one of the three options and to take retirement and they retired.

So the Privy Council was dealing with a case of three officials, so when it talked about the abolition of office or the functions, they were not core governmental functions, and thirdly when it gave its dissertation on the fact that the Government was evolving services which it normally did, it was talking about these services like delivery of letters, telegrams, et cetera.

Is it the Government's position that notwithstanding these three differences—if they are regarded as differences—that the Government's position is the same that this case falls squarely within what you are doing in the Revenue Authority piece of legislation?

Sen. The Hon. J. Jeremie SC: I am sure you would agree that the fact that Miss/Mrs. Perch brings an action with respect to the abolition of her post, and the fact that the Privy Council speaks to the abolition of that post is decisive of what happens when you have a revenue authority which seeks to do precisely that.

All that we seek to do is to follow the law. The law as it stands now, is that non-core government functions—after Perch—can be devolved in a manner which is inconsistent with the protections set out in Chapter 9. In other words, you are not

contravening Chapter 9 by abolishing a post, it is the principle which applies and that is what guided the draftsmen in coming up with the model which is before us today.

With respect to the point on non-core functions, the argument is the same. What the Privy Council does in Perch, is to define what are core governmental functions and that would be national security and matters connected with the Judiciary, the administration of justice. Those are core governmental functions, but what they say is that these days, the Government is becoming a creature which is getting involved in all sorts of activities and there was nothing inherently governmental. It was not a core governmental function to deliver a parcel or letter to someone.

The model that we seek to advance today is no different in principle to the model which you sought to advance with respect to the post office and that is a fact. What you had at the time of Perch and at the time you did it in respect of TTPost, you had a pronouncement on the Universal Postal Union which called on governments of member countries to give the post a legal status, modern management systems which will guarantee it appropriate financial independence, accountability, commercial approach, and greater satisfaction of customer needs.

What we are faced with is a worldwide trend in which there are 40 to 50 countries—most of them in the developed world—which have evolved towards a revenue authority, and the Minister of Finance will speak to that and spell out which countries have moved to a revenue authority. The policy is that it is a more efficient means of collecting revenues in this day and age to do this by way of a revenue authority.

7.45 p.m.

Now the question you asked with respect to section 85 of the Constitution—and section 85, for those of us who do not have Constitutions in front of us, speaks to ministerial responsibility in respect of his department. So you were asking, how is it that a Minister with knowledge of the deficiencies that exist in the Board of Inland Revenue and in the customs, would not take action? I think the answer is provided by section 85 itself. What section 85 says is that the Minister shall exercise general direction and control over the department. It gives no warrant to the Minister, as you know, Member for Tabaquite, to go into the Board of Inland Revenue or to go into the customs, and to say: "You are corrupt. There is an allegation of corruption against x, y and z; I want that investigated. I want so and so done. You are not collecting enough revenue. There are leakages here; you do not have a business plan."

The Minister has none of that power under the constitutional model because of the existence of Chapter 9 of the Constitution, the Public Service Commission. That power is not given to the Minister. So you provided the answer in asking:

T&T Revenue Authority Bill
[SEN. THE HON. J. JEREMIE SC]

Friday, February 19, 2010

Why was the Minister who had the power under section 85, not going into the department? It is because section 85 has to be read alongside Chapter 9 of the Constitution and the Minister cannot exercise a power to give specific directions or to get involved in the Board of Inland Revenue.

Mr. Maharaj SC: Thank you very much. I promise not to trouble you again. I will just put two questions to you and you do not have to answer them now; you could answer them at your convenience.

One, are you saying that it does not make a difference to the Government's position that these offices are public offices which are protected, but these offices are going to be abolished by the Government but the duties of these offices which are abolished, would be reconstituted by the Government by employing persons to take some of the positions of these officers whose offices were abolished?

[MR. SPEAKER *in the Chair*]

In effect, is there a difference in abolishing the office—one or two or three—and having a department in which you are going to abolish all the offices and then you are going to re-employ persons to carry on some of those duties?

Secondly, in respect of what you said about section 85, are you saying that a Minister is constrained by Chapter 9, that if the Minister is aware of irregularities and failures in his or her Ministry, that the Minister cannot, through the Permanent Secretary, take action in order to get information, in order to find out and in order to recommend or to take whatever action to the Permanent Secretary so that the Minister can properly account to the Parliament and account to the Cabinet?

Sen. The Hon. J. Jeremie SC: What I am saying is that in respect of the last question, the power granted the Minister under section 85 is a power which is general in nature. The powers granted to the service commissions under Chapter 9 is specific with respect to discipline of public officers and the Minister cannot discipline a public officer. Now, whatever the Minister knows, the Minister cannot translate his knowledge into an act of discipline against a public officer. That is the whole scheme, as Diplock said in *Endell Thomas v the Attorney General*. The whole scheme of Chapter 9 is to insulate the public service. Whether or not we wish to continue with that model, that is a different question, but the whole scheme of Chapter 9 is to protect those officers from politicians. That is the whole scheme of it.

So that the power of general direction which the Minister has under section 85, cannot grant to the Minister any warrant. The Minister has absolutely no warrant to get involved in matters of discipline. I think that is clear. That is the

business of the Public Service Commission. The Minister might be able to proffer advice; might be able to speak to the Permanent Secretary. This is how I imagine it will be done, or might be able to write to the Permanent Secretary in respect of certain matters which come to his or her attention. But that is the end of it.

PROCEDURAL MOTION

The Minister of Works and Transport (Hon. Colm Imbert): Mr. Speaker, in accordance with Standing Order 10, I beg to move that this House continue to sit until the completion of this Bill.

Question put and agreed to.

TRINIDAD AND TOBAGO REVENUE AUTHORITY BILL

Sen. The Hon. J. Jeremie SC: Thank you, Mr. Speaker. So the point I was making is that section 85 of the Constitution, when read together with Chapter 9 of the Constitution, provides very clearly that the Minister shall have general control over his department and, two, that the Minister cannot get involved in the day-to-day activities of his department.

The point which we on this side are making is that, that might have been okay for the realities of yesterday's world; that in today's world and at a time when the Government is facing new economic challenges and responding to those challenges, it needs to develop its efficiencies. I think that was the theme of the budget address this year; developing efficiencies and this is one area that is ripe for attention in terms of the development of efficiencies.

If you just turn back to the case of *Perch*, what Lord Bingham says at paragraph 13—and this is where I paused—he says:

The 1999 Act...

(which you authored):

“exemplifies a widespread international trend towards the divestment by governments of functions previously carried on by them directly or indirectly but forming no part of the core functions of government (such as defence, the maintenance of law and order and the administration of justice) and lending themselves to commercial non-governmental operation in the interest of efficiency and economy.”

He goes on to talk about the police service or the prison service. But then he says:

“There is nothing intrinsically governmental in collecting and delivering letters and parcels, any more than there is in operating telephones, or trains, or

T&T Revenue Authority Bill
[SEN. THE HON. J. JEREMIE SC]

Friday, February 19, 2010

lotteries, or meteorological offices, or scientific laboratories, or libraries, or hospitals. It is certainly true, (he says)...that the Government reserved a significant measure of control over the new corporation.”

As it does here.

“This is understandable. Since it had no shareholders...”

Our corporation has no shareholders either.

“the corporation could only be accountable to the Government; and since the corporation could not fail without grave damage to the credit of the state, a degree of oversight was to be expected.”

And that degree of oversight is protected in this legislation which is before us. He goes on to give the Privy Council's sanction to the degree of ministerial control which we have here. He says:

“But the Minister's power of direction under section 17 did not extend to operational matters, and significantly, the board was to be composed of persons...”

With expertise in various things.

Now, if you look at the Perch case, the Perch case is of authority for the proposition and it said at paragraph 15:

“The Board is of the clear opinion that employees of the new corporation are not holders...”

And this is employees plural.

“are not holders of any public office and are not employed in the service of the Government in a civil capacity within the meaning of section 3(1) of the Constitution.”

As with Perch, so, too, with *Chue v the Attorney General of Guyana* which my learned friend from Tabaquite referred to and so too with the case of *Griffith v the Guyana Revenue Authority and the Attorney General of Guyana*, which is a decision of the Caribbean Court of Justice delivered by Justice Nelson in which the Perch case is discussed and the Chue case is also discussed and analyzed.

So on that score too, that we are creating a parallel public service to discharge the functions previously exercised by the customs and the Board of Inland Revenue, the Government's position is that this is a non-core governmental function and that our actions are not only justified but that they are necessary in today's world.

In reading the budget for this fiscal year, the hon. Minister of Finance expressed the budget theme to be: Strengthening Efficiency and Addressing the Challenges. That was the theme of the budget address this year and all that the Bill which is before this House does, is to erect a pillar on which a more efficient Customs and Excise Division and the Board of Inland Revenue might be constructed. So with those few words, I commend the Bill to this House.

Thank you.

Mrs. Kamla Persad-Bissessar (*Siparia*): Mr. Speaker, the hon. Member for Mayaro is not in the Chamber, but I really wanted to just take a moment to congratulate all the winners in the recent carnival celebrations and especially a Member of our honourable House who himself was placed as king in the Extempo competition. So I would like to congratulate Winston "Gypsy" Peters for his win in the Extempo.

Before I begin going into the merits and demerits of the proposed legislation, I really would like to place on record, first of all, my comments with respect to a statement made by the hon. Member for San Fernando East in his contribution on this Bill in this Chamber tonight. At the time I did not pick up the exact words of the hon. Member for San Fernando East, but I am advised that the words of the hon. Member were that the Member for Siparia had bought a store in dubious circumstances.

It is not the first time that the Member for San Fernando East has used this honourable Chamber to cast aspersions on the character of Members of this House. We saw it with the Member for Diego Martin West on several occasions. Fortunately there was a commission of enquiry into that matter which cleared the Member for Diego Martin West. I want to make it very clear, I have never bought a store, far less to have bought one in dubious circumstances. [*Interruption*] Store or mall, I have not purchased any mall at any time. I never purchased a mall. The records are there; they can be checked. And, Mr. Speaker, I did not buy or sell a mall. I am asking the Prime Minister to withdraw the statement in the circumstances. It is a totally misleading statement that was intended to cast aspersions on the character of the Member for Siparia. If the Prime Minister does not do so, then we would take such steps as we need to. But I challenge the Prime Minister to go outside and repeat that statement so that we can take him before the courts of law for slandering the name of the Member for Siparia.

I purchased no store nor did I sell any. I see the Speaker is smiling. There was a transaction involving my husband 12/15 years ago in the purchase of a building. [*Interruption*] No, no, no. I purchased none and hon. Speaker will have been very aware of the matter. I do not wish to draw you in, because hon. Speaker in his

T&T Revenue Authority Bill
[MRS. PERSAD-BISSESSAR]

Friday, February 19, 2010

capacity as an attorney-at-law was the lawyer who conducted all business with respect to that transaction.

So in casting aspersions about dubious nature of whatever, the records are there and I call on the Prime Minister to withdraw the statements made with respect to the Member for Siparia. Those statements are totally false and were designed—and you know, it was early in the day, the Prime Minister, obviously, when he got up to speak this evening in this debate, began campaigning; it was very clear that he has started on his campaign for whichever election that he has in his back pocket that he is going to call.

8.00 p.m.

We on this side know that the Government is very afraid because we have said we are coming for them in whatever election may be called. So the Prime Minister has started taking “front before front take him”. The statement is totally false and misleading and designed to affect the character of the Member for Siparia. No property was purchased by the Member for Siparia.

On the second issue, it is the view of many persons in the society that the provisions in this Bill demonstrate a frontal assault; first on the workers in the customs and in the BIR, as well as a frontal assault on provisions within the Constitution that deal with the hiring practices of the Government.

In any modern State, it is very clear that revenue collection is the empowerment of the State. There can be no modern State without revenue collection because there will be no money to run the state. Therefore, from time immemorial, the imposition of taxation to collect revenue and the collection of that revenue is an integral core function of any modern State. I say that in the context of the discussions that will come in terms of the Perch judgment and the judgment of Justice of Appeal Chang in the Guyanese Court of Appeal on similar matters. I will come back to that.

Firstly, we look at this Bill and see the concerns of many that relate to two aspects: one has to do with what will happen to the workers concerned and the second with the constitutionality of the proposed revenue authority. When we look at the Bill, there are many that are of the view that it is another step by Government to dismember the public service; to establish an authority over which the Executive will have absolute power and control, which will open another door for the promotion of favoritism, the hiring of friends and family, as we have seen in so many other state enterprises; and the escalation of corruption.

Many see the structure proposed to be put in place as a manifestation of those things. As I said: absolute power and control; the promotion of friends and family and the escalation of corruption. I endorse the statement made by the hon. Member for Tabaquite. He raised the issue of whether we were setting up another UDeCott. What is happening here is that we are setting up another statutory corporation in the light vein of TSTT and WASA. We have seen what has been happening with WASA recently. There are allegations of massive corruption in WASA. It is that model of the statutory corporation that is being utilized here with differences in terms of recruitment and the hiring of workers.

We are also witnessing where the Bill is seeking to establish and confer substantive powers upon a statutory authority, inclusive of the powers to assess, collect, administer and enforce revenue laws. In many of the jurisdictions in which there are revenue authorities, some of them do not have the enforcement provisions. Both the Member for Tabaquite and the hon. Attorney General talked about it. In effect, you are giving powers similar to powers to be exercised by persons operating in national security. We are talking about the power of arrest; the power to distrain, to levy and so on; all the powers you would have had under the BIR, under the Income Tax Act and the Customs Act for enforcement, which are now transferred into this authority.

This Bill abolishes the BIR, but the rest of the Act stays and will apply, as I understand it, to the TTRA. So all the functions within those two statutes and many others will now be vested in the TTRA.

The issue then is whether the manner of approach being used by the Government is appropriate to achieve its ends. The Members for Chaguanas West, Oropouche East and others made the point that there is need for change, but that change must be consistent. The Parliament can make laws under section 54 for the peace, order and good governance of the nation and so we seek to make a law, but that lawmaking power is circumscribed by the very Constitution itself which gives the lawmaking power. That is to say that any law that is being made must be made consistent with the provisions in the Constitution. I will come back to the issue of the constitutionality of the Revenue Authority and the spirit of the Constitution as well as the letter of the Constitution.

We are looking then at the Bill before us to do two things: in one fell swoop, if this is proclaimed, we will be losing—there is controversy as to whether it will be 2,000 workers; others spoke about 1,600 workers. The loss of 1,600 workers is as substantial as 2,000. Whatever it is, a substantial number of jobs will be cut instantly the law is proclaimed. That is cause for very serious concern by those persons and members of their family.

T&T Revenue Authority Bill
[MRS. PERSAD-BISSESSAR]

Friday, February 19, 2010

It appears that, in their operations, Government has acted very unfairly; has acted in breach of both procedural fairness and substantive fairness in its approach to the workers. The hon. Prime Minister was at pains to speak about consultation being held. He is asking whether the business organizations agree; whether the trade union movement agrees; whether they are prepared to discuss; the PSA has been consulted; there is a new executive and they do not have the memory and so on. But, we have a copy of the report of the committee in August 2002, which is the report that was accepted and approved by the Cabinet of the day. That report tells us very clearly that the consultation exercise comprised just one meeting with the PSA: one on June 07, 2002 and one on June 14, 2002; one with the Board of Inland Revenue representatives and one with the Customs and Excise. At the end of that, the committee recommended to Cabinet that you must establish a revenue authority in Trinidad and Tobago and set out the structure and staffing. Is that sufficient?

Thereafter, within a few months, the Cabinet accepted the recommendations of the committee to establish the Revenue Authority based on one consultation with the Board of Inland Revenue and one with the Customs and Exercise Division's representatives. You say: wipe out all this and let us set up. That cannot be good enough.

If you are saying that and thereafter you have further consultation, that is *ex post facto*. This was after you had made up your mind to set up the authority. You had one consultation on June 07 and one on June 14 and you said: Great! We accept the recommendation from the Cabinet-appointed committee; we are going ahead with the Revenue Authority. You come after the fact now to talk to the workers. You have already made up your mind that this is what you are going to do.

Even then, when we look at the factual matrix of what has transpired in this matter—again, my colleague, the Member for Tabaquite, raised these issues of fairness and, without actually using the words, the whole concept in public law of legitimate expectation comes into play, both on a procedural level and on a substantive level.

In order to appreciate the importance of those concepts and to further appreciate the fact that Government breached fairness with respect to the substance and procedure, we need to look at the chronology and the factual matrix. I have already said that you met once with these persons and after that one meeting you decided to have a revenue authority and you accepted the report without any further meetings or consultations with the representatives of the PSA.

Then we come to look at the factual matrix. Today, thanks to the PSA, we have been provided with a bundle of documents that came into their possession with respect to matters from the relevant Minister, showing the letters backwards and

forwards—this is what I have before me—charting the chronology of events in trying to ascertain whether the Government could seriously contend that it has adhered to the principles of substantive fairness and procedural fairness.

We go with the Cabinet-appointed committee first and then we look at the concept of legitimate expectation. [*Interruption*] I can pass all of it to you, if you like. The whole concept of legitimate expectation, if we will look at that, we will see, based on what the hon. Member for Tabaquite has said:

“...is a public law concept which has, in recent times, been the subject of much judicial development. It is rooted primarily to the principle of fairness and the holder of such an expectation enjoys a right to be treated fairly by public bodies...even though such person may have no”—hold, no private, no—“legal rights to a claimed benefit or privilege they may nonetheless hold a legitimate expectation of receiving such benefit of privilege as a consequence of the actions of a public body or authority and the Courts will protect such expectation by judicial review as a matter of public law. As Lord Fraser said in the *Attorney General of Hong Kong v. Ng Yuen Shiu* [1983] 2 All ER 346:

‘...when a public authority has promised to follow a certain procedure, it is in the interest of good administration that it should act fairly and should implement its promise...’”

This is repeated in several other judgments in our own jurisdiction; the *Attorney General and K.C. Confectionary Ltd.* talks to it again, 34 WIR, at 387:

“I have taken the trouble to deal”—and I quote here from that judgment, at page 409—“at some length with the expression ‘legitimate expectation...’ and the meaning given to it if only to demonstrate that the concept is inextricably bound up with the rules of natural justice, particularly the right of the citizen to be heard and the obligation of a Government or other authority to act fairly...”

Several other cases, a very recent one in our own jurisdiction, the Paponette case, these principles are there. You make a representation and it was clarified by the Member for Tabaquite. You make these promises and you are entitled to procedural fairness and substantive fairness.

Let us see, in this case, if the factual circumstances give rise to that expectation. Firstly, we know the union is the duly registered union under the relevant law, Chap. 88:02. It is the recognized association for consultation and negotiation in respect of matters specified in section 14 of the Civil Service Act and other matters concerning civil servants.

T&T Revenue Authority Bill
[MRS. PERSAD-BISSESSAR]

Friday, February 19, 2010

By Cabinet Minute No. 484 dated March 21, 2002, a Committee was appointed to examine the feasibility of establishing a revenue authority. Thereafter, the committee produced a report on August 22, 2002 and recommended that the division be brought under one umbrella to be called TTRA.

With respect to the staffing of the TTRA—and this is very important—it is not just that there was a draft Bill giving three options, but the committee specifically recommended the establishment of the TTRA, at paragraphs 14.2.21 to 14.2.24 of its final report, the following—I will read that because they are the provisions my colleagues spoke about that were put in the draft TTRA Bill, which has now gone into the dustbin.

This is what the committee recommended and Cabinet accepted in agreeing to set up a revenue authority:

“14.2.21 *All employees of the Inland Revenue and Customs and Excise Divisions with the exception of the legal officers will become employees of the Authority to establish a seamless transition.*”

How could the then committee have recommended that? The Cabinet accepted that and the Cabinet said that this was what they were going to do and everything else has gone through the window. These workers are being thrown out on the streets; they will be on the breadline; they will be thrown out of their homes when they cannot pay their mortgages.

8.15 p.m.

I know my colleagues stated that you talked about caring and love. Where is the love and where is the care? You took the report and relied on the—you approved that report and you said: "Okay, we are going ahead with this." You then took out every provision for the protection of the workers; every single one. There is nothing in this Bill before us now that is saying: "I am going to look after these workers." There was not a single mention of those workers who slaved all these years, trained and built—

I would come to another point. They have been overworked and underpaid. I could come to that in a moment. They have been short-staffed. When you come to cast aspersions in this Parliament about corruption against the 1,700 workers, you cannot do that. You cannot come to this Parliament and talk about corruption, because you did not put your systems in place. You did not put the checks and balances. Instead, what you did was pulled them out because you were gutting the animal while it was still alive. You were taking out its guts to kill it, while it was still alive, so that you can come to get total control through the Revenue Authority. I will come back to that.

Here we are, the committee's recommendations were accepted by the Cabinet.

"14.2.21. All employees of the Inland Revenue and Customs and Excise Divisions with the exception of legal officers will become employees of the Authority to establish a seamless transition."

What happened?

"14.2.22. Employees will carry over salary benefits, accumulated leave and pension benefits."

That was the committee's recommendation accepted by the Cabinet.

"14.2.23. All positions in the two Divisions (approximately eight hundred at the C&E Division and nine hundred and fifty at the Inland Revenue Division) will be transferred to the Authority with the same terms and conditions."

That is what you agreed to. That is what you accepted. That is what you came subsequently and fed to the workers. This is the chronology of events. That is showing clearly that you built a legitimate expectation in the workers that they will be treated in a particular manner and then you totally violated that procedural fairness and substantive fairness.

"14.2.24. The Authority will develop its own staff policies and job classifications..."

At 14.2.21, 14.2.22 and 14.2.23 were the recommendations for the setting up of what will happen to our workers and what will happen to our staff.

"On 28th November, 2002 Cabinet considered and 'accepted' the final Report of the Committee and...the recommendations on pages 90 to 100..."

So that was, on November 28. This report was in August 2002 and on November 28, 2002 you accepted the report and the recommendations contained therein.

"(a) 'to the establishment of the Trinidad and Tobago Revenue Authority';"

You agreed to establish it. This is coming out of the Cabinet Minute.

"(b) that 'the Authority bring the operations of the Customs and Excise Division and the Inland Revenue Division of the Ministry of Finance under one (1) umbrella...';"

"(c) that 'employees of the Inland Revenue Division and the Customs and Excise Division, with the exception of the legal officers, become employees of the Authority to facilitate a seamless transition, such employees to retain salary benefits, accumulated leave and pension benefits.'"

T&T Revenue Authority Bill
[MRS. PERSAD-BISSESSAR]

Friday, February 19, 2010

That is what the Cabinet agreed to in that Cabinet Minute 181 of November 23, 2002.

“The... Report of the Committee was provided to the PSA by Mr. Conrad Enill, a then Minister in the Ministry of Finance, under cover letter dated 10th January, 2003.”

The chronology of events, January 2003. By that letter, the PSA was informed that the report was submitted to Cabinet and it was agreed to adopt the committee’s report and its recommendation to establish the Revenue Authority.

The next stage of the project requires identification of appointment and so on. The Minute was also provided to the PSA by personnel from the Ministry. That Minute now in January 2003, was given to the workers and this is what they were saying: "We agreed to do it and this is the position for workers."

“Thereafter”—there was—“an exchange of letters... between the PSA and Minister Enill concerning the exclusion of the PSA from any participation in the work of the Committee. A meeting took place on 30th January, 2003 between representatives of the PSA and Minister Enill at which the PSA voiced strong objection to what they perceived to be his conduct in misleading them as to the fact that they would have an opportunity to consult with the Committee before publication of a Report. Eventually, on 5th February, 2003 a meeting between the Prime Minister, Mr. Enill and representatives... was held at which time the Prime Minister said that the PSA’s omission from the Committee was unintentional, apologized for such omission and gave an assurance that the PSA would be consulted in the future.

As promised and in accordance with the Prime Minister’s assurance, consultation between the PSA and the Ministry of Finance took place relative to the TTRA coming on stream. Both an Advisory Committee and an Implementation Committee were established by the Ministry of Finance and representatives of the PSA were invited to sit there on which they did. During the period 2005 to 2008 representatives of the PSA held meetings with representatives of the Ministry of Finance at which time discussions were had as to, inter alia, the way in which effect was to be given to”—the decision of the Cabinet.

“In the year 2007 Mrs. Karen Nunez-Tesheira was appointed Minister of Finance... She appointed 3 teams to facilitate the coming on stream of the TTRA...”

Thereafter

“A Policy Framework Team which had oversight of these 3 teams was also appointed...”

Between March to July/August 2008 meetings were held between the various teams to work out (and in some cases finalise) the arrangements for the

establishment of the TTRA in all respects, that is to say, with respect...to job descriptions and functions, transitional arrangements, communication plans, organisational structure and legislation.”

That was August 19, 2008. We have come from 2002 and all along this is still the position in all the meetings that the PSA is having with representatives of the Government and the Ministry. The position is still the same; that this is what will be happening with the workers. We come down to August 2008.

“...a meeting of all the teams appointed by the said Minister occurred. At that meeting the Minister tabled a draft bill entitled the ‘*Trinidad and Tobago Revenue Authority Bill, 2008*’ which she proposed be tabled in Parliament in November 2008. Section 19 of the draft bill contained language proposed by Government for describing 3 options available to the staff of the Divisions upon the coming into force...”

Those have been said by my colleagues. I would repeat very quickly.

“...section 19 contemplated that a member of staff of the Divisions”—that is, Customs and Excise and the Board of Inland Revenue—“could elect to (i) voluntarily retire...on terms and conditions to be agreed; (ii) transfer to the TTRA on terms and conditions no less favourable than those”—they had—“in the civil service and (iii) remain in the civil service so long as office commensurate the office held by him was available.”

These are the three options, by the way, that obtained at the time in the TTPost legislation in the Perch judgment discussed earlier. There were these three options in that legislation to assist the workers for this transitional transfer. Up to August 2008, we are still having the recommendations in the draft Bill.

“In September, 2008 the Ministry of Finance organized several briefing sessions for members of staff of the Divisions concerning the coming into force of the TTRA. The PSA and the staff...were requested by the Communications Unit of the Ministry of Finance to attend such sessions and they did. At these sessions,”

a representative from the Ministry of Finance was present.

“...the Ministry of Finance distributed a pamphlet to those persons in attendance. The pamphlet stated in definite terms that:”

Again, we have it in writing. In September 2008, from the Ministry of Finance, a pamphlet at a meeting where the Minister was present, the pamphlet said that:

“(i) the TTRA was ‘*coming*’;

T&T Revenue Authority Bill
[MRS. PERSAD-BISSESSAR]

Friday, February 19, 2010

- (ii) *'the revenue authority will assume full mandates of the Customs and Excise and the Board of Inland Revenue ...*
- (iii) *'We want ALL staff on board for the smooth transition of the TTRA.'*

I am quoting.

- “(iii) *'We want all staff on board for the smooth transition of the TTRA. We need YOU.'*;
- (iv) *'Three options are available'*

I am quoting.

- "Transfer to TTRA*
- Voluntary Separation (VSEP)*
- Redeployment to another post in the Public Service before enabling of the TTRA'*
- (v) *'Full continuity of salaries and benefits including vacation, sick leave, pension, credits transfer with the employee to the Revenue Authority.'*;
- (vi) *'Pensions will be maintained and protected under the TTRA.'*;
- (vii) *'Careers will not be disadvantaged by moving across ...'*;
- (viii) *'Positions of Public Servants will be abolished with staff moving out of the Public Service.'*

Here it is, as late as back from 2002, 2003, 2004, 2005, 2006, 2007, August 2008 and September 2008, you are still telling the workers, you are still saying to them and still holding out and representing them: "Do not worry, this TTRA is not going to wipe out your jobs. Do not worry, we have these options for you, but we are going to put—your mortgage is safe, your children's education is safe, your health care, everything is safe." This was right down from 2002, 2003, 2004, 2005, 2006, 2007 and September 2008, you were still telling them: "Do not worry, everything will be fine." Then you come—

“Notwithstanding”—those meetings and—“sessions held in September 2008... March 2009, Ms. Lewis, a Permanent Secretary in the Ministry of Finance, wrote to the President of the PSA confirming that on 5th March, 2009 the Minister advised the President of the PSA that that morning Cabinet, after considering all feasible options for the staffing of the TTRA, had taken the following decision:”

Dr. Moonilal: That was the betrayal.

Mrs. K. Persad-Bissessar: March 2009 was the great betrayal. That letter confirmed the great betrayal. This is what the decision was:

“That a Voluntary Separation [sic] of Employment Plan be offered to all employees of the Customs and Excise Division and Inland Revenue Division of the Ministry of Finance, with no guarantee of employment with the TTRA.”

Any law student doing public law will see that in every regard orally and in writing, repeatedly, the Government represented and held out to these workers that everything will be fine. "We have a place for you in this new authority." Then "wap", March 2009, without any reason, no reason is given, you are saying that the Cabinet has now said, VSEP with no guarantee of employment. That decision, I am advised,

“...came as a complete surprise to the PSA and shortly thereafter it called for a meeting with the Minister which was held on the 17th March, 2009. At that meeting the Minister stated, among other things, that within a relatively short space of time all public offices in the Divisions would be abolished and that employees of the Divisions would not have any guarantee of employment whatsoever with the TTRA and that such employees would only receive an offer of VSEP from the government.”

That was March 2009.

“By letter dated 23rd March 2009, the PSA, ...wrote to the Minister referring to the said letter of 11th March, 2009 and the PSA’s subsequent meeting...17th March, 2009 and reminded her that the Government, both through her and the Ministry of Finance, had previously and consistently made the representations referred to...”

before in my contribution.

“Further, by”—that—“letter the PSA called upon the Minister for written confirmation that the Government intended to honour”—those—“representations.

By letter dated 3rd April, 2009 the Minister...responded without ...confirming or denying that the representations contended for by the PSA had been made by the Government or anyone acting on its behalf.”

The letter said, I quote:

“...I am to confirm that:

- (a) *A...(TTRA) is to be established,*
- (b) *The TTRA will assume the full mandates of the Customs and Excise Division and the Inland Revenue Division...*

T&T Revenue Authority Bill
[MRS. PERSAD-BISSESSAR]

Friday, February 19, 2010

- (c) *When the TTRA is established, the two divisions at (b) above will cease to exist,*
- (d) *A...(VSEP) plan will be offered to all affected employees which is intended to provide a more attractive...package to our employees. The terms of the VSEP are to be negotiated between the Public Service Association and the...(CPO) and*
- (e) *Existing employees will have the opportunity to apply for any position in the TTRA for which they possess the requisite competencies. The training to which they have been exposed over the years as well as their experience in the various specialty areas will certainly place them in an advantageous position.*

In the case of applications from employees for a transfer to the rest of the Public Service, discussions are ongoing with the (DPA).

Discussions are also continuing with the DPA and the CPO to resolve more expeditiously outstanding issues related to areas such... ”

The facts as we see them; they come in a chronology of events. It is readily apparent that the Government, through its offices, its Minister and other officers representing the Ministry of Finance, have over time from 2002, right down until the final blow in March 2009—that great betrayal in March 2009—clearly and without qualification or ambiguity, represented and promised to the staff of these two divisions, either directly or indirectly through the PS, that they would be taken care of and they would have these options when the TTRA is formed.

That is a complete breach of the procedural fairness that these workers were and are entitled to. It is not too late. The Government can withdraw this Bill and go back into discussions with the PSA. I am asking, through you, Sir, that the hon. Member for San Fernando East, who I know is listening somewhere as he said, through the Member for Diego Martin North/East, the hon. Attorney General and the Minister, it is not too late to save these workers and to rescue yourselves from an abuse of power where you have operated in violation of procedural fairness when it comes to these workers. It is not too late to rescue and redeem yourselves from a great betrayal of these 1,600 to 2,000 workers.

8.30 p.m.

“In the very recent local case of Paponette, Warner JA in delivering her judgment (which was agreed to by Justice Mendonca JA...) stated, after a review of the recent authorities, that:

‘An analysis of the current case law produces these principles.

In appraising whether a substance...legitimate expectation has been frustrated, a claimant must demonstrate

- i a 'clear, precise and unambiguous representation, devoid of relevant qualifications;'"

The factual matrix and the chronology of events show that this is the case.

Secondly, Justice Warner of Appeal said:

“The court must be persuaded that there has been 'conspicuous unfairness' amounting to an abuse of power in order to found a claim of 'substantive legitimate expectation.' Inherent in this criterion would be a state of affairs, 'so plain and obvious' that it would demand that it be set right.”

I say on the facts, this is a clear case of a breach of procedural offence. *[Interruption]* I am sorry. No, I thought you said something.

Mr. Speaker, when we look at the substantive fairness and when we look at the principles establishing those authorities, the question which we would want to consider is: Whether the Government in light of its said representations—its departure from those representations as I have described before—can be said to have acted in a manner which is so unfair and unjust that it amounts to an abuse of power. If we put it another way, did the Government have a good reason for renegeing on its representation to staff of the divisions that they could elect to transfer to the TTRA on terms that are no less favourable than what they already had in the public service?

Mr. Speaker, in answering this question, it is significant to note the stage of writing—at the stage of that letter, the second letter in March, 2009—there was no reason whatsoever advanced by the Government for the departure from the Government's representation made during the period 2002 right down until March 2009; absolutely no reason.

We continue to look at the authorities, and we see that the net effect of the withdrawal of the options is to leave the staff of the divisions without any guarantee of employment whatsoever. Whereas if they had kept those options alive, the staff would have been able, if they so wished to transfer on terms and conditions no less favourable, or they could have had continuing employment in the civil service or they could have gone into the retirement option, but there is no evidence this has, that the Government in taking its decision to withdraw the option, took this very important factor into account: What would happen to these workers who would be now put out of jobs?

Dr. Moonilal: Cruel!

Mrs. K. Persad-Bissessar: No reason was advanced, and no care and no consideration were given as to what would become of these workers. We see them around this Red House marching in the hot sun every day. Do you think they want to do that? Do they want to be out there in the streets like vagrants up and down crying and standing up for their rights? They did not want that. They wanted to be able to continue to work; to have the dignity of a job; to be able to look after their families. [*Desk thumping*] That is what they wanted. I say again, it is not too late for the Government to withdraw this Bill and to go back and speak to the workers. The workers are reasonable people. They are interested in their jobs to take care of their families, and they will meet with very soft terms should the Government reconsider this cruel and great betrayal and go back to these workers. After all, they are all your brothers and sisters and human beings. If it were one of us here that would be without a job tomorrow morning, could we be standing here like this or would we be outside as well walking and marching? I say to rethink this position and consider the plight of the workers.

Mr. Speaker, based on the material that I have seen, the Government has acted in a manner which is conspicuously unfair. It has abused its power in withdrawing the options referred to from 2002—2009. [*Interruption*] Yes, I am repeating it, because you repeatedly represented this to the workers and, therefore, the Government, in the eyes of many, is guilty of a breach of procedural and substantive fairness. [*Desk thumping*]

I hear my friend bleating across there, but it is not going to make a difference. The workers are hurting and your bleating and thorns and so on would make absolutely no difference to them. [*Desk thumping*] None! It would make no difference to them or to us. So you just stay there. Your Prime Minister, when he spoke, asked for us not to interfere, so you stay there. So there is an abuse of power in the chronology that I have stated and in the circumstances of the factual matrix.

Mr. Speaker, what is even more cause for concern or additional cause for concern is that the report of the Cabinet appointed committee on the feasibility of the establishment of the Revenue Authority, August 2002, the recommendations, as I said, clearly put forward these various options to be accepted. The report at page 53, paragraphs 6.1.15 and 6.1.17, in that very report, a lot of time was spent indicating that the Government and that committee had visited Canada and they were looking at the Canadian model. Mr. Speaker, there is a glaring disparity between what that report tells us, and in terms of what is happening in Trinidad and Tobago in this Bill.

Again, when we go to the Canadian legislation, we were told nothing. Whilst we rely on that Canadian experience, the Ministers and others said that it was too cumbersome and inefficient to have the two divisions separated, and you want to bring them together to work. No one told us, Mr. Speaker, that the Canadian model which had initially brought the two split divisions into one in their law—on April 29, 1991, Canada passed the Customs and Revenue Agency Act and they brought Canada customs and Canada revenue into one. They brought both divisions into one, which is what the Minister is advocating in this Bill and what the Minister advocated in her presentation, but no one told us that the Canadians found it necessary to go back in 2003 and separate the two entities. We are back at the 1999 position of the Canadians. That is the one we are seeking to adopt, so we are bringing the two together. Again, it raises all the issues raised by my colleague, the Member for Tabaquite, in the discussion with the Attorney General here across the floor about the enforcement provisions that customs officers are given.

In the Canada customs, by legislation in 2003, removed and placed the customs function separate from the inland revenue. On December 12, 2003, the Canadians announced the creation of the Canada Border Services Agency (CBSA) and they separated the two agencies. I am saying they started off in 1999, which is the legislation in your report that you were looking at—your 2002 report, where the two were brought and you said this is a great thing and so on—and the Canadians found it necessary to go back to the legislation to separate them.

Mr. Manning: What is the population of Canada?

Mrs. K. Persad-Bissessar: So we have not learnt. We were not told that. We are saying that we are doing what the Canadians did and joined up the two, and that is the best process. No, they have gone back. Tell us why they have gone back and separated those two divisions. You know, sometimes we cannot always believe what this Government is saying. We cannot believe them.

Mr. Warner: They cannot be trusted.

Dr. Moonilal: They cannot be trusted at all.

Mrs. K. Persad-Bissessar: There is an even more serious departure from the Canadian model that we are not being told about. I am very happy that I was able to get from the public service persons—the Prime Minister said that they knew and they have no institutional memory but, Mr. Speaker, they have all of it, because it is an organization that continues. There is a new executive and they have the documentation, and they were able to share it with us. [*Desk thumping*] So, again, you are just knocking down people; casting all kinds of aspersions on people

T&T Revenue Authority Bill
[MRS. PERSAD-BISSESSAR]

Friday, February 19, 2010

who are only concerned about saving their jobs and their families. They gave us the documentation of the Cabinet report that was accepted, and let us look at it again.

In that report it indicated that they had gone to Canada and visited and they had looked at the Canadian model, and I have just shown where, again, things have changed in Canada, but we are still relying on their 1999 position. More importantly, when we looked at the Canadian provisions, within their provisions the transition of their employees plays a very dominant role. It is true they set up a revenue authority, but I want to read the provisions. I did not find them, but I found them in the Cabinet Note which was attached to the report that was accepted by the Cabinet. This is the Cabinet Note that was sent to the PSA that they shared with us, and this is what it says. At page 53 of that report it says—first of all page 51 deals with revenue authorities worldwide, and the first one it looks at is Canada at 6.1. to 6.1.15. The heading is "Transition of the Employees". It says:

“Section 94 of the Act provides that every position in the former Department of National Revenue is transferred to the Agency.”

That is the Canadian model.

“...every position in the former Department of National Revenue is transferred to the Agency.”

Mr. Speaker, that is a caring government. They have the same problems because they have similar constitutional provisions for protection of their workers, and they have the same problems. They have to take care of their citizens and make sure they have jobs, so that they could take care of their families. They have the same things.

Mr. Warner: What is the difference?

Mr. Manning: Mr. Speaker, I would just like to ask the Member for Siparia, if there is a service commission department in Canada.

Mr. Speaker: Before you answer, 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 and agreed to.

Mrs. K. Persad-Bissessar: Mr. Speaker, thank you and Members. I am saying the Canadian provision, which is here in the report, shows very clearly that the workers were well thought of and taken care of. That is not the position in

Trinidad and Tobago. So, we cannot say that we are following the model from Canada and others where there are similar transition provisions to take care of workers.

With respect to the question the hon. Prime Minister had asked, I would ask him to get his Minister of Finance to do the research for him, because they should have considered that when they were looking at the Canadian model. They have a constitution with similar provisions to ours. I do not want to spend the last 30 minutes I have reading the Canadian law for Members on the other side. So what I am saying, whether that is so or not, here it is you are relying on a model which tells you very clearly that you must look after these workers.

Paragraph 6.1.16 says:

“Upon the coming into force of the Act every employee of the Department of National Revenue was deemed to have received notice of an offer of employment from the Agency and to have had their employment with the Department terminated. If within sixty days the employee did not refuse the job offer in writing then he was deemed to have become an employee of the Agency subject to the same terms and conditions of employment until modified by the Agency.”

Mr. Speaker, that is the provision there.

Dr. Moonilal: Job security.

Mrs. K. Persad-Bissessar: When you were setting this up, you saw that they were looking after their workers, and you are asking me now to tell you what their public service and so on was. You would have had to do that research, because your first concern or one of your priorities—yes it is efficiency in collection revenue—must always be the people first and workers first should have been a priority, so that you would have been able to protect them. I am saying then that they have departed from the recommendations of the committee with respect to the departure from the Canadian model, and the fact that the Canadians now have departed from their own model in 2003 by separating customs from the Board of Inland Revenue.

Mr. Speaker, what is the rationale that is being given for the establishment of this? The Minister of Finance in her presentation cited the concerns that were identified by the committee and those concerns were identified, again, in August 2002. If I may just read paragraph 131 of the report, the concerns were identified and they are:

- “Deficient human resource management;
- Inadequate management capability, accountability and training;

T&T Revenue Authority Bill
[MRS. PERSAD-BISSESSAR]

Friday, February 19, 2010

- Inadequate staff development, training and accountability;
- Lack of control over and accountability for Budgetary Allocations;
- Inadequate employee compensation packages...”

Do you need a TTRA to give proper compensation packages? It continues:

- “High incident of corruption and corrupt practices especially within the Customs and Excise Division;”

Again, do you need a TTRA to deal with corruption? It continues:

- “Inefficient systems for internal investigation and enforcement;”

Do you need a TTRA to put internal systems for enforcement and investigation?

- “Inadequate information exchange and co-ordination between the administration of the various taxes levied.”

Do you need a TTRA to put any of this in place?

8.45 p.m.

Tell us how what you put in this Bill is going to change any of its impact. When I read that Bill I do not see anything that is going to cure the concerns and the defects that were identified. I do not see anything. The only thing I see that is of any paramount importance is that you are going to get rid of these 1,600; 1,700 or 2,000 workers and bring in what? Contract workers—and I will come back to these contract workers in a minute. That is all I see of major importance. What is going to change? If it is that you were not given adequate compensation, if it is that you are not staffing them properly, if it is that you were not giving them the training, if it is that you are not setting the systems in place for the auditing and the control, if it is you are not having the police do their job to investigate corruption; how is a TTRA going to change all of this with the proclamation of this legislation overnight? Change all of this culture and management, how is it going to change it? What is going to happen? Did you wave a wand of proclamation and all of this is going to be dealt with by the TTRA.

I come back to poor customer relations. How is the TTRA going to—what in the Act says you are going to help that—anti-business, rules and regulations; lack of appropriate information, technology systems—Good Lord, Mr. Speaker, in this day and age. Why do you all not give them the technology that they need? Why do you have to set up a TTRA? [*Desk thumping*] You are going to be spending

\$350 million to send home 1,700 workers when you could take that \$350 million and do these things to train them in the technology [*Desk thumping*] of setting up the systems and hiring the staff. So what it is you really want? Is it the efficiency or is it control freak that you are, total control, is that what it is about?

Poor physical infrastructure and accommodation—good Lord, \$350 million; plus it is reported today from what I read in the newspaper as coming out of the draft estimates for 2010, the current expenditure, \$12 million for some lobbyist, and I want to know who is this lobbyist, if that was so? What procedure was used to hire this lobbyist? You know you could have taken that and do you know how many computers you could have bought with that in this same customs? [*Interruption*] Twelve million for a lobbyist to come and tell you to put the Canadian model—because from what I see is some Canadian, and the Canadians backtracked on this and you did not take up the worker provision that they had, and then \$82 million for something else for some TTRA company.

You set up a company first under the companies law—which Mr. Maharaj SC was trying to explain—but you realize you would have been bucking your face right smack up front in the constitutional provisions, so you come now by the Parliament to use this Parliament and to use your majority in the Parliament as a sledge hammer to breach the workers' rights and to breach the constitutional provisions, you come with a statutory corporation. So in effect, it is almost \$400 million—and that is just for now.

[MADAM DEPUTY SPEAKER *in the Chair*]

Because like with everything else we do not know how much more it will be. Indeed, I have a freedom of information application, a response from the Ministry of Finance where Devant Maharaj asked, "How much money has been given over to the CL Financial bail out so far?" And that reply says, "As of January 2010 \$5 billion has gone." But when asked the question as to how much more, they said, well, they could not estimate how much more would be going. Five billion gone already and they could not estimate how much more, but remember when we did the bail out here it was \$5 billion.

So when you tell us it is almost \$400 million which we could only pick up from the estimates here and from what the Minister said, we cannot believe that it is going to be that. By the time you are finished this whole thing, it is billions down the drain and nothing is going to change. So, poor physical infrastructure, deficiencies in the legislative framework, same way you are bringing Bills here for us to pass in the Parliament. Why you did not remedy the defects in the

T&T Revenue Authority Bill
[MRS. PERSAD-BISSESSAR]

Friday, February 19, 2010

legislative framework? Same way you come to Parliament you could have done that, so all of these concerns could have been dealt with. They could have been dealt with, but they have not been dealing with those, instead you have to really ask why it is that you want to fire these workers, you want to get rid of these workers and you want to have control over the hiring processes?

Madam Deputy Speaker, I will come in a short term—listen to what information I have received, the concerns identified. Same way there is nothing in the Bill to cure those problems identified unless the Minister can show us or tell us how the provisions in the Bill would cure poor infrastructure, poor accommodation, lack of computers, lack of enough staffing and so on, where in the Bill, which provision addresses those concerns? Instead what has been happening is—I talked about it before—staff shortage in customs. They are overworked, they are underpaid and they are taking great offence to the corruption allegations, they have been painted with this broad-brush approach that they are all corrupt. The Member for Tabaquite did say that you would have some anyway, you would have those corrupt ones, but you cannot broad-brush and paint all of them.

I am advised and I have with me a document which is a seniority list for the customs division and this is of September 2009. On the establishment of the technical senior officers of the customs—and this is where you need your workers to help you with these corruption issues you are talking about and to help you with your management issues, look at what has been happening. In an establishment of 460 posts, in spite of the increases in trade that we spoke about, in spite of the fact that within recent times you have new bonds added, you have the new bonded area at Piarco, Freeport, at tropical Bon Air—new bonds where more customs workers are needed, you have not increased the staff establishment, it has been like that for years. That is one point, so more trade. The Minister says we need this TTRA now because greater trade and more work, but you have not increased the establishment.

Secondly, not only did you not increase it, you failed to fill the posts. For example, from the seniority list, you have one Comptroller, that position is filled; three Deputy Comptrollers on the establishment, only one is filled, two are vacant; Assistant Comptrollers, you have six Assistant Comptrollers, guess what? One, two, three, four, five, six vacant; every post is vacant. You come to Custom and Excise Collector II; there are 11 positions in the establishment, one, two, three, four, five, six, seven, eight, nine, 10, 11; every single one, vacant. You come and see any Training Supervisor I, one position, vacant; see any Preventive Inspector, one position, vacant; see any Supervisor A-team, two filled and then three, four, five, six, seven, eight, nine, 10; right down to 18, vacant.

So it continues when you look at the staff. I am advised that only about 50 per cent of customs staff operating, running an increased workload. They are overworked completely and they tell me they are underpaid. They have to be running—they have to take their administrative staff when a flight lands in the evening, several flights coming into Piarco, take out all of the administrative staff and run them—what they say? They gave me an expression, something about to run a line or to take a line of the people coming through—in addition you go now they set up bonds at the old airport, the staff have to go across, they are splitting these workers 50 per cent and you are splitting them down even finer as you are sending them out to all of these locations. So how can you get efficiency when you short staff these people, when you do not give them the tools of the trade, you do not give them the trade and on top of that you overwork them? How can you get efficiency?

In addition, I am told that the checks and balances are totally eroded because of that. You erode the checks and balances because the internal audit section that used to be there is no longer there. The post audit section that was there is no longer there, as of September 2009 and continuing, 50 per cent, and that was even before that. This is the seniority list that I mentioned to you [*Holds up document*] that was passed.

So how can they complain and say these people are a waste of time, they are no good, they are inefficient and they cannot do the job when you have been gutting the organization, you have been gutting the inland revenue, you have been gutting the customs just to keep them there as a shell, so you could say, you see that, waste of time, get rid of them. How? Why do you not give them the staff? Why do you not give them the compensation package and the material?

Madam Deputy Speaker, I come now to the issue of contract employment because that is where it is now. I said in this entire legislation the only thing I could see the Government wants going for it is this employment of contract persons. You get rid of them workers, but I am bringing them back on contract. I want contract. Why? Because when you have a contract you have no terms and conditions for pensions, you have no terms and conditions for—Member for Oropouche East, what are those terms and conditions that dignified worker should have?

Dr. Moonilal: Decent work.

Mrs. K. Persad-Bissessar: Decent work, decent pay. [*Interruption*] One moment, but you do not have those conditions when it is contract, and above all, no security of tenure. I could fire you and hire you at will.

Mr. Manning: I thank the Member for Siparia for giving way. What percentage of the workers to be employed by the TTRA would be permanent employees and what percentage would be on contract, are you able to tell us?

Mrs. K. Persad-Bissessar: I am sure your colleagues, hon. Prime Minister, would answer that. *[Interruption]* From my reading of the legislation is that they all would be on contract. If I am wrong show me the provision in the Bill.

Hon. Member: That is not so.

Mrs. K. Persad-Bissessar: In fact, I would ask my colleague to locate it there for me. Nowhere in the legislation—do not come and try to fool us now. *[Interruption]* There is nothing in the legislation that said that these workers will be transferred or gone over there. If you want to back-back, back-back and give the workers a chance, but it is not in the legislation; “ain’t”, it is not in the legislation? *[Interruption]* I do not believe you. The only time I would believe you, is when you put the provision in the legislation and we pass it, then I will know there is a protection that is given there. Other than that I cannot take your word for it, I cannot take your word.

There has been a phenomenal increase in contract employees by this Government over the years—

Dr. Moonilal: Section 20.

Mrs. K. Persad-Bissessar: There is an inter-American Convention on Corruption and the last report this Government placed—Section 20:

“The Board may, on such terms and conditions as it may determine, employ such persons as the Authority may require.”

No, there is one specifically for contract provisions there.

Madam Deputy Speaker, the Inter-American Convention on Corruption, we are a signatory and we have to send these reports from time to time. The last report that was sent was in 2007 and in that report concerns were raised about hiring practices of Government. Now, our Minister’s model is based on governmental hiring through the service commissions, whether police, whether teaching, whether public service.

In addition, both the statutory corporations, there is also another statute, Statutory Authorities Service Commission, so those workers in statutory corporations are protected. In the case of this, which you are going to be bolted out of the protection of the service commissions and they are not given the protection as other statutory

authorities under the Statutory Authorities Service Commission Act, so no protection; that is the system, and the report—first the Inter-American Convention on Corruption asked questions about the hiring practices in Trinidad and Tobago and in the 2007 report the Government provided data as follows:

In 2001 there were 801 persons on contract from the Government—that is the last year of the UNC; in 2006 that number had increased to 5,289 persons, but the report went further to say that there is no requirement, some ministries do not always follow the requirement to register the contracted workers on the IHRIS database, so that number is an under-statement of the persons acting on contract. This is the report, RACCTT-2007 report that was put forward by Government to the commission.

What is interesting to see—so we do not know what is the total number of persons on contract, but we can find a way again of determining that it must be large or small based on the recurrent expenditure, the 2010 estimates and backwards. If you go through this you will see all the amounts of money allocated and expended on contract employment by the government, and during 2002—2010 this Government would have spent \$4 billion on contract employment. In 2002 the Government spent only \$379 million. When the 5,289 persons were stated as employed in 2006; in that year Government spent \$469 million. In 2010 the appropriation for expenditure is \$880 million on contract employment. That does not include the workers that are proposed to be hired—the 1,600 for the Revenue Authority. It means that there would be an almost four-fold increase in the amount of money allocated and spent for contract employment. So, what we are witnessing is the movement away from the hiring practices that are a feature and a very distinctive feature of states like ours based on the Westminster model of democracy. Some have said it is a deficit of democracy, what we are seeing is a deficit of democracy—

Mr. Manning: Will you give way? You say the Westminster system—is there any service commission arrangement in Westminster?

9.00 p.m.

Mrs. K. Persad-Bissessar: Yes, but it is a long system of convention. They do not have a written Constitution, but their constitutional conventions are there. *[Interruption]* I really do not want to argue law with the hon. Prime Minister. I would ask his hon. Attorney General to assist him. The case is very clear, starting from *Hinds v the Attorney General*, the Jamaican Privy Council case which talks about Constitutions based on the Westminster model. I am sure the hon. Attorney General would advice the Prime Minister, and I see lawyers are also smiling. So the Caribbean Constitution and

T&T Revenue Authority Bill
[MRS. PERSAD-BISSESSAR]

Friday, February 19, 2010

ours are based on what is called the Westminster model by Lord Diplock in *Hinds v The Queen*, in the Jamaica Privy Council case. In that case, basically, what was happening, functions that were of the higher Judiciary were being put into the lower Judiciary, and there Lord Diplock went into a whole discussion and clarification as to what our Constitutions do with the separation of powers doctrine.

Madam Deputy Speaker, I started by saying—before I go further into that point where I am moving into the constitutionality of the TTRA—sections 20 and 21 deal with the contract employment in the TTRA. Remember that issue was raised before. The role of taxation, as I said earlier, cannot be a modern state without taxation and revenue collection. One cannot exist without the other. They co-exist, and in that regard, if ever you had to describe a core function of a government, it would be taxation and revenue collection because one will not be there without the other. They are totally, one would say symbiotic, but they are more than symbiotic. For one to exist the other must exist, otherwise the State will have to go with horse, gun, swords to beat up people to collect money or take the spoils from them. So it is a whole revenue procedure, and the taxation is at the heart of the empowerment of the modern state.

So when we talk about that core function, there are two cases that were mentioned before when we looked at the constitutionality, and I would ask the Attorney General again, through him, and the hon. Minister of Finance who is also a lawyer, if we can have some further discussions with this because we have the judgment—[*Interruption*] Yes, Chang. Chang, the Justice of Appeal made it very clear that Parliament can confer. A core function can confer it on another person or authority, using the Guyanese sections which are in *para materia* with the Trinidad sections. So I have no difficulty with that. They can confer these functions. Chang, the Justice of Appeal made a very fine distinction between executive authority and executive function.

Whilst he was saying that the executive authority through the Constitution in Guyana and in Trinidad vest in the President and officers subordinate to him, the Constitution went further to say that nothing prevents Parliament from conferring an executive function on another person or authority. So fine, you can do it. But what troubles me—and again, I ask for Government to consider—is that it will make a mockery of the Constitution, if you can pick up two entire divisions of 1,600 and totally wipe them out, take the functions and put them into a body composed of members who do not have the constitutional protection as the persons who were originally there— [*Desk thumping*] I am saying, yes, you have the power to create this new body, but what I am concerned about and I am not

convinced, is that Parliament by an ordinary Act of Parliament, can take up as I say, functions—first you can set up the body, but then that body is now composed of members who do not have the constitutional protections as the persons who had originally administered these functions in the revenue and in the customs.

It would make a mockery of Chapter 9 of the Constitution, which gives the constitutional protection, security of tenure, and so on, recruitment, hiring, discipline and removal. It will make a mockery of the entire Chapter 9, if the Government could come at any time they wish and say we are going to wipe out, as we are doing now, all the revenue and customs, so they have no persons administering those functions. Tomorrow, we will come and we will wipe out everybody who is carrying out functions in the Immigration Department. Next week, we will come and we will wipe out everybody. It is not just about loss of jobs. I am saying that it is going to be a fundamental departure from the constitutionally protected provisions for persons who administer functions.

So whilst you can, yes, confer the power, you must confer it—I am saying I am concerned it should be conferred upon. That body must be composed of persons with like constitutional protections. Now, if we use the analogy of the *Hinds v R and of Courts*, where the Privy Council is saying, yes, you can set up a new court and call it any name you want, but the persons who compose that court, because of Chapter 7 of the Constitution, must have like or similar protections as the Judiciary that would initially have been carrying out these functions.

Again, when you look at *Hinds v R* and the line of cases coming down on dealing with the separation of powers, it is very clear that the whole purpose of the doctrine, while it is not expressly stated in our Constitution, the very structure of the Constitution gives rise to the doctrine. So you have a Chapter 7 saying, "Look, judges must have a certain kind of protection". You come to Chapter 9 which says, "Listen, persons in the public service, teaching service, police service, they have these constitutional protections". What then, would be the purpose of that Chapter 9 protection which is entrenched—you need a two-thirds— How can you say that you can move these workers, move the function, but put workers who do not have the protection? It rendered the whole Chapter 9 negatory. It will make a mockery of the whole Chapter 9 because it means that every day, or every week, or every month, whenever it so pleases you or anyone, they can come to the Parliament and wipe out blocks of the civil service, the police service and the teaching service.

So, next week we come and say, "You see all these service commissions, boy dem real bad. They not operating properly at all. We cannot get around these problems. Inefficiency, corruption, blah, blah, blah. You know what? All teachers now, move out,

T&T Revenue Authority Bill
[MRS. PERSAD-BISSESSAR]

Friday, February 19, 2010

I am creating a new body. I am not creating the teaching service. There is no teaching service. I am creating a Trinidad and Tobago Teaching Authority, and all teachers take VSEP. Posts abolished. I am now going to hire you on contract." You could do that for the teachers, for the prison officers and for the police. I am saying if that is so, if you can do that by an ordinary Act of Parliament, then it appears to me that they will make a mockery of Chapter 9. That is similar to what I said happened in *Hinds* and the *Others*, where it would make a mockery of Chapter 7 protections there for the Judiciary and the concept of separation of powers.

So, Madam Deputy Speaker, I am saying in two respects, that the Bill appears to many to be a frontal assault, not just on the workers, not just on the trade union movement, but also on entrenched constitutional provisions in the Trinidad and Tobago Constitution, when it is we are here coming with the contractual employment. We must remember the whole purpose of these service commissions, as the hon. Attorney General mentioned a case, *Endell Thomas v Attorney General*, a Trinidad case going to the Privy Council. The whole purport of that was to say, service commissions were there to insulate these workers, give them protection [*Desk thumping*] from any undue pressure from politicians, or from the Legislature, or others.

If you are removing all those checks and balances again, and yet you are giving these new workers on contract in the TTRA no protection, no security of tenure, Madam Deputy Speaker, the potential for abuse is tremendous. That where a man knows that his contract is not going to be renewed unless he goes and looks for Dr. Gregory Bissessar and he orders an audit on him tomorrow morning, next three months and next six months because they have done it already, every three months sending for audits because of—go to Jack Warner, his wife, or his family, the potential for abuse is tremendous where there are no checks and balances in terms of reining in the power that is given to the politicians in the TTRA Bill.

My colleagues, the Member for Oropouche East and the Member for Caroni East, have spoken a bit about that with respect to the powers given to this chief executive officer, who is going to be a super functionary, a super human functionary. This one man is going to achieve all these things when he brings in the contract workers. But how is he going to do it? He is going to be appointed by the approval of the Minister. He is going to be the puppet of the Minister. It does not matter which Minister. I make no aspersions about this Minister. I am saying the potential is tremendous for abuse, and therefore, for victimization of citizens of Trinidad and Tobago.

So while this seems to be affecting only workers, no, this is going to impact upon every citizen of Trinidad and Tobago, every working citizen who has to pay

taxes, who has to pay revenue, who has to cross the border and deal with duties and customs. You cannot tell me that you will give officers in TTRA on contract, the power to arrest people, to go into people's house and break down the door. Do you remember the Property Tax legislation? You said the BIR could go in, break down the door in the daytime, go into the man's property and take things. Because we have abolished BIR and replaced it with TTRA, you have given that power in the TTRA legislation, to whom? People on contract. So if they are out for you, Madam Deputy Speaker, it is very easy. I am not going to renew your contract, go and break down that door and take what you can from that home.

With these words I am saying, we do not support this legislation. We call on Government to withdraw it, reconsider it, go back in parlance with the workers who are very willing to meet and treat with you, and we will assist in whatever way we can. If you do not want our help, please, talk to those workers and ensure their jobs and ensure our Constitution is not brutalized in the manner that it seems to be under this legislation.

I thank you, Madam Deputy Speaker. [*Desk thumping*]

Mr. Ramnath: Adjourn the House.

The Minister of Works and Transport (Hon. Colm Imbert): [*Interruption*]
I am afraid I do that, not you.

Mr. Ramnath: Adjourn.

Hon. C. Imbert: Well, when you get over here, you could do that—
[*Interruption*]

Mr. Manning: You would have to wait.

Hon. C. Imbert:—which will happen around 3030. You will have to be reincarnated about 10 times.

Madam Deputy Speaker, having listened to the contribution of the Member for Siparia, it is my understanding that she is seeking advice from an orthopedic surgeon to deal with that injury that she sustained during that unfortunate fall. But I would advise the hon. Member to also check a neurologist, because it appears to me that the Member hit her head, as well as her shoulder, and may have suffered some sort of temporary or permanent concussion leading to loss of function. There is certainly something wrong with the Member's head.

Mrs. Persad-Bissessar: Madam Deputy Speaker, under the Standing Order, shouting and languishing Members. [*Interruption*]

Hon. Jeremie SC: What Standing Order? Identify the Standing Order.

Madam Deputy Speaker: Hon. Member, do you want to refer to the Standing Order?

Mrs. Persad-Bissessar: Standing Order 36(4), out of order to use offensive or insulting language.

Madam Deputy Speaker: Hon. Member, it is bordering.

Hon. C. Imbert: Thank you, Madam Deputy Speaker. If she did not hit her head, then she is just foolish. So, one of the two.

Mrs. Persad-Bissessar: Better. You are back to normal.

Hon. C. Imbert: But I would tend to believe that something happened during that fall. The reason is that a lot of the arguments presented by the hon. Member for Siparia made absolutely no sense. The hon. Attorney General was at pains to quote from the leading case in this matter, the case of *Mrs. Martha Perch, Ingrid Dennie and Jennifer Commissiong v the Attorney General*. Interestingly enough, this particular case, the Perch case, dealt with a matter initiated by hon. Members opposite. [Interruption] That is why I am concerned about you, hon. Member for Siparia.

9.15 p.m.

This Perch case dealt with the decision of the then UNC government in 1999 to abolish the postal service. That was what the Perch case was all about; it was a decision of the UNC to abolish the postal service. Mrs. Perch, Ms. Dennie and Miss Commissiong, representing some 66 other postal workers, went to court to challenge the manner in which they had been dealt with, armed with eminent senior counsel, I am told. These three ladies approached the High Court, then the Court of Appeal and then the Privy Council, to challenge the manner in which the UNC government had gone about abolishing the postal service.

I took careful notes of what the Member said. The Member said that it was a mockery of the Constitution for a government to abolish a department of the public service. She said it three times:

“It is a mockery of Chapter 9 of the Constitution for a Government to abolish a public service department.”

But that was exactly what the UNC did in 1999, by the TTPost Act, Chap. 47:02, Act No. 1 of 1999. It abolished the postal service. I believe the hon. Member for Tabaquite was the Attorney General. Were you still the Attorney General at that time? You were not out yet?

That UNC government came to this Parliament. [*Crosstalk*] I know you do not agree with your leader, but your leader said it was a mockery. What I find incredible is that the hon. Member for Tabaquite, a distinguished senior counsel, eminent silk—[*Interruption*] You are not a distinguished senior counsel? You are just a senior counsel? [*Laughter*]

The hon. Member for Tabaquite, a senior counsel, in this debate quoted the law, quoted the authorities, quoted Perch, quoted the Guyanese cases and did not make it clear. I shall now read from Perch. The judge at first instance had held that the 1999 Act was incompatible with section 121 of the Constitution, insofar as it abolished the offices of postal officers and terminated their employment in the public service. According to that judge, since the provision was not passed by the special majority needed for a constitutional amendment, it was unconstitutional.

When this matter went to the Privy Council, even the attorney for the postal workers did not promote that argument; he gave up. I am quoting now from the Privy Council judgment:

“Mr. Fitzgerald”— who was counsel for the postal workers—“did not seek to support this reasoning”—this was a ruling of the Privy Council—“since it is not a breach of section 121(1) for Parliament to abolish a post in the public service, as the Court of Appeal rightly held...the board...is in complete agreement that the establishment of the new corporation”—the postal corporation—“undertaken for sound governmental, administrative and commercial reason involved no breach or threatened breach of the appellants' constitutional rights.”

This is the law. I am ashamed that a senior attorney like the Member for Siparia, being aware of this case—because we are one of the countries in the world that still subscribe to the Privy Council as our highest court, therefore, this judgment is binding on us. The hon. Member for Tabaquite knows that and that was why he quoted it and [*Desk thumping*] the Guyanese case as well. They went even further and said that offices or posts in the public service are not a constitutional creation; so the law is there.

It was the UNC that abolished the postal service and postal workers went to court and challenged it. Do you know what is pathetic about this matter? The Act was not passed with a special majority. The TTPost Act, Chap. 47:02 of 1999, was passed with a simple majority. [*Crosstalk*]

I am shocked. I know that you and the Member for Tabaquite may not be on the best terms; [*Laughter*] I am saying what I believe. It is my belief that the Member for Siparia and the Member for Tabaquite may not be on the best terms

T&T Revenue Authority Bill
[HON. C. IMBERT]

Friday, February 19, 2010

after that cut tail. The Member for Siparia beat the Member for Couva North 10 to one, but what did you beat the Member for Tabaquite, 100 to one? [*Laughter*] Something like that; so I know you all are not on the best terms, but Member for Tabaquite, you owe your leader.

Hon. Member: "She balance on him."

Hon. C. Imbert: She is your leader. You owe your leader a duty to apprise her of the law. If she does not know, you know, and that is why you did not go into any lengthy legal dissertation in this debate, because you know the condition of the law. You are very well aware.

That is why I said that I know the Member for Siparia was an educated woman, a lawyer of long-standing, with a list of post-graduate qualifications, therefore she is not foolish. That is why I said I believe the Member should consult a neurologist; she bounced her head and it affected her ability to think. [*Laughter*]

[MR. SPEAKER *in the Chair*]

That is not all; she is not foolish. She is intelligent and educated, an experienced professional. [*Crosstalk*]

The other thing that bothered me was the whole issue of the concept of legitimate expectation; that is trite law. Again, Member for Tabaquite, you could lecture to the Member for Siparia. You know the doctrine of legitimate expectation; it deals with administrative powers. It has nothing to do with legislation. There is no case law, Member for Tabaquite; if you know any, I will sit. If you could quote the case for me in the Commonwealth where legitimate expectation has been taken to the state of legislative action, I will sit. Tell me the case. [*Minister Imbert sits*] [*Crosstalk*]

She knows nothing; I will not even bother. I will just read from an article about the legitimate expectation doctrine; I am giving advice. [*Minister Imbert reads from hand held device*] It started off with the grant of a licence, a permit or a visa; that was how it began, with the grant of simple things. People had the expectation that having been granted a visa, they could stay in the territory for the period of validity of the visa. That was how the doctrine of legitimate expectation began and it evolved into four additional categories.

The four categories are as follows: The first was that a person relied upon a policy or a norm of general application and then was subjected to a different policy, in other words, inequality of treatment. The second is a variation on the first, where there was a slight deviation in the particular case to the policy or

norm. A third case is a person received a promise or representation, which was not honoured. [Interruption] I am telling you this is trite law. The fourth case is when an individual received a promise that is not honoured, not because there was a general change in policy, but rather because the person had changed their mind in that specific instance. We are dealing with a change in policy. What you see before you is Government policy.

You cannot claim legitimate expectation when, firstly, you are dealing with legislation and you are dealing with a general change in policy, because there is not discrimination. No one individual is going to be singled out and dealt with unfairly; it is an entire class that is being affected here. Everybody within the Customs and the Board of Inland Revenue, their posts are all being abolished. It is not that we are abolishing some and keeping some, so that somebody could say, "In this particular case, you have applied a different policy to me." It is a complete change in policy to deal with the entire situation.

The Member for Siparia is quite right. In the past, this Government and that former government have used a particular approach with respect to the creation of statutory authorities. There are several pieces of legislation on the books where the workers were transferred, they were absorbed, they were given options, even the three options: secondment, redeployment within the public service and transfer. Those are the traditional three options; there are several cases like that. You have the Regional Health Authorities, for example; you have the Civil Aviation Authority. The RHAs were created 15 years ago and 15 years later, there are still problems with their management; 15 years later.

Mr. Manning: Do you know why? I think the Member for Caroni East has something to do with it. [Laughter]

Hon. C. Imbert: Ten years after the creation of the Regional Health Authorities, half of the workers were in the public service because they had exercised their option; half of them in the RHAs, dual track responsibility; persons refusing to take instructions because one was a public servant and the other was not; the superior person was a contract officer and the subordinate was a public servant, who would only take instructions from another public servant, and so on.

Nobody is arguing the point that 10 years ago, eight years ago, six years ago, this particular approach was attempted, where you allowed the workers to exercise the option to transfer over, you absorb them, but experience has shown us that it just does not work. It is really a *non sequitur* in this case. It really makes no sense.

If your objective, which is the objective of the Government, is to streamline, to rationalize, to reform, to improve the efficiency of the organization, to modernize, to create innovation, to put in new work practices, new work rules, new terms and conditions, whatever, all geared towards efficiency of governmental operations, if that is your intention then you would defeat it when you take the entire organization out of the public service and into the new organization, with the same work rules, the same work practices, the same terms and conditions, the same principles with respect to promotion, discipline and so on. You would defeat the whole process of reform. You would defeat the whole process of reform. What are you doing? That is not change, that is exchange.

Whereas in the past, we felt it could work, we tried; there is no gainsaying the fact that this has been tried. You have the Civil Aviation Authority still giving us trouble in terms of the way it operates; we still have problems with it. Certainly with the RHAs there were problems for 15 years and there are still problems.

9.30 p.m.

So that model of complete absorption of the workforce on the same terms and conditions, using the same work rules and practices has failed and this Government recognized this with BWIA. When BWIA was closed, we did it in recognition of the fact that for years successive governments had tried to reform it.

In fact, in researching for this debate, I found examples of case studies in other countries where they tried to reform public service departments using all sorts of techniques for 30 years, and the conclusion was, it does not work, it is just old wine in new bottles. That is all it is. It is alien to the concept of reform. If you really want to reform a governmental function, an important aspect of government, then it makes no sense to just carry everything across.

It is not fair to the workers. I realize the trade unions are not happy, we understand that they are not, because at present, they are the bargaining agent. This legislation does not create any succession, it does not give the trade unions any right to represent the workers, they would have to apply in the normal way through the Recognition Board and so forth.

In fact, I can use the TTPost example to show what the UNC did when it created TTPost, they did not give the PSA any guarantee or protection. In fact, the PSA was not carried over as the recognized union for the postal workers in TTPost, which was done by you, the UNC; you did not give the PSA any legislative guarantees. The outcome of that was eventually the PSA lost its representation of postal workers and, in fact, it was the Postal Workers Union that obtained recognition for bargaining units I and III of TTPost.

So as a result of actions of the UNC, because you did not give the protection to the PSA that you are demanding that we give, the PSA had lost the right to represent postal workers. You did that! And all I am hearing is just crocodile tears, populism. You are not pro-labour; if you were, why did you not put in the TTPost law that the PSA was guaranteed to be the trade union for postal workers? Why did you not do that? [*Desk thumping*] Hypocrites! Political game players!

Why is the Government of Trinidad and Tobago doing this? I have done some research, and I have an IMF Working Paper; Revenue Authorities: Issues and Problems in Evaluating their Success. It is a 2006 paper readily available on the Internet for anyone who wants to download it, and I wanted to know for myself what the reasons are for establishing a revenue authority around the world.

In looking at the many countries that have established revenue authorities—because at the time of this report there were 40 countries that had established revenue authorities—and I can give you some of the names. These are not basket cases, they are very serious countries and I have some of the names here. [*Interruption*] Argentina, Bolivia, Colombia, Italy, Mexico, Peru, Spain, South Africa and in fact, I have the South African legislation here and in 1997, 13 years ago, the Republic of South Africa established a revenue authority.

There is a particular section I want to read from the South African legislation because I would expect a widely travelled man like the Member of Parliament for Chaguanas West—who joked last week and said he was responsible for the profitable situation at Caribbean Airlines because he is a frequent flyer—I am sure he went to South Africa.

Section 6 of the Republic of South Africa; an Act to make provision for the efficient and effective administration of the revenue collecting system of the Republic to establish the South African Revenue Authority.

“6. The Minister must appoint a person as the Commissioner for the South African Revenue Service.”

So, in South Africa 13 years ago, it was recognized that the Commissioner, who is the head person in this organization, should be appointed by the Minister. So what we are doing here is no different. If you look at all these countries I have mentioned; Spain, Italy, Argentina and a host of African countries, it is the same principle that is employed; that the Minister of Finance appoints the top person in the organization.

Now let us look at the reasons. Of these 40 countries all of them said the most important reason was low effectiveness of tax administration and poor levels of

compliance. The second most important reason was the need for a catalyst to launch broader revenue administration reform, modernized operations, improved automation, et cetera.

The third most important reason; impediments caused by poor civil service, human resources policies, recruitment, remuneration, promotion, training, discipline, poor communication between various revenue departments, et cetera. Surprising enough, corruption was the least of the apostles among the countries surveyed. It was there, but it was not the primary reason.

Mr. Speaker, one of the things that bothered me the most about the contribution from the Member for Siparia, who made an impassioned speech about the vacancies in the Customs and Excise Division, went on and on listing a number of positions that are vacant and said that 50 per cent were vacant and blamed the Government of course.

There is a particular problem with the Opposition. Whenever we are dealing with serious issues; and the reform of the revenue department of Trinidad and Tobago is a serious matter, it is not a joke, what I have noticed with all of them—with the possible exception of the Member for Tabaquite—whenever they have to deal with a serious matter especially one which they believe may redound to the benefit of the country and the Government by extension, they adopt a two-pronged strategy.

First, they try to make people afraid of it; that is strategy one. Then they find somebody to blame for it; that is their strategy. They are not serious because in everything they said today; the only person who made any kind of sensible contribution was the Member for Tabaquite but you, and you, well you did not talk, your strategy—when we are dealing with serious problems this country has and this Government attempts to bring forward far-reaching public service reforms which we have been engaged in for more than 20 years—is first to make people afraid of it and then blame somebody for it.

What I find horrible is that the Member for Siparia was a Minister and knows the horrors that we politicians have to go through in trying to fill the vacancies in the departments that are under our control. The Member for Siparia knows that it is the sole responsibility enshrined in the Constitution under Chapter 9 that the filling of vacancies in the public service is the sole purview of the Public Service Commission and, therefore, by making the argument that 50 per cent of the posts in the Customs and Excise Division are vacant, she made the argument for the creation of a semi-autonomous revenue authority. [*Desk thumping*] Because Ministers of Finance for years have been trying to get various Public Service Commissions to fill these posts and there are no shortage of applications.

It is not to say that there are not hundreds, possibly thousands of persons who are applying to become customs officers. That is a fact that can be easily verified. There are thousands of persons applying to fill the hundred or so vacancies in the Customs and Excise Division, but for years the Public Service Commission, in a state of suspended animation, cannot fill them but the Government is to be blamed. The Public Service Commission that is protected by the Constitution, the very constitutional argument that you have used inappropriately in this debate, defeats your own position. It is not we who are responsible for the vacancies in the Customs and Excise Division, it is the Public Service Commission.

It is the same thing at the Immigration Department and at the Licensing Office. The last time I checked, only 30 per cent of the positions for licensing officers were filled. Speaking to the service commission every week for years and no vacancies are being filled, but what this Revenue Authority seeks to do is take all that outside into a modern system. All of these vacant posts.

I listened very carefully to the Prime Minister and all these important positions that are vacant, or the vacant posts that are important and that are needed in the new Revenue Authority would certainly not be put in a straightjacket by the constitutional protection of the Public Service Commission, because it is not just the protection of workers. When one looks at the creation of public service commissions'; to me, it was a colonial intervention in post-colonial societies.

These British people—and I want you to know I have no British in me, my mother is Irish—were of the view that we could not manage ourselves, that these emerging societies were not competent to manage themselves. That is why there is no service commission in Britain, because they think they are competent and do not need a service commission. They are gentlemen, they know what to do and they do the right thing. They do not act with bias, they do not act in a partisan way, they do not act in terms of a patronage and that is why they do not have a service commission.

These colonial societies that were given independence, this idea that their population and the elected representatives were not competent to manage their own affairs, to manage the country's resources and the human resources is what led to the creation of public service commissions, and it has been closed in this concept that it was there to protect the rights of public servants from the whims and fancies of politicians, but that was not it.

There was a much more sinister motive; it was to make sure that we could not govern ourselves properly. That is what it was all about, because you have service

T&T Revenue Authority Bill
[HON. C. IMBERT]

Friday, February 19, 2010

commissions, as I said, with 100 posts in the Customs and Excise Division which cannot be filled for 10 years. What is going on?

9.45 p.m.

And when you appeal to the service commission, what happens? Nothing. And then you are told that they are protected by the Constitution; they are appointed by the President; you cannot do them anything. How do you run a country like that? And you have a Member of Parliament coming here to tell us that the vacancies in the customs is our fault when that Member knows full well that we have no power, no authority to hire, fire, discipline, promote, recruit public servants—the said Chapter 9 of the Constitution. That is what I said; the Member needs to visit a neurologist. I am serious.

And, you know, it was not only the Member for Siparia who made fundamental and gross errors of fact, law and reasoning in this debate—gross errors of reasoning, fact and law. It was not only that Member, you know. I went through the contribution of the Member for Caroni East and during that contribution the Member for Caroni East boasted that he was a man of letters; that he had many letters after his name and that he was highly qualified. Let me see what he said. He said that he is a distinguished academic; that he has published 34 papers in internationally referred journals.

Listen to this:

“I am not like you...”

This is the Member for Caroni East speaking to me:

“I am not like you. I can do my research. I have been through the university system and I am a brilliant researcher.”

He does not understand the concept that self-praise is no praise:

“I have over 30 papers published in international journals. Do you have any?”

And the Members over there thumped the desk. Ha, ha, ha, ha, ha. Now, let us look at the arguments of the Member for Caroni East. [*Interruption*] Well, I do not know if he thumped. "All ah them in the same thing."

Now, the first piece of foolishness from the Member for Tabaquite—sorry, the Member for Caroni East. I apologize, Member for Tabaquite.

“This Revenue Authority is a private company. It is not a public company. Judicial review...”

And he congratulates the Member for Tabaquite for bringing in the concept of judicial review:

“You can have a judicial review of public bodies, but this is a private body. How can you have a judicial review on a private body? This was shown conclusively in the UDeCott matter.”

Nonsense! When you go to clause 6(3) of the Bill:

“The Authority shall be an agent of the State.”

Is the Member for Caroni East blind? What does he think an agent of the State is, a private company? So that is the first argument from the brilliant researcher with the 34 papers.

Let us move on. He said the next point is pensions.

“They have no mechanism for creating pensions for these workers.”

All right. Let us go to clause 22 of the Bill. You know, I really wonder, do they caucus on that side? Do they read? Do they understand? It is just shocking. Clause 22 states:

“The Board shall within two years of the coming into force of this Act, establish a pension fund for the benefit of all officers and employees of the Authority.”

Let me read that again:

“The Board shall within two years of the coming into force of this Act establish a pension fund for the benefit of all officers and employees of the Authority.”

What does the Member for Caroni East say? They have no mechanisms for creating pensions. Is he blind or is it that he cannot read? And by the way, to deal with this thing about contract workers, I would like the Member for Oropouche East, who has a spattering of knowledge—he attended some polytechnic in Holland—to tell me how you can have a pension fund for contract workers. I want to know.

Dr. Moonilal: I am not hearing you clearly. I cannot hear you.

Hon. C. Imbert: So since you cannot have a pension fund for contract workers, what is the meaning of this clause?

“The Board shall within two years of the coming into force of this Act, establish a pension fund for the benefit of all officers and employees...”

T&T Revenue Authority Bill
[HON. C. IMBERT]

Friday, February 19, 2010

Would that not mean that the employees are permanent?

Dr. Moonilal: The Bill is inconsistent.

Hon. C. Imbert: Oh, really? You know, it bothers me. This is trite. If the Bill says that the employees shall get a pension fund, they have to be permanent. They cannot be contract officers. Contract officers get gratuity. Shocking! And I have it on good authority from the Minister that it is only the designated positions and, perhaps a few others—clause 16 states:

“The Minister shall appoint the Chief Executive Officer and Deputy Chief Executive Officer on terms and conditions determined by the Board and for terms not exceeding five years with eligibility for reappointment.”

So those two officers and maybe a couple others may be on contract, but the vast majority of workers in the TTRA will be permanent, pensionable employees. [*Desk thumping*] That should be obvious from that clause.

Now let us go on. What else this brilliant man from Caroni East had to say, the man of letters?

“This Government has systematically removed workers from the public service. People are operating as contract workers within the public service system.”

And so on:

“I see it in the Regional Health Authorities.”

Now, what happened in the Regional Health Authorities? I came in as Minister of Health in December 2001 and met an organization called MPATT. What is MPATT? The Medical Professional Association of Trinidad and Tobago, which I believe achieved recognition, Minister? I saw it in the newspapers somewhere. They achieved recognition. That is party group 5, I am told, of the UNC. So they tell "meh"; so they say.

But the fact of the matter is, you had this organization, MPATT, which has displaced the Public Services Association as the bargaining agent for a large number of workers in the health sector, driven by the United National Congress. Who is the executive of that organization? Are they PNM?

Dr. Moonilal: Yes.

Hon. C. Imbert: No. They are UNC members. I remember when I was Minister of Health there was a particular individual who not only was—[*Interruption*]

He fought a seat in San Fernando; we beat him bad. I cannot remember his name; an eye specialist. Anaroon Mahabir, that is the "fella", sitting down with people in the Ministry of Health to negotiate, or going on strike and so on, and the next thing he is a candidate for the UNC.

Dr. Moonilal: No!

Hon. C. Imbert: Yes!

Dr. Moonilal: Mr. Speaker, please, let me correct the record. Dr. Anaroon Mahabir has never been a candidate of the United National Congress.

Mr. Swaratsingh: That is not true.

Hon. C. Imbert: Mr. Speaker, I have to sit here and listen to this foolishness! I campaigned personally against Anaroon Mahabir in the electoral district of Cocoyea/Tarouba in the local government election of 2002. Nonsense! I mean the man is a stranger to the truth. Mr. Speaker, and you know it is true. You are a resident of San Fernando. You know it is true.

Mr. Speaker: I am not a resident of San Fernando anymore, but I know the gentleman of whom you speak.

Hon. C. Imbert: Member for Oropouche, you are a stranger to the truth.

You know, Mr. Speaker, I am being told we could bring him before the Privileges Committee. That is a wilful untruth he told there, you know. But the fact of the matter is that that UNC-driven organization displaced the Public Services Association as the bargaining agent for a significant number of health workers.

So what does the evidence tell you? The Members opposite created the TTPost, causing the PSA to get thrown out as the bargaining agent; they formed MPATT, causing the PSA to get thrown out as a bargaining agent in the RHAs and now they are hugging up and kissing the PSA. Total hypocrisy! [*Desk thumping*]

They are anti-worker. It is not we that said that workers are criminals.

Hon. Jeremie SC: Teachers.

Hon. C. Imbert: Teachers are criminals; well workers. It is not we that said teachers are criminals. And what did they say about nurses? Workers should not march? It is not we that said that; it is them. You cannot fool me.

Mr. Speaker: Hon. Members, the speaking time of the hon. Member for Diego Martin North/East has expired.

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

Question put and agreed to.

Hon. C. Imbert: Thank you, Mr. Speaker. It is necessary to restate some facts. I am advised and I believe it to be true, that the Revenue Authority will employ some 1,600 workers. Minister of Finance, is that so?

Mrs. Nunez-Tesheira: That is correct.

Hon. C. Imbert: Approximately 1,600 workers. I am advised, and I believe it to be true, that the total staff on the ground at present of the customs and the Board of Inland Revenue is also approximately 1,600 workers. That is what I am told. I am further advised by the Minister of Finance that the majority of the employees of customs and the Board of Inland Revenue will be employed by the Trinidad and Tobago Revenue Authority, and I believe that to be true.

So that when I hear all of these emotional appeals, like 1,800 lives; children will be affected, that is just populism. How many people are you talking about? How many? If it is 1,600 in customs and BIR right now, and 1,600 in the Revenue Authority, exactly how many people are going to be affected by this transition?

You know, when I go through everything that has been said in this debate—there was a complaint about tender rules and that bothered me. That came from the Member for Tabaquite who, unfortunately is not here. What does clause 27 say?

“The Board shall, subject to the Minister's approval, make rules relating to the award of tenders and contracts and those rules shall govern the conduct of the award of tenders and related matters.”

Then clause 27(3) goes on to say:

“Until rules are made under subsection (2), the corporation shall follow the procedures detailed in the Central Tenders Board Act.”

That is in the law. So there is a provision in the law that until the rules are made and they have to be laid in this Parliament and subjected to negative resolution, that the corporation shall follow the procedures detailed in the Central Tenders Board Act.

So is it that Members opposite have a problem with the Central Tenders Board Act? Is that what you are saying? Because until they make their tenders rules, they have to follow CTB procedures. Your arguments are bereft of logic. You just come here to quarrel and complain, as I said. Try to make people afraid of something and then blame somebody for it; that is your strategy. But this is a serious matter.

I think it is necessary to look at what has occurred in some of the countries that have created revenue authorities. Again, I am referring to this paper, the IMF Working Paper of 2006 and they had a number of case studies.

Peru, what happened in Peru? Peru established something called SUNAT: National Superintendency of Tax Administration. It is a revenue authority. It is a semi-autonomous statutory body, very similar to our TTRA.

10.00 p.m.

What happened to Peru? I am quoting from page 28 of this document.

“Since the SUNAT was established”—in Peru—“tax collection increased from 5.9 per cent of GDP in...1991 to 14 per cent of GDP in 2005.”

Trinidad and Tobago's GDP is \$150 billion more or less. If we have a percentage increase in revenue collection as a percentage of GDP, what is 5 per cent of \$150 billion? \$7.5 billion. I am not using the complete experience of Peru. They have doubled their collection. I am saying that if we increased our revenue collection by 5 percentage points of GDP, we will collect a further \$7.5 billion per year.

As the Member for Port of Spain South said, that money can be used to build hospitals; to provide meals for school children, public transportation, water, better roads and better drainage. We can even consider reducing our rates of income tax, if our revenue collection improves, because that has been the experience in many countries that have gone through the transition from a central government collection agency to a semi-autonomous statutory authority.

Let me go to Uganda. In Uganda, established in 1991, the Uganda Revenue Authority was one of the first African revenue authorities. Results were impressive in early years reflected by strong revenue growth in real terms. That is what happened in Uganda. I do not have the real percentages, but they are saying they had strong revenue growth. In the Brazil Federal Tax Administration, tax-to-GDP ratio grew continuously since 1995, reaching approximately 36 per cent of GDP in 2004.

What has happened in other countries? In Guatemala, tax collection rose from 8.7 per cent of GDP in 1998 to 10 per cent in 2005. In all the case studies in this document and in the majority of countries that have established revenue authorities, there has been a substantial increase in revenue collection. The salaries of workers have also increased substantially. That is why I say that this is a complex matter. You cannot look at it in isolation and say that the Government is simply abolishing posts in the public service.

T&T Revenue Authority Bill
[HON. C. IMBERT]

Friday, February 19, 2010

Workers in Customs and Excise Division and at the Board of Inland Revenue are subject to the collective bargaining process within the public service. Even though they are seized with the very important task of collecting revenue, the salaries they will receive have to be consistent with the rest of the public service.

What these countries have found is that because they are collecting billions of dollars in additional revenue, they are able to improve the terms and conditions of workers, pay much higher salaries, give better benefits, and the general situation of the workers has improved significantly. The only thing I can see here is that the trade union will not be happy about this, but if you look at the case law, you will see the reason the Government is doing this. Sometimes we have to do these things.

We tried to reform the public service using other ways, but it has not worked. We estimate that there is leakage in the Customs and Excise Division and the Board of Inland Revenue to the tune of billions of dollars. When you look at the revenue authorities around the world, that has been their experience. When you establish these authorities, your collections increase by billions of dollars.

Regrettably, the trade union will have to go through the recognition process if it wishes to represent the workers in the new Revenue Authority and the workers will have to agree. There is a point of view that if you put into legislation that people are moving from a public service into a statutory authority and you are not giving them the right of freedom of association—Member for Oropouche East, you can comment on this—the workers have the right of freedom of association as well and by putting into legislation that the union that represents them when they are public officers must be the same union that represents them when they are employees in a statutory corporation, you may be infringing the constitutional rights of the workers themselves. There are many sides to this matter.

What I found terribly disappointing by hon. Members opposite is that they did not study the Bill. One of the important aspects of the Bill is that clause 7 states that the functions of the authority are the assessment and collection of taxes, the administration of revenue laws; and the enforcement of revenue laws. The Bill, in clause 9, makes it very clear that, in the exercise of its functions, the board shall not be responsible for the functions of the authority as specified in clause 7. So the authority, which is comprised of the Chief Executive Officer and the employees, are responsible for the enforcement of revenue laws; not the Minister and not the board. All the board does is to set policy and all the Minister does is to give policy directions in the public interest.

Mr. Speaker, absolutely nothing has been said by Members opposite to assist us in this process. All we had from the Member for Siparia was a list of things

that occurred between 2002 and 2009, but no practical examination of the problem; nothing to drive the country forward. Their approach to serious matters is to try to make people afraid of a real solution to a problem.

It is the intention of the Government to proceed with this legislation. We will deal with the trade union, as the Minister of Labour, Small and Micro Enterprise Development has said, in accordance with the industrial relations laws of the country. We will comply fully with our obligations under the law and in accordance with good industrial relations practices. We will do whatever we can to make this transition as equitable and as humane as possible and we will do whatever we can to make sure that there is a human face in all this. We believe that it is necessary to do this and that if we do not do this, we will continue to wallow in this anachronistic society created for us by our former colonial masters.

I thank you.

The Minister of Finance (Hon. Karen Nunez-Tesheira): Mr. Speaker, as I wind up this debate on the Revenue Authority, I would like to make a few points; points that were made on this side, but perhaps further clarification and, in some cases, repetition may serve a useful purpose.

The Member for Diego Martin North/East spoke to the Member for Caroni East about privatization. That point was carried on by the Member for Tabaquite, who talked about outsourcing. Having listened to the Member for Diego Martin North/East as well as our learned hon. Attorney General, they became well aware, if they were not before, that the Government is not privatizing the Board of Inland Revenue and Customs and Excise.

If they had taken the time to look at the legislation, as the Member for Diego Martin North/East said, there is a clear provision that creates a relationship of principal and agent.

When we look at the case law, the hon. Attorney General and Members on the other side spoke of the case of *Chue v the Attorney General of Guyana*, their highest Court of Appeal is the Caribbean Court of Justice, which is not ours to date. I will speak on that later on. Although it is located in Trinidad and Tobago, it is not our final Court of Appeal.

However, in the Guyanese case, they made the point about the relationship of the Revenue Authority vis-à-vis the Government. It was a case that dealt with the constitutionality of the Revenue Authority. If I were to quote from the decision in that case, the provisions of the Guyanese Constitution are very similar with regard

T&T Revenue Authority Bill
[HON. K. NUNEZ TESHEIRA]

Friday, February 19, 2010

to the powers of the Executive and the rights of the President to delegate, not his authority, but his functions.

The Attorney General made the point on the TTPost case, when talking about those functions that are core functions and those considered non-core, that the world is changing so quickly that one may have to look at that in a different way. Even if one were to take the position that these functions cannot be devolved to a private entity, the relationship, whether core or non-core is that of principal and agent.

The case talks about their Article 99. That is the equivalent of the provision in our Constitution dealing with the powers of the President. It says that their Article 99 vests executive authority in the President while Article 99(2) confers on Parliament the power to confer any executive function upon any person or authority other than the President.

The point that was made in that case is that the relationship between that of the Revenue Authority vis-à-vis the Government was that of principal versus agent.

It says that for the purposes of those executive or governmental functions, the Revenue Authority functions not as a servant, but as an agent of central government; that the Parliament intended to confer such functions on the Revenue Authority to be performed by it as agent of central government. This can be gleaned from their legislation.

This is similar to the provisions in our legislation which speaks about the relationship between the Revenue Authority and the State. In that case, which they went on to elaborate on, it made the point that it is the relationship. It is not privatization. I do not know from where the concept of outsourcing came. I did not see it in the legislation. They have all our documents.

One of the things we did was that we shared the information with the PSA. They did not get the first version of the proposed Bill, which never reached the Parliament or Cabinet, surreptitiously. They got it because we gave it to them. Every single document, other than the Cabinet Minute, was given to them by the Ministry of Finance, including, before we even started the debate, a copy of the Bill.

We had to make some changes. I spoke to the President of the PSA and we offered to give it to them. In order to accommodate them, we had some minor changes and we spoke to the Attorney General's Department to facilitate us in order to give them a copy. We even offered to make a special presentation to the PSA and arranged it. They did come, but for reasons best known to them, they did not take the offer for us to hear their concerns. We went that far.

10.15 p.m.

Mr. Speaker, that same point of the relationship of the State and the Government with the Revenue Authority was also discussed at the Caribbean Court of Justice in a case that was quoted by my colleagues, which is the Griffith case. I would not go into it at all, only to say that they also made the point that the Revenue Authority does not, by virtue of that status, become synonymous with the Government or with a government department, nor do the employees of the Revenue Authority become public officers or even public servants. That is a decision that was rendered by Justice Nelson, a Justice of Appeal. He was at the Caribbean Court of Justice and he made the same point that I have made about the issue of privatization. I do not have any difficulty and I have to say with all sincerity, if those on the other side wish to make a point and it is a legitimate point, I have no difficulty with it. But, when you start your argument and you premise your argument on a false basis and a false foundation, where do you go with that argument?

I know that the Member for Tabaquite was a former Attorney General and the Member for Siparia was for a short time, albeit a very short period; a fleeting moment, also an hon. Attorney General. As a matter of fact, she was the first female Attorney General. So, I am confident that they understand the law and I am confident that they are familiar with these cases. To come to this honourable House, the national community is listening to them, and they say it with such sincerity and such conviction, you would believe them. You would believe them if you did not—thankfully the way the Parliament operates, you get to hear the facts. If I am not speaking the truth and speaking the facts, they are there to ask for a—or they can render Standing Order whatever, or correct me. They cannot correct me, because we never said anything about—that is the mischief—it is deliberate, in my respectful view they are using the words very carefully—outsourcing. They were repeating it and repeating it "private". They were repeating the privatization point because they want to put in the mind of the national community, that the Government is going to outsource, create contract positions and that everybody in the Revenue Authority will be contract workers and that we are privatizing and we are outsourcing. I am saying to the national community, that is not so and the legislation does not bear it out. If those on the other side have any proof or any evidence that can gainsay what I am saying, I want them to speak now or use this opportunity to correct me. They cannot, because they know what they have said is not true. What is even more disturbing is, I believe they know, and they have to know, what they are saying is not true because they are lawyers and practising lawyers, I may add.

T&T Revenue Authority Bill
[HON. K. NUNEZ TESHEIRA]

Friday, February 19, 2010

The whole idea of principal agent and the relationship, therefore, must be maintained between the Government. As we have all said here, revenue collection is a core government function. Some may argue that it is moving away from that, but it is critical to the way that a government functions. The fact that in the legislation, it says that all moneys must be deposited into the Consolidated Fund and the Exchequer and Audit Account, recognizing that it is not a question of us developing the powers, outsourcing the powers or privatizing the powers, we are creating a relationship of principal and agent and the principal is the Government, as it must be.

If you have any doubt about it, every single country, as the Member for Diego Martin North/East mentioned—we have a document here indicating the relationship and the role of the Ministry of Finance in respect of all the revenue authorities, exercise supervision and legal control: Argentina and Canada have a separate Minister but a Minister is responsible; Colombia has a Minister of Finance and Public Credit; Ethiopia, a Minister of Revenue is accountable; Guatemala is independent; Italy, the Ministry of Finance is responsible; Kenya, general supervision, that is the Ministry of Finance; Mauritius, Ministry of Finance with oversight and final responsibility; Mexico, oversight as Minister and direct control as the Chair of Board; Peru, Minister appoints national superintendent; Rwanda, general supervision; Singapore, general accountability; South Africa, Ministry of Finance has executive authority; Spain, revenue authority attached to the Ministry of Economy and Finance; Tanzania, general responsibility; Uganda, general supervision; Zambia, Minister accountable; and Zimbabwe, Minister accountable. That is because the relationship between the revenue authority and the Government is that of a principal and agent. The authority resides with the government. The functions are that of the Revenue Authority acting on behalf of the Government.

I move on to another point that was made, which is related to my first point in a sense. It is about the idea having a Minister, which I have just shown. You have to have the Minister. We well know that it is not the office holder, but it is the Minister acting on behalf and also the whole concept of collective responsibility; acting on behalf and carrying out and discharging the policy decision of the Government. When we listen to the other side, they give you the impression that to have a Minister, which in fact is the position right now, exercising any kind of authority over this Revenue Authority, is somehow an abuse of power and overreaching of the Executive.

The Constitution has many provisions that act as checks and balances against the overreaching of Executive power. That is the understanding that the Executive

has a role. We have spoken on the role of the Executive several times this afternoon, about Chapter 9, but I would be more specific.

If you look at section 121(3), there is a provision which states:

“Before the Public Service Commission makes any appointment to an office to which this subsection applies, it shall consult the Prime Minister.”

not the Prime Minister of the PNM administration; that is the Constitution. It sets out all the offices to which there must be consultation and that the approval of the Prime Minister is required for certain key offices in the government service. I have a list of them here: Permanent Secretaries; Deputy Permanent Secretaries; Director of Monetary and Fiscal Trade, Director of Budgets, Director of Contract, Comptroller of Customs and Excise; Deputy Comptroller of Customs and Excise; Comptroller of Accounts and it goes on and on. To come here—Chairman of the Board of Inland Revenue and Commissioner of the Inland Revenue—and give the impression that this Government somehow is abusing its power, is to really mislead the national community. The purpose of that provision is to allow the Executive to function. It is to allow the Executive to carry out its functions.

Mr. Speaker, again, when you look at the Constitution again, in section 75 it talks about

“There should be a Cabinet for Trinidad and Tobago which shall have the general direction and control of the government of Trinidad and Tobago and shall be collectively responsible...to Parliament.”

The reason for that is that the Executive’s role is to manage. That is what you are elected to do; to manage the business of the people in an efficient and effective manner.

My colleagues on this side quoted some of the cases, but I think it bears repetition. In the same *Perch* case, from which we have heard this quotation was taken, but it is from the *Attorney General v KC Confectionary*. Justice Bernard had this to say:

“Constitutionally the Executive is the entity which is charged with the responsibility for the economic development of the country and by and large it is the body to determine how this is to be charted. There are ultimately constitution leads whereby the citizen records his disapproval of Executive policy.”

Again, in the case where Lord Atkins spoke about the power of the government, they were citing the *Perch* case and that the point is the right of the government to abolish posts. This is different from the powers of the Public Service Commission. We have heard the arguments on that. The Public Service Commission has the power to

T&T Revenue Authority Bill
[HON. K. NUNEZ TESHEIRA]

Friday, February 19, 2010

hire. They have the power to discipline. They have the power to remove from office. They do not have the power to abolish a post. That is the province of the Executive because the Executive is charged with the management of the people's business. That is the role of the Executive. In fact, Lord Atkins had this to say:

“There was no right acquired under the appointment to the office except a right which, from inception, was subject to be determined by the office being determined by statute. It cannot be...that the Dominion—meaning the Government—should have power to create an office, but no power to abolish it.”

This is from Lord Atkins. The point I am making here is that the Constitution in fact recognizes and the case so recognizes the role and function of the Executive.

In fact there is another case; an Indian case, *Pillai v the State of Kerala*. The judge had this to say in the Supreme Court of India:

“The power to create or abolish a post is not related to the doctrine of pleasure; it is a matter of governmental policy. Every sovereign government has this power in the interest and necessity of internal administration. When the power of the State abolishes an office, it is founded on principles of economic expediency and administrative efficiency. The court will not shrink from scrutinizing the exercise of that power.”

The point I am making is that the role of the Government, vis-à-vis the Revenue Authority and the Minister acting on behalf of the Cabinet under the concept of collective responsibility, is consistent with the overarching responsibility of the Executive.

I turn now to a point that really disturbed me, because it seems to be getting some kind of—I suppose there is the saying that the more you repeat something the more, even if it is not true and you repeat it enough times, people believe it to be true. One of the things I hear all the time is that this Government does not communicate. I think the Member for Siparia's whole argument about legitimate expectations was premised on the fact that we communicated one thing, but we did not communicate the position that the Executive has the responsibility to manage and run a government and exercise in the interest of the people of Trinidad and Tobago. What disturbs me is that they continuously say that we are arrogant and we do not communicate. I want to say, not only to this honourable House but to the national community—they spoke about DNA, I want to tell you what is embedded in the PNM is DNA. We are a government of cottage meetings and a government of walkabouts. Why I make that point is this, they gave you the impression that we do not listen to the common man. They gave you the impression that we do not communicate and dialogue. Mr. Speaker, that is the

hallmark of the PNM, from the days of the founding father, Dr. Eric Williams we have had, the party groups, the walkabouts and cottage meetings. Every single Member here has had and continues to have cottage meetings and walkabouts. It is our mandate and our responsibility, coming from no other than the head of our Cabinet and because we believe that it is our responsibility to listen to the people.

When I prepared for today's debate I actually got—I want to say this very carefully, lest the wrong impression be given. As Member of Parliament for the constituency of D'Abadie/O'Meara, I understand the responsibility to communicate and I know all my colleagues on this side understand this. How do we do this? One method is newsletters. This newsletter is on "building bridges". That is one of the responsibilities that are important. In fact, the Attorney General may not be too happy with me but he is showing me one of his cottage meetings that he—we understand communication, dialogue and consultation. We do not allow those matters to prevent the hon. Attorney General communicating and dialoguing with the people of Trinidad and Tobago.

10.30 p.m.

Mr. Speaker, when I look back—and I know this is true for every single one of my colleagues—we have been walking about meeting the people on the streets and hearing what are their concerns, and we continue to do that because we—I do not know if the other side can say that—it is part of the structure and system of the PNM Government that we meet and dialogue with the people through the method of walkabouts and cottage meetings, but it is not only the citizens of Trinidad and Tobago.

I have heard a lot said this evening about not communicating with the employees of the Board of Inland Revenue Division and Customs and Excise Division. Well, I have a document here which we prepared in our department about the communication initiative from September 2008—to June 2009. We established a hotline; we did bulletin updates on frequently asked questions based on what people said to us—what their concerns were—and we compiled frequently asked questions. We did ads but, more than that, we had briefing sessions with the members of the Board of Inland Revenue Division and the Customs and Excise Division. I can give you the dates and they are as follows: September 10, 2008, at Crowne Plaza in Port of Spain with 344 staff members; September 11, 2008, two more briefing sessions at Crowne Plaza for 301 staff members; September 12, 2008 in San Fernando, 112 staff members; September 16, 2008, in Arima; and September 17, 2008, in Mayaro, and I can go on and on.

The point I am making is that in terms of the employees, we have been dialoguing with them, and we have been dialoguing with the Public Service

T&T Revenue Authority Bill
[HON. K. NUNEZ TESHEIRA]

Friday, February 19, 2010

Association. I know certainly before I became Minister that was put in place and, certainly, as the Minister of Finance, on behalf of the Government, I continue that dialogue with the PSA.

Mr. Speaker, you listen to the other side and you get the impression that the staff of the Board of Inland Revenue Division and the Customs and Excise Division are opposed to the Revenue Authority, but I am going to develop that point a little more. I am just mentioning it here to say that last week Wednesday, we had a consultation and over 300 workers from the Board of Inland Revenue Division and the Customs and Excise Division attended. I have the pictures here, but I would not show them. They asked questions, and look at the questions they asked. They asked: What is provided in the proposed structure to prevent corruption and unethical practices that exist in both agencies currently? That is what they said to us. That is what the employees of the Board of Inland Revenue and the Customs and Excise Division asked us.

Mr. Speaker, we sent out a questionnaire: How do you perceive customs and excise now? Some of the answers were: To me it is going nowhere in a hurry; it is understaffed; and it is biased. They had some positive things to say. They said: "Okay; fair to fine; needs improvement and interesting." But what is more interesting is when they were asked: How does the public perceive customs and excise? These are not my words; this is what the employees had to say: As bad, most times; corrupt; outdated; discourteous; as a corrupt organization; as inefficient; no response; a division that is shadowed by corrupt practices; many illegal things happened; too much bribery, as a powerful unit that is well established and pays their staff a satisfactory income; corrupt, corrupt, this image needs to be addressed; hard-working with room for improvement; biased; corrupt and unmannerly; impolite; a tin god for the most part; respect for the responsibility and consequent authorities lacking; as a set of thieves in that they only refer to Customs and Excise Division as full of individuals to accept bribes. So, this is what they said, not me. This is what the workers said to us.

So what does a government do when the workers themselves say to you that the current structure clearly has serious deficiencies? Mr. Speaker, that is the reason behind the Revenue Authority. I just want to say on the point of the Revenue Authority that the model that we used was the United Kingdom model. We did not use the Canadian model. If the Member for Siparia had done her homework, which she is very capable of doing, she would have found out that the reason—and it is the only revenue authority that separated customs and tax collection—for that was that in Canada, customs account for only a small portion

of revenue collected. In fact, they said that the primary purpose of customs is border control, and that issue was heightened after 9/11 and reflects the US approach to move customs from Treasury to Homeland Security.

Mr. Speaker, when the hon. Member for Siparia made the point about Canada, I am sure the national community got the impression that they did that because the idea of consolidating these two critical functions in one simply did not work, and they themselves had abandoned it, but that is not the case. I just explained the reason, and if the Member for Siparia had done her homework, she might have been able to shed light on that matter. In fact, the point I am making is the model that we have used is the UK model.

The Member for Diego Martin North/East gave examples of many revenue authorities that have been successful. So, I would not go over them, but I can give you that in the United Kingdom, they are developing ways to deliver business better with customers to ensure that the right tax is paid. The South African Revenue Authority, similarly, positive responses since the formation of the revenue authority. The Singapore model they said is empowered with a new autonomy and flexibility to better able to keep revenue collection in tandem with the aspirations of the nation, and I can go on with many other examples. I think the Member for Diego Martin North/East used a very good example in Peru, because I believe that is the first one that was established in the 1980s, and they saw an increase in their collection from 5.8 per cent to about 14 per cent in a few short years.

Now, the point that was made and we recognized it, is that a revenue authority is not a means in itself. In other words, setting up a revenue authority does not automatically mean that all will be well, because it is only the beginning of the journey. In fact, all the countries that have established a revenue authority, it is noteworthy that none except Canada—and I have given the reason—have dismantled their revenue authority. None except Canada for the reason I have stated.

So, Mr. Speaker, we dialogued with the people of Trinidad and Tobago and we listened to the employees of the Board of Inland Revenue and the Customs and Excise Division. In fact, this Government decided to do something about it and it set up a committee. The Member for Oropouche East focused on Mr. Gordon Deane who was the chairman, but the composition of the committee included a former chairman of the Board of Inland Revenue; an accountant consultant; an assistant chief state counsel; deputy comptroller of customs; and legal adviser to comptroller of customs and excise. Those were some of the persons who were members of that committee in 2002; a Cabinet-appointed committee. Mr. Speaker, yes we have heard some of the findings of the

T&T Revenue Authority Bill
[HON. K. NUNEZ TESHEIRA]

Friday, February 19, 2010

committee. It is not the Government that is saying this. It is not anyone of us here saying this, but this is the committee's findings. They talked about deficient human resource management; inadequate staff development; lack of control over accountability for budgetary allocation; high incidence of corruption and corrupt practices; poor customer relations; lack of appropriate information technology; and poor infrastructure. These are some of the findings of that committee.

Mr. Speaker, it is true that you do not have to form a revenue authority to deal with some of these concerns. That is true. In fact, we have not waited to form a revenue authority to deal with some of these concerns. The issue of IT, as we may well know, has been addressed with ASYCUDA in customs and the Integrated Taxpayers Information Systems (ITIS). So those things have been implemented.

With respect to the accommodation issue, we well know about the Government's campus where the workers of the revenue authority will be accommodated. So there are things that are within the remit of the Government without having to form a revenue authority to address. With respect to the issue of training, I do not have the information at hand with me today, but I can tell you that a lot of training continues to be undertaken in both divisions. In fact, today, I signed a few documents agreeing to several officers going on training sessions.

So, we agree, that in order to address some of the concerns there is no need for a revenue authority. However, there are some things and critical things that are the findings of the committee, and also the view of the employees themselves that cannot be solved or cannot be facilitated in the context of the public service, and that is not an indictment on the Trinidad and Tobago Public Service, it is the nature of the public service. It is bureaucratic; it is burdened with red tape. We all understand that.

This Government has done several things. The Minister of Public Administration talked about ttconnect using information technology and the Government backbone. We have done several things like training and centralizing in each ministry having an HR officer. So we have done things, From the days of Gordon Draper in the 1980s, we have been doing things, but the point about it is that there are some things and some critical things that the public service just does not facilitate, and key among them—and this is what they tell us. This is what the same people that they represent tell us—the issue of meritocracy versus seniority.

They told us about the issue of corruption. If we want to pretend—in fact, we all know because I was in the public service, and as the Member for Princes Town North said, yes my father was in the public service and I had family who was a permanent secretary, so I respect the public service and I respect public officers.

In fact, a lot of the work on the Revenue Authority could not have been done without the support of the public officers. [*Desk thumping*] They are truly professional, and I am not saying that to be polite, but I am saying that with sincerity. So there is no question that, by and large, the public officers are decent and honest persons, but they have said to us that there are bad eggs. They have said to us—you know that saying, one bad apple spoils the whole bunch—because there are one or two corrupt officers—maybe more than one or two—they all get the same name branded by the same brush. So, how do you address the issues of corruption which they say that they have, and which the committee has found? How do you do that? Do you try to address it in the public service?

We all know that in the public service there are many persons who make the decision to stay in the public service—many of our permanent secretaries, many of our senior public servants stay there not for money, but because of the love of their country, but for many others it represents security of tenure. One of the hardest things to do is to discipline a public servant and we know it; we all know it. Not only is it hard to discipline them, but the length of time it takes. There is the Public Service Regulations; the Public Service Tribunal; the Public Service Appeal Board; the judicial review and the process goes on years and years, and they will tell you that. They are not going to discipline an officer because they feel it will go nowhere, and because of the structure of the public service, it does not facilitate the issue of discipline.

What do I mean by that? It is the hiring, firing, promoting and demoting. I am just saying theoretically that if you are corrupt, and you are in the public service, you may well take the attitude you can do nothing about it, because by the time this matter is heard by the public service tribunal with all the regulations—I am not casting aspersions on the officers.

I want to make that very clear you know, I am not casting aspersions on anyone. I am talking about the system and the structures, and it is a system and structure that is repeated in many countries, the bureaucracy of the government service.

10.45 p.m.

So if you really want to deal with issues of discipline in the way that the private sector is able to do it, it simply does not happen in the public service. If I have to give you one reason, and I think it is a good reason why we are putting the Revenue Authority—efficiency, yes, but you know what is efficiency in collection of revenue. What militates against the efficiency in collecting the revenue? There are a number of factors: Attitudinal, but let us also be honest, the

T&T Revenue Authority Bill
[HON. K. NUNEZ TESHEIRA]

Friday, February 19, 2010

leakages must come also from issues of bribery and corruption, and it is not peculiar to Trinidad and Tobago. All those countries that form revenue authorities, that was also a consideration and we are going to deal with those matters on behalf of the people of Trinidad and Tobago.

The Member for Port of Spain South spoke about her experience, but I know many people, I know a member of my constituency—it was unfair to all the good hard-working public servants—but she was bitter, because her experience in dealing with those two entities was not a good experience. Could she go to the supervisor, complain and then after that something would be done? The reality is it does not happen.

So if we have to find one good reason that the people of Trinidad and Tobago and the same employees of the current Board of Inland Revenue and customs, for changing the structure, it is to deal with the issues of discipline and to deal with the issues of meritocracy; the persons getting promoted, not on a basis of seniority but on meritocracy. Those are two good reasons. But it even goes beyond that, because one of the things uniting these two units under one arm, is the same IT.

Right now you have ASYCUDA World dealing with customs and you have ITPS dealing with taxpayers. When you integrate the system, as you will, in a Revenue Authority you would get one identification number. So the person who is importing goods as a businessman and making his declaration in customs will have the same identification number as a taxpayer, whether he is a taxpayer under a business name or in his personal capacity. It allows a better surveillance, better monitoring, and therefore dealing with the issues of the leakages that we speak about.

Mr. Speaker, I think those questions in terms of the corruption, even issues of discipline, I think the Minister of Public Administration, the Member for St. Joseph and other speakers have brought the point, we are not condemning the public servants; we are not condemning the public officers. We are saying that the system and structures do not facilitate the issues of discipline and the issue that deals with promotional opportunities based on meritocracy. That is what we are dealing with.

I have heard a lot being said today, how will the Revenue Authority make this difference? Well very briefly, if the issue is one of dealing with leakages and dealing with issues of perception of corruption, one of the things that the Revenue Authority is going to focus on is the setting up of a whole unit which will have an executive director to deal with enforcement, and we are going to increase the staff in the enforcement division. We are going to increase the staff in the compliance division and we are going to have an executive director, rather than a division

called compliance or investigation, we are going to create two separate offices of executive directors of enforcement, particularly from a real and [*Inaudible*] compliant, and increasing the number of staff.

We are also going to set up an internal audit department which does not currently exist, separate and independent and it will come under the CEO. It will also deal with the issue of the staff and the obvious aspirations of the staff in an environment, that is what you call a learning environment, an environment that is more facilitative of the individual and legitimate expectation.

I heard a lot of talk about when we do this there will be no transparency and accountability, but we are going to put in a performance management system. We are going to have a job description and when we go to recruit, and I want to make the point about the recruitment, I said that the employees, by and large, they do support the Revenue Authority; the PSA supported the Revenue Authority. As a matter of fact, up to two weeks ago, if not that long, they supported the Revenue Authority because, they understand, as good citizens of Trinidad and Tobago, such an Authority is good for the country in many ways. Their issue is not the Revenue Authority; the issue is the modality for the transition to this Revenue Authority. That is the issue at hand; not the Revenue Authority, but the way of the transitioning to that Revenue Authority.

When we go to recruit we are going to make sure that persons, not only are qualified, but have the attributes that are necessary for the particular position. In fact, in our discussion about the Revenue Authority where there was a parting of the way—as a matter of fact it really was not a parting of the ways, because both the PSA and when I speak about the PSA I have to speak about the corpus called the PSA, and in our discussions with the PSA where there was an agreement that they needed to do some filtering so you do not import those bad eggs. The view of the union was, do it after two years; our view was, why bring the problem and why import the problem into the Authority, so in principle there was agreement that there was need for filtering; the modality for the filtering there was a difference of opinion.

Mr. Speaker, I just want to address more of what the Member for Chaguanas West and also the Member for Siparia spent some time and said that they support the Revenue Authority, it was a good thing, but the issue was credibility and so on. When I listened, especially to the Member for Siparia, a saying came into mind, no one reveals more of himself when they speak of others, and why do I say that? Because the Member for Siparia—

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. [*Hon. C. Imbert*]

Question put and agreed to.

Hon. K. Nunez-Tesheira: Mr. Speaker, I, myself, lost track of the time so I am just going to speak very quickly on the issue in which the Member for Siparia talked about the great betrayal.

I want to ask the Member for Couva North, what he thinks about that? I wonder if he would have a view of the guru of betrayal. I heard the Member for Siparia talking about credibility and honesty. I remember on that no confidence motion, and I did not say anything at the time, but so many untruths. [*Interruption*] No, I am talking about the issue of credibility and honesty of your leader. [*Interruption*] No, your leader must be someone of integrity and honesty, and I am just saying that I remember—and I have the quote you know, "Has the Minister used her position as Minister of Finance"—listen, look at the crudity of it? That was "mammy's" money—and you know she speaks very well all of the time—"sister coming for it, give it to her now, there is no grant of probate and no letters of administration". "I said not one statute, two statutes, not three statutes, but she broke all of them in breach;" that I got my money from the probate division without getting a grant. Not true, but you see she did not want to take the time to find—and the Member for Diego Martin North/East had to tell her that the money of which she spoke was in a joint account, which you do not need, as she would know about the law of survivorship, you do not need a grant of probate to deal with property held jointly. That is the first untruth.

The next untruth—[*Interruption*] that is your leader. "Minister, did you get permission from the Central Bank? Did the CIB get permission? It happened on two sets of occasions where the Minister's account and the account of the Minister's relative, had no approvals." Again, as a lawyer the Member should know that the Clico Investment Bank is an investment bank and after one year—which it was in my case and the other case—you do not need Central Bank's approval, but giving the impression that somehow, both the Central Bank and the CIB, on behalf of me, the Minister, broke the law. Not true.

I mean this one was incredulous. When the Member for Diego Martin North/East was speaking she took great umbrage to what he was saying and kept saying, you are saying things that are misleading, you want people to believe—setting innuendoes, I do not know if this is innuendo, you know; these are untruth from the leader. She said, "Now I have been informed that lawyers of CL

Financial were meeting with the Minister of Finance officials long before January 14." She went on to say that the lawyers and agent of CL Financial engaged in a meeting with the Ministry of Finance long before January 14. Another lie, and I will say, *[Interruption]* Yes, it is a lie—

Mr. Speaker: Minister, you have to use the word "untruth". Do not use the word "lie".

Hon. K. Nunez-Tesheira: Okay, telling stories. This is hilarious, on the same occasion—this is the new leader, the person of integrity and honesty, she is a stranger to the truth. She said, "I have been advised as we speak that people are presently cashing cheques at the Treasury, that the Treasury has run out of cash, this information has just been passed to me, we are in dire straits." That is what she said. That is what the Member for Siparia said, the one who talked about the great betrayal. I would ask the Member for Couva North what he thinks about that statement.

Mr. Speaker, I have limited time and I just want to make a point—*[Interruption]* Let me just say this, I respect the PSA, I understand their position, but let us deal with the facts. The PSA is governed by the Civil Service Act, section 21, and it is the Civil Service Act that gives the PSA the right to represent public officers. It is a creature of statute. So it is conceivable that the PSA may be a minority trade union, meaning that they may not have the majority of the workers, but because of statute they are clothed with that authority.

Once the Board of Inland Revenue and customs posts are abolished—which is the authority of the Executive, and in fact it says so in the Civil Service Act—they will no longer be public officers; they have to do like every other union and go for recognition—more than 50 per cent of the proposed workers in the proposed bargaining unit members in good standing, they have to pay eight weeks union dues—and that is in the Industrial Relations Act.

I do not understand why the PSA would not welcome that. I want to say to the workers too, whilst they are applying and going to the Revenue Authority to see if they can get more than 50 per cent, the workers have a right under section 51 of the Industrial Relations Act to take any rights dispute to a union of their choice, they just have to join the union, pay eight weeks dues and they can take any rights dispute to the Industrial Court, which, by the way, was set up by this administration. The Industrial Court, under section 10(4), in particular, gives workers rights that they do not even enjoy in the High Court.

11.00 p.m.

They have rights of re-employment, re-engagement, and their award of compensation can be more than what they would get in the High Court, in keeping with good industrial relation practices. So why would you not welcome an opportunity to have access in the Industrial Court and become the recognized majority union?

In fact, the Member for Diego Martin North/East spoke about legislation where—and it was a good point, the RHA. Yes, the legislation in the RHA, NUGFW—by the way, a Senator of the Government happened to be the President of the NUGFW, was given that capacity to represent the daily-paid workers of the RHA by legislation. I just want to remind those in this House, that when the PSA tried to get that representation—I have it right here—it was objected to strenuously by the same people, who are now crying as though they feel so sorry for the PSA. Where were they last year March, when the decision was made? Where were they? Where were you? Anyway, I would let the national community come to their own conclusion on that.

Mr. Speaker, when the RHA went to get PSA to be the union by legislation, to represent the monthly-paid workers—MPATT, they are right—MPATT objected. MPATT objected on the grounds that it was against the freedom of association. They objected and they said, "We are a signatory to the convention", which I am sure the Member for Oropouche East well knows, the International Convention Freedom of Association. So, those on the other side want the Government to put into legislation, the right of the PSA to represent the workers of the Revenue Authority, without giving the workers themselves the right to choose, and to do like every other union and get certification and recognition from the board. They did not want to do that. When it was challenged by MPATT, the reason that it was challenged effectively was that argument about person's right to choose.

Mr. Speaker, I sat here and listened to the Opposition speak about this whole concept of representing the workers, and as the Member for Diego Martin North/East said, they probably have short memories where they said that the teachers were criminals. More than that, do you know what disturbs me? They said it this afternoon and I am not surprised. Every single Bill that needs a three-fifths majority, they do not support—the Financial Action Task Force (FATF), who can blacklist us for not passing legislation; the Proceeds of Crime (Amdt.) Act; the Anti-Terrorism (Amdt.) Bill; the Financial Intelligence Unit Bill, the Securities Bill—that is not part of FATF—the Financial Institutions Act. When we do not do that, do you know why we cannot do it and why we are able to do it now? Because we have the three-fifths. If it was not for that, we could not do the people's business.

They sit in here and every time a Bill comes to this Parliament, every single Bill that is for the benefit of the people of Trinidad and Tobago, they either abstain or they vote against it. But you know, they are a government of yesterday was yesterday, and today is today, because I mentioned the Caribbean Court of Justice. There was a case that was discussed about the Privy Council—that is still our highest Court of Appeal and people ask why. Because when they were in government, it was the best idea. That is why it is here in Trinidad. The irony of ironies is that the Caribbean Court of Justice is headquartered right here. When they came out of government it was no longer a good idea, and they talk about—[*Interruption*] But they are not patriotic.

Mr. Imbert: They are not serious.

Hon. K. Nunez-Tesheira: They are not only not serious, they are not patriotic. They do not care about their country. [*Desk thumping*]

Mr. Speaker, my final point before I wind up, is the point about the leakage—5 per cent. That is what they said, 5 per cent of the GDP which represents \$7 billion. I know we have used this article before, but I am going to use it again because it is full of facts as to the Government wasting the money. I want to ask those on the other side, if they think we wasted the money when we gave the people of Trinidad and Tobago an opportunity for an education. Not an exclusive education, an inclusive education. Whether it is YTEPP—but you see OJT, remember when they came into power what they did? Closed down OJT. When they came into power, what did they close down? The Civilian Conservation Corps. But are we wasting our money on the citizens when we walk about?

I am sure everyone here knows someone who is either at the University of the West Indies, University of the Southern Caribbean, UTT, in COSTAATT, MuST, OJT. I am sure we know that. You say that we do not listen to the people. We listened to them when they said: We want an education. We listened to them when they said: We want school books for our children. We listened to them when they said they wanted meals for their children. We listened to them on housing. We listened to them even with regard to so-called big buildings, because many of those big buildings—PSA will know that—are for public officers, for persons who serve the Government of Trinidad and Tobago.

Mr. Speaker, we listen to the people. In fact, what has hurt me the most, and I know the Member for Fyzabad is not here, but on the occasions when he makes a contribution, one of his pet peeves is CEPEP. But we listen. The Prime Minister of this country listened to the people when CEPEP was established in 2002. Who was CEPEP for? CEPEP was for those single mothers with young children. Those were

T&T Revenue Authority Bill
[HON. K. NUNEZ TESHEIRA]

Friday, February 19, 2010

the persons in large part that this Government listened to and provided an opportunity. So when they come and tell you that we do not listen and we do not care, the facts do not support that.

In fact, that article that the Government wasted money, written by Anthony Wilson, talked about the amount this Government allocated to the Senior Citizens Grant, \$1.36 billion; disability grant, \$247 million; education, \$1 billion, and he went on and on. Do you know what was interesting? When he compared what the UNC did, not in raw numbers, but in percentages, what did they do for the people of Trinidad and Tobago? When they were in power, when it came to subsidies and transfers, essentially you are talking about Senior Citizens Grant, disability grant, things like housing, education. These are the subsidies and grants that we are talking about when they were in power, how much did they give to subsidies and grants?

Mr. Imbert: Nothing!

Hon. K. Nunez-Tesheira: No, they did. Thirty-three per cent against our 47 per cent. Infrastructure development, and to many people in the national community, what does that mean? It means better roads, it means better bridges, it means electricity, it means water. When we look at what this Government has been spending and continues to spend in order to provide those facilities to the people of Trinidad and Tobago, when you compare their figure—and I am looking for the actual figures here—with our figure, it is substantially less. Capital expenditure: ours was 15.7 per cent to their 8.3 per cent. So, Mr. Speaker, when they come and try to tell you and the national community that we do not care, that we do not listen, the facts do not support that.

In fact, finally, on my last point on saying how much the Government does care and does listen, I want to know who we are not listening to. When you look at the social programmes that were initiated by this Government—in fact from 2002, we looked at some of these programmes and we got someone from the University of the West Indies to give us an indication of—if you were to put a cash value to what the Government gives to a household and quantify it, it is significant. When it was done, they looked at different households and used like an elderly person who would get CDAP, a young child who is going to primary school and getting food, books and transportation. They looked at different categories of persons including the fuel subsidy, the school nutrition programme, the food debit card, the public assistance programme, the education grant and so on. When they gave a figure to a household, it came up to, in some instances, as much as \$6,354 and the lower level was \$3,623.

So when we are asked what is this Government doing for the people of Trinidad and Tobago and whether this Government listens to the people of Trinidad and Tobago, we are saying that the revenue authority is about creating more efficiency—just the name. The budget theme for this year is, "Creating more Efficiency and more Effectiveness", so that we can deliver more to the people of Trinidad and Tobago. We can build more schools, we can build more roads, we can deal with the issue of water. I remember the Member for Chaguanas East was talking about that, "Water for All", but when we came into the office, \$12 billion in debt had been inherited. Twelve billion dollars for that, "Water for All".

So I want to say in conclusion, Mr. Speaker, that the revenue authority is for and about the good citizens of Trinidad and Tobago. The Revenue Authority is about the taxpayer. The revenue authority is about the business community. The revenue authority is about the current employees of the two entities, who, as the Prime Minister has said, as well as the Member for Diego Martin North/East, we need 1,600 workers in this new entity. When you listen to them and say that you are going to abolish the post, you must conclude that they would close down both entities and there will be no more Customs and no more Board of Inland Revenue. That is not true, and they know that is not true.

So we have listened to the people of Trinidad and Tobago, and we have undertaken that promise to the people of Trinidad and Tobago, to act as a committed Government around the tenets of Vision 2020, creating a nurturing society, developing innovative people, creating an enabling business environment and dealing with the issue of good governance. All those issues and the pillars of Vision 2020 are encapsulated in the revenue authority.

With these words, Mr. Speaker, I beg to move. [*Desk thumping*]

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole House.

11.15 p.m.

House in committee.

Clauses 1 to 25 ordered to stand part of the Bill.

Clause 26.

Question proposed, That clause 26 stand part of the Bill.

T&T Revenue Authority Bill

Friday, February 19, 2010

Mrs. Nunez-Tesheira: Mr. Chairman, I beg to move that clause 26 be amended as follows:

Delete sub-clause (2) and substitute the following:

“(2) Notwithstanding section 2 of the Exchequer and Audit Act, the Chief Executive Officer shall be a receiver of revenue for the purposes of that Act”.

Question put and agreed to.

Clause 26, as amended, ordered to stand part of the Bill.

Clause 27.

Question proposed, That clause 27 stand part of the Bill.

Mrs. Nunez-Tesheira: Mr. Chairman, I beg to move that clause 27 be amended as follows:

In sub-clauses (1) and (3) delete the word "Corporation" wherever it occurs and substitute the word "Authority".

Question put and agreed to.

Clause 27, as amended, ordered to stand part of the Bill.

Clauses 28 to 40 ordered to stand part of the Bill.

Schedule.

Question proposed, That the Schedule stand part of the Bill.

Mrs. Nunez-Tesheira: Mr. Chairman, I beg to move that the Schedule be amended as follows:

In the Schedule, delete the words "Land and Buildings Taxes Act, Chap. 76:04" and substitute the words "Property Tax Act, 2009".

Question put and agreed to.

Schedule, as amended, ordered to stand part of the Bill.

Preamble approved.

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

Bill reported, with amendment.

House resumed.

Question put, That the Bill be now read the third time.

The House divided: Ayes 26 Noes 5

AYES

Imbert, Hon. C.

Manning, Hon. P.

Nunez-Tesheira, Hon. K.

Gopee-Scoon, Hon. P.

Kangaloo, Hon. C.

Abdul-Hamid, Hon. M.

Dumas, Hon. R.

Ross, Hon. J.

Taylor, Hon. P.

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.

Cox, Hon. D.

Jeffrey, Hon. F.

Hospedales, Hon. A.

Joseph, Hon. R.

Hypolite, N.

Regrello, J.

Rowley, Dr. K.

T&T Revenue Authority Bill

Friday, February 19, 2010

Roberts, A.

Sinanan Ojah-Maharaj, Mrs. I.

NOES

Warner, J.

Persad-Bissessar, Mrs. K.

Moonilal, Dr. R.

Partap, H.

Maharaj SC, R. L.

Question agreed to

Bill accordingly read the third time and passed.

ADJOURNMENT

The Minister of Works and Transport (Hon. Colm Imbert): Mr. Speaker, I beg to move that this House do now adjourn to Friday, February 26, at 1.30 p.m., on which day we will do Bill No. 2 and Bill No. 7 and, if time permits, we will do Bill No. 3. [*Interruption*] [*Crosstalk*]

Mr. Speaker, in light of the fact that there appears to be mysteriously a Private Member's motion which has somehow found its way onto the Order Paper, I beg to move that we adjourn to Wednesday, February 24, at 1.30 p.m. on which day we will do Bill No. 2.

Mr. Speaker: The only mystery was that I recognized it was Private Member's Day and so did the Clerk, and nobody else. [*Laughter*]

Question put and agreed to.

House adjourned accordingly.

Adjourned at 11.26 p.m.