

Statutory JSCs (Appointment)

Friday, October 19, 2012

HOUSE OF REPRESENTATIVES

Friday, October 19, 2012

The House met at 1.30 p.m.

PRAYERS

[MR. SPEAKER *in the Chair*]

**STATUTORY JOINT SELECT COMMITTEES
(Appointment)**

Mr. Speaker: Hon, Members, I have received communication from Sen. Lyndira Oudit, Vice-President of the Senate as follows:

“October 16, 2012

Honourable Wade Mark, MP

Speaker of the House

Parliament

Tower D

The Port of Spain International Waterfront Centre

1A Wrightson Road

Port of Spain

Dear Mr. Speaker,

Appointment of Members to Statutory Joint Select Committees

Please be informed that at a sitting held on Tuesday, October 16, 2010, the Senate agreed to the following appointments:

- on the Public Accounts Committee - Mr. Jamal Mohammed in lieu of Mr. Danny Maharaj;
- on the Public Accounts (Enterprises) Committee - Dr. Rolph Balgobin in lieu of Mr. Basharat Ali;
- on the Joint Select Committee appointed to inquire and report to Parliament on Municipal Corporations and Service Commissions (with the exception of the Judicial and Legal Service Commission) - Mr. James Lambert and Ms. Marlene Coudray in lieu of Brig. John Sandy and Mr. David Abdulah respectively;

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- on the Joint Select Committee established to inquire into and report to Parliament on Ministries (Group 1), and on the Statutory Authorities and State Enterprises falling under their purview - Mr. Ganga Singh and Mrs. Christlyn Moore in lieu of Mrs. Verna St. Rose-Greaves and Mr. Danny Maharaj respectively.

Accordingly, I respectfully request that you cause this matter to be brought to the attention of the House of Representatives at the earliest convenience.

Yours respectfully,
Senator Lyndira Oudit
Vice-President of the Senate”

LEAVE OF ABSENCE

Mr. Speaker: Hon. Members, I have received the following communications: the hon. Member of Parliament for Caroni East, Minister of Education, Dr. Tim Gopeesingh and the hon. Member for Lopinot/Bon Air West, Minister of Arts and Multiculturalism, hon. Dr. Lincoln Douglas are currently out of the country and have asked to be excused from sittings of the House during the period October 15, 2012, to October 20, 2012. The hon. Member of Parliament for La Horquetta/Talparo, the hon. Jairam Seemungal, is also currently out of the country and has asked to be excused from today's sitting of the House. The hon. Member for La Brea, Mr. Fitzgerald Jeffrey, has also asked to be excused from today's sitting of the House. Mr. Patrick Manning, Member of Parliament for San Fernando East, has requested leave of absence due to medical illness for a period of 90 days with effect from October 25, 2012. The leave which the Members seek is hereby granted.

PAPERS LAID

1. Provisional Collection of Taxes (Amendment) Order, 2012. [*The Minister of Finance and the Economy (Sen. The Hon. Larry Howai)*]
2. Third report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Point Fortin Civic Centre for the year ended September 30, 1999. [*Sen. The Hon. L. Howai*]
3. Second report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Diego Martin Regional Corporation for the year ended September 30, 2000. [*Sen. The Hon. L. Howai*]

Papers Laid

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4. Second report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Diego Martin Regional Corporation for the year ended September 30, 2001. [*Sen. The Hon. L. Howai*]
5. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Chaguanas Borough Corporation for the year ended September 30, 2008. [*Sen. The Hon. L. Howai*]
6. Report of the Auditor General of the Republic of Trinidad and Tobago on the financial statements of the Environmental Management Authority – Environmental Trust Fund for the year ended September 30, 2010. [*Sen. The Hon. L. Howai*]
7. 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, 2010. [*Sen. The Hon. L. Howai*]
8. Report of the Auditor General of the Republic of Trinidad and Tobago on the consolidated financial statements of the Trinidad and Tobago Unit Trust Corporation for the year ended December 31, 2011. [*Sen. The Hon. L. Howai*]

Papers 2 to 8 to be referred to the Public Accounts Committee.

9. Audited financial statements of Youth Training and Employment Partnership Programme (YTEPP) Limited for the Financial Year ended September 30, 2009. [*Sen. The Hon. L. Howai*]
10. Financial statements of the Trinidad and Tobago Solid Waste Management Company Limited for the financial year ended September 30, 2010. [*Sen. The Hon. L. Howai*]
11. Annual audited financial statements of National Enterprises Limited for the financial year ended March 31, 2012. [*Sen. The Hon. L. Howai*]
12. Financial statements of the Trinidad and Tobago International Financial Centre Management Company Limited for the year ended September 30, 2011. [*Sen. The Hon. L. Howai*]
13. Financial statements of Trinidad and Tobago Free Zones Company Limited for the financial year ended December 31, 2011. [*Sen. The Hon. L. Howai*]

Papers 9 to 13 to be referred to the Public Accounts (Enterprises) Committee.

Papers Laid

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14. Administrative report of the Trinidad and Tobago Free Zones Company Limited (TTFZ) for the year ended December 31, 2010. [*The Minister of Housing, Land and Marine Affairs (Hon. Dr. Roodal Moonilal)*]
15. Annual performance report of the Trinidad and Tobago Bureau of Standards and its subsidiary, Premier Quality Services Limited for the year ended September 30, 2010. [*Hon. Dr. R. Moonilal*]
16. Administrative report of the San Fernando City Corporation for the fiscal year 2009/2010. [*The Minister of Local Government (Hon. Dr. Surujrattan Rambachan)*]
17. Administrative report of the San Fernando City Corporation for the fiscal year 2010/2011. [*Hon. Dr. S. Rambachan*]
18. The 34th annual report of the Ombudsman of the Republic of Trinidad and Tobago for the period January to December, 2011. [*The Deputy Speaker (Mrs. Nela Khan)*]
19. Administrative report of the Ministry of Education for the fiscal year ended September 30, 2011. [*Hon. Dr. R. Moonilal*]

STATEMENT BY MINISTER

Mr. Speaker: Hon. Members, I have been advised that the hon. Prime Minister will be making a statement in this honourable House. The Prime Minister is not here at this time. I seek your leave, so that at the appropriate juncture, the hon. Prime Minister will be allowed to make a statement. Do I have your support? [*Assent indicated*] Thank you.

PUBLIC ACCOUNTS COMMITTEE (Appointment)

The Minister of Housing, Land and Marine Affairs (Hon. Dr. Roodal Moonilal): Mr. Speaker, I beg to move that Mr. Collin Partap be appointed to serve as a member of the Public Accounts Committee in place of Dr. Rupert Griffith.

Question put and agreed to.

PROVISIONAL COLLECTION OF TAXES ORDER, 2012

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Mr. Speaker, I wish to move the Motion standing in my name. Before doing so,

however, I would wish to extend an apology to this honourable House for the late amendment which was circulated to this Motion. I extend my apologies to both sides.

Mrs. Gopee-Scoon: That is refreshing.

Sen. The Hon. L. Howai: The Motion before this House is for the confirmation of the Provisional Collection of Taxes Order, 2012, as amended by the Provisional Collection of Taxes (Amdt.) Order, 2012, which was published on October 01, 2012 and October 16, 2012 respectively, pursuant to the Provisional Collection of Taxes Act, Chap. 74:01.

The Provisional Collection of Taxes Act allows the President to issue an order for the imposition of any tax, or the variation of any existing tax, in order to raise revenue to meet expenditure contained in an Appropriation Bill.

The Provisional Collection of Taxes Act provides that from the date of publication of the Order or such later date as may be specified, the tax as imposed or varied by the Order shall be payable.

An order varying an existing tax ceases to have effect unless it is confirmed by resolution agreed to by this House within 21 days after the commencement of the Order.

Clause 3 of the Order took effect on October 02, 2012, and as such must be confirmed by October 23, 2012. In varying an existing tax, the Order may contain such conditions affecting the tax as are appropriate for the purpose of the collection of the taxes so varied.

The measures which are contained in the Provisional Collection of Taxes Order, 2012, as amended, were outlined in my budget presentation for the financial year ending September 30, 2012 and reflect the policy of this Government, as it relates to the taxation of gaming tables, as well as the taxation of motor vehicles and the issuance and renewal of driver's permits.

The other measures, which were articulated in my budget presentation are not included in this Order as amended because they are either not revenue-raising measures or they would come into operation at the beginning of the next tax year, in 2013, and will be included in the next Finance Act.

Mr. Speaker, clause 2 of the Order makes provision for the increase in the gaming taxes payable by members' clubs registered to conduct gambling activities on their premises with effect from January 01, 2013.

I have received correspondence from various sectors of this community, the gaming community, which suggests that if we go the route of corporation tax, which is the intention eventually to do, we can increase revenue by a further \$300 million per year. We are doing a full review of the gaming industry and in the interim, we have increased fees as follows: for every baccarat table, \$40,000 per annum existing, we have increased to \$50,000 per annum; for every blackjack table, currently \$50,000 per annum, we shall increase to \$60,000 per annum; for every dice table, currently \$25,000 per annum, we shall increase to \$35,000 per annum; for every regular poker table, currently \$20,000 per annum, we shall increase to \$30,000 per annum; and for every roulette table, \$50,000 per annum currently, we shall increase to \$60,000 per annum; for every slot machine, we are increasing from \$10,000 to \$12,000 per annum and for every other table or device not mentioned, \$10,000 to \$30,000 per annum.

1.45 p.m.

The fees payable on a number of games such as Caribbean stud poker tables and devices, pool tables, Rhum 32 tables and Sip San tables remain the same. Mr. Speaker, I wish to point out that in my budget presentation, I had indicated that this measure would take effect from October 01, 2012. However, upon further examination, I was advised that the gaming tax payable by private members' clubs is an annual tax which is paid in four tranches during a calendar year, with the last payment being made by October 15. In order to avoid any appearance of the measure being in the nature of a retrospective tax, it was felt that the increase in the gaming tax should take effect from January 01, 2013. This measure is to be found at clause 2 of the Provisional Collections of Taxes Order, 2012.

Mr. Speaker, regarding the registration of members' clubs, the FIU advises that there are 46 registered clubs of which the FIU is aware. It is noted that on an annual basis, a private members' club which carries on gambling as part of its activities must, among other things, submit to the Licensing Committee together with its application, a statement of the number and types of gambling tables and devices to be used on the premises. Police officers have a significant role to play in the grant or renewal of a certificate to be issued to a members' club carrying on gambling activities. They are required to verify the information provided by these clubs, and may object to the registration of a club in breach of the provisions of the Registrations of Clubs Act.

Every members' club is required to be registered each year by the Licensing Committee in the magisterial district in which the club is located, and the club will not be entered on the register maintained by the Licensing Committee unless

among other things, the club pays the prescribed fees and satisfies the committee that there are no outstanding taxes, interests or penalty payable to the Board of Inland Revenue. Further, if the members' club intends to carry on gambling activities on its premises, it must also obtain a certificate from the Licensing Committee granting permission to carry on such gambling activities.

Mr. Speaker, one quarter of the gaming tax must be paid to the Board of Inland Revenue by January 15; April 15; July 15 and October 15 of each year. Where the club fails to pay the tax within the prescribed time, its certificate to operate the gambling activity can be cancelled by the Licensing Committee.

The Licensing Committee in the district in which a club is located also has a power to cancel the registration of that club if there is evidence that the club is not conducted in good faith as a members' club, or, if the club is used for an unlawful purpose or, if there are frequent breaches of the rules under which registration was obtained. More importantly, the Licensing Committee may also cancel a certificate of a club where the committee has evidence that the club is operated mainly for the purpose of gambling, or that persons who are not members are habitually admitted to the club merely for the purpose of gambling. It is clear from these provisions that clubs which are operating mainly as casinos are contravening the existing law and the certificates issued by the Licensing Committee to permit gambling activities on their premises can be cancelled.

Regarding the police service; any member of the police service of or above the rank of inspector, any member of the police service appointed in writing by a police officer, of or above the rank of assistant superintendent, or the member of the police service in charge of the district in which a club is located, is empowered to enter the club's premises and make enquiries as to whether the club is complying with the provisions of the law. The police can also inspect all books and records required to be kept on the club's premises. The police can even take the names and addresses of any persons found on the club's premises, including the names and addresses of all members, visitors and guests of the club.

Mr. Speaker, I should also point out that registered private members' clubs permitted by the Licensing Committee to carry on gambling activities, under the Registration of Clubs Act, are also regulated by the Financial Intelligence Unit. Clubs which existed when the FIU regulations came into effect on February 09, 2011 were required to register within three months from the effective date of those regulations, i.e. by May 09, 2011. Clubs which commenced business after May 09, 2011 must register with the FIU as soon as they commence operations.

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Failure to register with the FIU within the time stipulated is an offence, and clubs are liable on summary conviction to a fine of \$50,000 and to a further fine of \$5,000 for each day that the offence continues.

In addition, Mr. Speaker, failure by a club to notify the FIU of a change of address of its registered office, or principal place of business, is also an offence and the club is liable on summary conviction to a fine of \$20,000. Given our geostrategic position between drug producing and drug consuming countries, Trinidad and Tobago is vulnerable to money laundering activities, and there is an urgent need for greater regulation of all financial entities.

In particular, this Government recognizes that our existing laws on gambling are in dire need of reform, and fail to protect the vulnerable, or to prevent unfair practices and criminal infiltration. In reviewing the legislation, the following will need to be considered: the current state of the gambling industry, including the national lottery system, and the ways it might change in the light of economic pressures; the growth of the e-commerce; technological developments; wider leisure industry; and international trends.

We will also examine the extent of regulation appropriate for gambling activities in Trinidad and Tobago, having regard to the wider social impact of gambling, and the costs and benefits associated with this activity, and the need to protect the young and vulnerable from exploitation, and to protect all gamblers from unfair practices. We will also cover the importance of preventing gambling from being carried on in a way which allows crime disorder, or public nuisance. It will address the need to keep the industry free from infiltration by organized and other serious crimes, and from money laundering risks. The implications for the current system of taxation are very clear.

Mr. Speaker, as noted earlier, the provisions dealing with the increase in the gaming taxes will take effect from January 01, 2013. The first quarterly instalment of the increased tax is payable on or before January 15, 2013. These taxes were first introduced in 1997, and were increased in 2002 by 200 per cent and in 2003 by a further 25 per cent.

In support of the Government's objective of achieving a fairer system of taxation, and in recognition of the fact that many of the members' clubs operate a business, the taxation of gambling tables, machines or devices is only a small measure of the profits derived from gambling activities. What started off as a peripheral activity has now become the core attraction and the major source of revenue for many of these clubs. Until such time as operations of private

members' club are reviewed and brought into the tax net, the tax on gambling tables and devices is a legitimate way of ensuring that gambling operators contribute to the society in a tangible way.

I propose to establish a committee to review the existing laws, policies and practices relating to all forms of gambling, as well as to design a new regulatory framework for the gambling industry in Trinidad and Tobago. As part of this review we shall again look at the taxation structure of the industry.

Before I move on to the Provisional Collection of Taxes Order as amended for the Motor Vehicles and Road Traffic Act, I do apologize to the honourable House again for not having actually read the Motion into the record. I would, therefore, thank the hon. Member for drawing this to my attention, and beg the leave of this House that I may be allowed to read the Motion into the record of the House.

Thank you, hon. Member.

Mr. Speaker, I beg to move the following Motion standing in my name:

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

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

And whereas the Provisional Collection of Taxes Order, 2012, (hereinafter referred to as "the Order") made under section 3 of the Act, provided for the variation of taxes in the written laws mentioned in the Order to the extent and in the manner set out therein, for the purpose of raising revenue to meet the expenditure specified in the Bill entitled "An Act to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September 2013";

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And whereas it is provided by section 7 of the Act that the Order may be added to, varied or otherwise amended by a subsequent Order made under the Act at any time before the Order ceases to have effect;

And whereas the Order was amended by the Provisional Collection of Taxes (Amendment) Order, 2012 (hereinafter referred to as “the Amendment Order”) to provide for the variation of taxes in the written laws mentioned in the Amendment Order to the extent and in the manner set out therein;

And whereas the Order commenced on the 1st day of October 2012;

And whereas the Amendment Order commenced on the 16th day of October 2012;

And whereas it is expedient to confirm the Order as amended by the Amendment Order:

Be it resolved that the Provisional Collection of Taxes Order, 2012 as amended by the Provisional Collection of Taxes (Amendment) Order, 2012 be confirmed.

Mr. Speaker, I turn now to the Provisional Collection of Taxes Order as amended, Motor Vehicles and Road Traffic Act. Section 14, Motor Vehicles and Road Traffic Act, Chap. 48:50 provides for the payment of a motor vehicles tax on the classes of vehicles specified in the Fourth Schedule.

Motor vehicle tax is payable in advance of registration of a motor vehicle by the Licensing Division. The motor vehicle tax is charged only once at the time of first registration of a vehicle, and is calculated on the basis of engine size as specified in Appendix A, Part 1 of the Fourth Schedule.

The classes of motor vehicles covered under the Motor Vehicles and Road Traffic Act include private or rented motor cars, station wagons, taxis, maxi-taxis and goods vehicles. The schedule does not currently provide for the taxing of motorcycles. It should be noted that the Finance Act, 1994 had amended the Motor Vehicles and Road Traffic Act to allow for the taxation of such vehicles in the following manner: motorcycles, engine size not exceeding 999 cc, \$1.00 per cc; engine size exceeding 999 cc, \$1.50 per cc.

In a subsequent amendment to the Motor Vehicles and Road Traffic Act, it appears that the provision for taxing motorcycles was removed and, therefore, this class of vehicles was not charged the tax. The motor vehicle tax on motorcycles

was reintroduced in the Provisional Collection of Taxes Order with effect from October 02, 2012 as set out below; engine sizes not exceeding 250 cc, \$1.50 per cc; engine size exceeding 250 cc, \$2 per cc.

Mr. Speaker, the Motor Vehicles and Road Traffic Act was also amended by Act No. 5 of 2010, to include provisions for the regulation of vehicles used in the transportation of schoolchildren. A new category of vehicle, the private school bus was introduced in the legislation to regularize the informal system which operated over the years in the transportation of the nation's schoolchildren. The 2010 legislation gave the Licensing Authority the power to issue a special permit to the owner of a private school bus approved by the authority.

2.00 p.m.

In order to facilitate the full implementation of this measure, it is necessary to provide for the payment of motor vehicle tax on this new category of vehicle. The same motor vehicle tax structure for maxi-taxis was, therefore, introduced for private school buses in the Provisional Collection of Taxes Order, 2012 with effect from October 02, 2012.

The structure is as follows:

| | |
|-----------------------------------|----------------|
| Engine size not exceeding 2499 cc | \$6.00 per cc |
| Engine sizes exceeding 2499 cc | \$8.00 per cc. |

Mr. Speaker, in reviewing the Fourth Schedule of the Motor Vehicles and Road Traffic Act, it was observed that the motor vehicle tax did apply to motor omnibuses. Accordingly, the following motor vehicle tax structure was introduced in the Provisional Collection of Taxes Order, 2012, with effect from October 02, 2012:

Motor Omnibus:

| | |
|-----------------------------------|--------------------------------|
| Engine size not exceeding 2499 cc | \$6.00 per cc |
| Engine size exceeding 2499 cc | |
| but not exceeding 3499 cc | \$8.00 per cc |
| Engine sizes exceeding 3499 cc | \$12.00 [<i>sic</i>] per cc. |

Mr. Speaker, the motor vehicles tax or MVT on motorcycles, private school buses and motor omnibuses qualifies as a tax for the purposes of the Provisional Collection of Taxes Act, since, except for motorcycles, there was previously no motor vehicles tax on these vehicles.

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In addition to the inclusion of this tax in the Order made under the Provisional Collection of Taxes Act, it will, therefore, be necessary to make provision for the imposition of this tax in the Finance Act, which will be brought to this House in January 2013.

I turn now to the driver's permits. Apart from the imposition of the motor vehicle tax on motorcycles, private school buses and motor omnibuses, you will note that the Provisional Collection of Taxes Order, 2012 was amended to give drivers an option to renew their permits for five years or 10 years. The 10-year renewal option can only be exercised by individuals who have not attained the age of 56. When a driver attains the age of 65, a medical examination will be required and a permit is issued at no cost for a period of two years.

Under our laws, there is a graduated scale to the age of 65 years; hence the reason why the option of having a 10-year permit will only be available to individuals who have not attained the age of 56. As to why the age of 65 has been chosen as a cut-off age beyond which a medical is required, a perusal of some of the laws in other jurisdictions does not reveal any consistency in approach. Even in the United States of America, the age fluctuates between 60 years and 72 years among the several states. It is noted that our own laws seem to recognize the age of 65 as a benchmark for the granting of benefits such as the senior citizens pension and the age of retirement for members of our Judiciary, which is also 65 years.

Mr. Speaker, in my budget presentation for this fiscal year, I had announced several other measures which are not included in the Provisional Collection of Taxes Order, 2012 as amended. These measures will be contained in the Finance Act, which will be brought to Parliament in January 2013.

With this, I beg to move that the Provisional Collection of Taxes Order, 2012, as amended by the Provisional Collection of Taxes (Amdt.) Order, 2012, be confirmed by this House.

Question proposed.

Mr. Colm Imbert (*Diego Martin North/East*): Thank you, Mr. Speaker. The Minister of Finance and the Economy is new, but that is no excuse for the paucity of his research. He has at his disposal a battery of advisors and consultants who can advise him on the historical antecedents for certain fiscal measures.

Before I go into the question of the increased taxes on casinos, let me educate the Minister on the rationale for the medical examination for persons who have

attained the age of 65 and who wish to drive a motor vehicle. Now, the Minister is more or less the same age as me. I believe we attended university at the same time and, therefore, he was around and in Trinidad and Tobago during the 1986—1991 period when a gentleman by the name of Selwyn Richardson actually brought a proposal that persons 65 years and over should not drive.

It caused a scandal; caused controversy; and then Minister, Selwyn Richardson, had to “back back” from his crazy proposal that persons 65 years and over were unfit to drive, and his way of saving face—and I distinctly remember him going on television trying to explain how he had come up with this mad idea—was to say, “Alright, alright, I will not ban senior citizens from driving; I would just make them do a medical.” It was then that we had the insertion into our law of the requirement for persons 65 years and over to do a medical exam to demonstrate that they are fit to drive a motor vehicle.

The Minister is supposed to know that because he has been in Trinidad all this time, just like me, and he was around when the NAR was around and would have been there when Selwyn Richardson made his “gambage” and had to back down. That is the whole question of why a medical exam is required for persons over 65 who wished to drive. We keep seeing this NAR Government in newer incarnations all the time. This PP is a form of it and one would think there would be some sort of institutional memory.

Similarly, the Minister seems not to know who was responsible for the so-called legalization of casino gambling in Trinidad and Tobago. He should know because the person who did it is well known to him. In fact, if the rumours I heard are accurate, he was subjected to quite a lot of pressure from the particular individual who is the person who introduced the legalization—for want of a better word—of gambling in Trinidad and Tobago.

I refer you, Mr. Speaker, to the budget statement of December 1996 when the then Minister of Finance, Sen. Kuei Tung—as I said, it is a person well known to the Minister of Finance and the Economy; I see the Minister laughing; he cannot help himself. That is a private joke we have between ourselves. I would not reveal that to this Parliament, but the then Minister of Finance made the following statement—I am quoting from the *Hansard* of Thursday, December 12, 1996:

“Mr. Speaker...business enterprises in Trinidad and Tobago have been engaging in activities which could be interpreted as promoting lotteries without permission being granted...These businesses sometimes promote contests...”

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He is talking about gambling.

“I...propose to change the basis upon which fees are charged for the grant or renewal of certificates to clubs which carry on gambling activities. As the law currently stands, fees for the grant of annual certificates to gambling clubs are based on the level of membership of the club.

I now propose to base the annual tax payable by gambling clubs on the number of gaming tables and other gaming devices to be used on the premises. Accordingly, the Registration of Clubs Act will be amended to include a schedule showing the tax payable on such tables or other gaming devices.”

Now, prior to this, gambling in Trinidad and Tobago was completely illegal unless it took place within the confines of a members’ club. This is the explanation Mr. Kuei Tung had given.

“Despite the efforts and resources we are currently expending in developing the tourism sector, Trinidad and Tobago is still faced with significant challenges and opportunities. Attracting tourism investment is always a major undertaking, particularly for a country like ours, long regarded by international markets as a destination not interested in tourism. Mr. Speaker, we are targeting the higher end markets of Europe and North America in order to attract tourists who no longer regard casinos as an exotic facility, but as an amenity...I am of the view that the inclusion of such gaming facilities will enhance the long-term competitiveness of Trinidad and Tobago as a tourist destination.

Consequently, in seeking to attract tourism investment...I propose to introduce regulations to permit casino-type gaming by amending the Betting and Gambling Act. We are...in the process of developing the appropriate legal and administrative framework”—never done—“to address the possibility of money laundering and other undesirable activities.”

So, in 1996, then Sen. Kuei Tung decided to legalize, in his mind I would have to say, casino gambling in Trinidad and Tobago.

In looking at the literature on this matter, I found an article written by Anthony Wilson of the *Trinidad Guardian*, dated Thursday, July 19, 2007. Now, Mr. Wilson has articulated the issues related to this matter in a way far better than I can do, so I shall read this article into the record. The headline is:

“Casino stupidity”

He goes on to say:

“I don’t think that anyone can say for sure that the rise in the crime rate since 1997 is unrelated to the legalisation of casino gambling.”

I want to repeat that. He is positing that the rise in the crime rate since 1997 was related to the legalization of casino gambling.

“Now there are clearly many people in T&T who take pleasure in giving away the money they work for based on the roll of a dice...More power to”—them.

“But those who support casino gambling should remember that this was not always a ‘legal’ activity.

Casino gambling was ‘legalized’ in the 1997 budget under then Finance Minister Brian Kuei Tung.”

And I have read what he said.

“In presenting this budget, Kuei Tung said, ‘I propose to introduce regulations to permit casino-type gaming...

It is interesting that Kuei Tung framed the introduction of casino gambling in the context of attracting tourism development...

Looking back at this decision of the UNC government...”

We see this permutation in different forms over the years—NAR, UNC, PP, COP—it is all the same thing; it is all a callaloo of the same players:

“Looking back at the decision of UNC government, the legalising of casino gambling under the pretext of improving tourism competitiveness seems laughable.”

I would like to repeat that:

“Looking back at the decision of UNC Government, the legalising of casino gambling under the pretext of improving tourism...seems laughable.

There is absolutely no evidence that casino gambling has contributed to one extra dollar in hotel and resort plant or has weighed in the decision of one tourist to visit this country.”

And I totally agree, Mr. Speaker. There is not a single casino in a single hotel in Trinidad and Tobago—I mean, correct me if I am wrong. There are no hotels on Ariapita Avenue, and most of them are located in North Trinidad.

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“The reason casino gambling was legalised was because it was felt that there was a link between casinos and hotel development.

If that link is tenuous or does not exist...surely the legal justification for casino gambling does not exist.

It seems to me the only thing preventing the State from making casino gambling illegal again is the provision of jobs.”

And those are the facts.

2.15 p.m.

The only benefit of this so-called casino industry is employment, nothing else. There are serious disadvantages associated with this so-called industry.

“The proponents of the casino gambling claim that 7,000 people are employed in the industry. That remains to be verified...The fact that the casino proponents now claim 7,000 industry employees is interesting because it means there has been a tremendous expansion in casino gambling here in the last three-and-a-half years.

In a November 2003 article, the *Guardian* quoted Cherri-Ann Pitts from Island Club as saying that the move by the Manning administration in the 2004 budget to increase taxes on casinos would affect about 2,000 employees who were mostly aged between 18 and 26.”

So it has grown from 2,000 people in 2,003 to 7,000 people in 2007.

“Questions can also be asked on whether casinos contribute the taxes that they should...Does this revenue go to the Government, or does it end up elsewhere?

...Casino proponents also argue that if the Government shuts down casinos, the workers”—which are said—“are mostly single mothers will be deprived of a good livelihood and be forced to depend on CEPEP and URP. No one, and especially no politician in an election year would want to deprive hard-working single mothers from the bounteous proceeds of gambling.

But has anyone stopped to ask why these casino investors are flocking to set up gambling establishments—which are preying on T&T’s energy wealth and on the weakness of locals—and not on developing an outsourcing industry that would pay workers even higher wages?

In an editorial in December...1996—just two days after Kuei Tung’s 1997 budget—the *Guardian*’s official position was it had ‘serious reservations’

about...casino gambling...‘the key question here is whether or not casino gambling in our case is really necessary for attracting tourists to our shores.’

That editorial also warned that while the UNC administration might have been right about the attraction of casino gambling, the former UNC Government ‘should also be aware of the dark side of the activity and its unsavoury connections.

They must weigh whether the economic benefits to be derived from attracting casino gamblers from abroad is worth the decadent impact that such an activity has on small societies as ours, including a rise in prostitution and infiltration by underworld organizations.’”

Now, the fact of the matter is, a UNC Government in 1996 legalized casino gambling in Trinidad and Tobago, on the pretext that it would attract tourists and it would be a boom for our local tourism industry. Now, many years later as Mr. Wilson said in this article, is there evidence that a single tourist has come to Trinidad and Tobago—[*Crosstalk*]

Miss Mc Donald: None!

Mr. C. Imbert:—to gamble in our casinos. [*Crosstalk*]

Hon. Member: [*Inaudible*]

Mr. C. Imbert: “Yuh know one? Awright, well yuh have one den.”

Dr. Moonilal: It went to Balisier House first!

Mr. C. Imbert: Now, Mr. Speaker, it is also necessary that hon. Members opposite and the national population understand the provisions of the Gambling and Betting Act. This is what makes this whole—[*Crosstalk*]

Dr. Moonilal: [*Inaudible*]

Mr. C. Imbert: Mr. Speaker, could you quieten down the Leader of Government Business. He is very loud and very rude. I beg your protection, Mr. Speaker.

Mr. Speaker: Yes, you have my full protection.

Mr. C. Imbert: Thank you, Mr. Speaker. Now, in the Gambling and Betting Act, Chap. 11:19, the following is stated, section 4:

“A person is guilty of an offence and liable to summary conviction to...

being the owner or occupier or having the use temporarily or otherwise thereof, keeps or uses any premises as a common gaming house;

permits any premises...to be used as a common gaming house;

has the control or management of...a common gaming house...”

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And so on and so on, Mr. Speaker. So it is an offence if someone allows premises to be used as a common gaming house. In section 5:

“5. (1) Any person who gambles in a common gaming house is liable on summary conviction to a fine”—it is a very small fine—“of seven hundred and fifty dollars to imprisonment for six months.

6. All persons found at any time gambling, or assembled together for such purpose...liable...to a fine...conviction.”

I am going on, this is section 7:

“7. (1) Any person found using any premises for the purpose of gambling...liable...to a fine...”

Et cetera. It goes on to say:

“8. It shall be presumed, until the contrary is proved, that any premises is a common gaming house and that the same is so kept or used by the occupier or person having the use temporarily or otherwise....if—

(a) Any instruments or appliances for gambling are found therein or upon any person found escaping therefrom...”

So what this tells us, Mr. Speaker, is that if anybody uses a gambling devices, it is a crime. And if you are using gambling devices in premises it is a common gaming house. If you are using or occupying or in a common gaming house gambling, that is a crime.

So, how do these casinos operate? They use section 11 of the Act, which reads as follows:

“11. (1) Subject to the provisions of this Act, gambling may be conducted on the premises referred to in section 8...”

So that is the section with the devices and so on.

“...and if so conducted shall be conducted in accordance with the following conditions, that is to say:

(a) that either:

- (i) the chances in the game are equally favourable to all the players; or
- (ii) the gambling is so conducted that the chances therein are equally favourable to all the players...

(b) no money...which any of the players puts down as stakes...is disposed of...than by payment to a player as winnings.

(c) that, apart from any reasonable sum that may be added to the annual or other subscription for membership...no other payment in money...is required for a person to take part in the gambling.

(d) that no person took part in the gambling who was not either—

(i) a member of the club...

(ii) a bona fide guest..."

of the club and so on.

“and if any gambling takes place on any premises referred to in section 8 contrary to paragraphs...above...it shall be held that the premises was a common gaming house.”

So what does this tell us, Mr. Speaker? It tells us that all these members’ clubs or casinos masquerading as members’ clubs, the money that the players bet is supposed to be paid out as winnings with the exception of a reasonable fee paid for the management of the premises. That does not happen in Trinidad and Tobago. It is a joke!

Millions of dollars, some say hundreds of millions of dollars are siphoned out of this country in profits, sent to the United States and Europe and whatever, from these so-called members’ clubs. The whole concept in its origin was that a group of people would form a members’ club; they sit down and play poker and other games of chance, and the winnings would be shared among them. It was not supposed to be a profitable organization. [*Crosstalk*]

Hon. Member: Like FIFA?

Mr. C. Imbert: It is not for profit!

Hon. Member: Correct!

Mr. C. Imbert: I could not put it better than the way it has been put in an *Express* article of October 15, 2011: “Casinos gone wild”. It goes as follows:

“The largely unregulated gaming industry that rakes in hundreds of millions of dollars...”

—written by Mark Pouchet.

“...hundreds of millions of dollars every year in undeclared profits, barely benefits the economy.

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The real winners are the owners and operators of the huge Private Member Clubs (PMCs) in this country.”

Miss Mc Donald: That is right!

Mr. C. Imbert: “The gaming industry in Trinidad and Tobago, includes some...with links and ties to foreign investors, who sink their profits in overseas accounts.

The casino owners have gambled on lax oversight and law enforcement to hit the jackpot...taxpayers collected only \$24 million from the industry last year and are losing out on millions of dollars of income annually—MovieTowne boss Derek Chin estimated the figure to be \$150 million per year.”

—and he owns a casino, yes, or he is involved in the operation of a casino.
[*Crosstalk*]

Miss Mc Donald: [*Inaudible*]

Hon. Member: “Yuh disturbing him!”

Mr. C. Imbert: That is true!

Mr. Roberts: Yeah!

Mr. C. Imbert: Member for Port of Spain South, would you please control yourself. I will ask the leader to control you. [*Laughter and desk thumping*] I could not resist that, Mr. Speaker. “After ah geh dat las week, I couldn resist dat.”

Dr. Rowley: Mr. Speaker, I want to make it very clear—

Dr. Moonilal: “How he interrupt you?”

Mr. Roberts: “How he could say dat?”

Dr. Rowley: I want to make it very clear that I have no ambition of assuming your authority.

Mr. C. Imbert: “Ah jus couldn resist dat after de licks ah geh last week!” Anyway, Mr. Speaker, let us move on:

“During his 2011-2012 budget presentation last Monday, Minister of Finance Winston Dookeran...”—you know, it is just lip service they paying to this thing—“...said the operations of these business places ‘have never complied with the legislation and regulatory requirements that were established for the games among members of the Private Members Clubs.’

Today, over 90 PMCs, most offering casino-style games with matching profit margins, have mushroomed throughout the country.”

Hon. Member: How many?

Mr. C. Imbert: Ninety! Over 90! According to the Act, members’ club means a club not constituted for the acquisition of games, which means non-profit! So “it look like everybody know dis ting”, that these clubs are not supposed to make profit. Everybody also knows that they are making hundreds of millions of dollars in profit and they sending it overseas. These measures—and you see, this evil was introduced into this country by a UNC Government in 1997 on the pretext that it would attract tourism. [*Crosstalk*]

Let me now quote from the former Minister of Tourism: October 19, 2012, “casinos mushroom despite four years of uncertainty”.

I printed this actually today, but it dates back to November 17, 2011—*Guardian*.

“It’s a place where dreams are made and hopes shattered. Fluorescent neon lights, large poker tables and rows of shiny slot machines entice. Smiling waitresses stand by ready to serve. Casinos, or members clubs as they are known in T&T, have rapidly mushroomed throughout the country, becoming popular recreation spots. In 2007, then Prime Minister Patrick Manning threatened to shut down the gaming industry, claiming they were contributing to a breakdown in family values and providing an easy front for crime. Four years later, the industry is yet to be regularised.”

And I would say two and a half years into this new Government, the industry is yet to be regularized.

“There are close to 75 casinos in T&T and they operate with no regulations, said Minister of Trade and Industry Stephen Cadiz. ‘That tells me something. When you see a business like that just take off it sends a very clear message that there is an awful lot of money to be made in it. It also says there is no regulation whatsoever and people are setting up casinos in backyards, in residential neighbourhoods, in downtown Port-of-Spain. When you see it mushrooming like that it says....something...is just not right,’ Cadiz said.”

“I eh say dat, he say dat.” And “he right for once”, for once he was right.

“The minister said casino owners have avoided paying taxes and questions have been raised about their hiring practices and the working conditions of

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employees. ‘The casino industry has been operating in a very unregulated manner since it started...’ Spin-off effects, such as gambling addiction, are of serious concern to government...”

—said Minister Cadiz. So they know!

“...With the industry being unregulated there is also the problem of money laundering. The Government will have to take a decision to regulate this industry...”

It goes on to talk about:

“If you take Trinidad and Tobago, the physical size of the country and the population with in excess of 75 casinos operating . . .”

That was in 2011. We have 90 now. Since he, the hon. Minister was talking then, 15 more opened under them.

“‘In Singapore, for instance, which has three times our population, there are only two casinos,’ Cadiz pointed out.”

It goes on:

“How does it affect tourism?”

Some people say we should not have it at all!

2.30 p.m.

So, the fact of the matter is, the Government knows that this is an unregulated industry. The Government knows that it has mushroomed over the last two to three years despite the efforts of the former Prime Minister. He wanted to close it down, and there was a protest. The protest arose because of the number of persons employed in the industry. Because of the legalization as it were, in 1997, these clubs began to become profit centres, and then employment mushroomed from say 500 to 1,000, 2,000, 7,000—actually, the Member for Chaguanas East has estimated that there are 10,000 people working in the industry now, for want of a better word. It is estimated that hundreds of millions of dollars leaked out of the system. I heard the Minister say, in his opinion, that if you tax these companies—because that is what they are, they are not really clubs—you could earn \$300 million. There are estimates that you could earn \$600 million if you tax these entities.

So, what is this Minister of Finance and the Economy really telling us? He has come just like his predecessor, Mr. Kuei Tung—just like his predecessor who

legalized casinos to bring in tourists. What has he done? He just increased the taxes on machines. That is a drop in the ocean. You have to do it either this way or that way. It is either you bite the bullet and face the moral argument as to whether we should have casino gambling or not—face that, deal with that—or you close them down, one of the two. [*Crosstalk*]

Yes, the former administration under the former Prime Minister had declared that he was going to close it down over a five-year period, and that five-year period was due to end in 2011. But then you see there was a change of Government. [*Crosstalk*] Mr. Speaker, could you control the Member for D'Abadie/O'Meara? He is very loud today; very, very, loud.

Mr. Speaker: Yes, Member for D'Abadie/O'Meara, please, allow the Member for Diego Martin North/East to speak in silence, please. Continue, hon. Member.

Mr. C. Imbert: You see, Mr. Speaker, there are all sorts of rumours of casino operators making huge campaign contributions—

Hon. Member: To the PNM!

Mr. C. Imbert:—to them.

Dr. Browne: Tens of millions of dollars!

Mr. C. Imbert: Tens of millions of dollars! You know, this next election is going to be interesting, because we now have a Financial Intelligence Unit, and now when you have a transaction of \$60,000 or more, you have to declare the source of funds. So, this upcoming election is going to be very, very, interesting. But the fact of the matter is that rumours abound that one of the major contributors to the PP campaign was casino operators.

Hon. Member: “Oh God!”

Mr. C. Imbert: I ask the Minister to tell me today—[*Crosstalk*]—you could say what you want, but it is not true. I ask the Minister to tell me today, why are you pussyfooting with this whole question of casino gambling in Trinidad and Tobago? This is the third budget that this new administration has enacted, and they make all the right noises.

If you look at the previous Minister of Finance and what he had to say, he had a lot to say about the money that is being leaked out of the system that is going overseas, and is being lost by the unregulated nature of the casino industry, and his predecessor promised to deal with it. I heard a very weak intervention by the

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Minister that they are looking at it. That is effectively what he said, you know: They are “looking at it”. I want the Minister to tell this Parliament today, what is the PP’s intention with respect to casino gambling? Are you going to make it legal or are you going to outlaw it? Tell us what you are going to do.

Dr. Rambachan: What is your position?

Mr. C. Imbert: You are asking me, what is my position? I have never been inside one of those places, “yuh go ask me wha is my position”—Mr. Speaker, through you. The fact of the matter is that this measure is just lip service. You are just increasing fines and fees on gambling devices. It means nothing to these people. You have a billion-dollar industry in Trinidad and Tobago. It is estimated that between \$300 million to \$600 million in taxes is leaking out of this country. They are afraid to touch them. They are afraid to even make a statement about it. At least, the former Prime Minister had the strength to make a statement and say he was going to close it down. They are afraid to say anything. They are dancing around the issue, Mr. Speaker.

Miss Mc Donald: Pussyfooting!

Mr. C. Imbert: They are pussyfooting around the issue.

Miss Mc Donald: That is right.

Mr. C. Imbert: So that this measure—

Miss Mc Donald: They do not have the political will.

Mr. C. Imbert: They do not have the political will because their supporters, their financiers, are heavily involved in casino gambling in Trinidad and Tobago. [*Desk thumping*] They do not have the political will to deal with it. [*Desk thumping*] So, I would like the Minister to tell me what he is going to do. Are you going to regulate this industry properly? Are you going to collect that \$300 million to \$500 million in taxes? Are you going to ban minors from going into these clubs? Are you going to deal with problem gamblers, compulsive gamblers?

Miss Mc Donald: Come with the legislation!

Mr. C. Imbert: Come with it; let us talk about it—

Miss Mc Donald: Come with the legislation!

Mr. C. Imbert:—so that we can understand where you are coming from, but do not hide behind some vague statement that it is estimated that you could earn \$300 million in taxes and you do nothing about it. You just increased taxes on slot

machines and roulette tables just like your predecessor in 1996, your very good friend, Mr. Kuei Tung, when he said he was legalizing gambling. [*Crosstalk*] I know that is a little unkind; your predecessor. I take that back.

Your predecessor said he was going to bring regulations, because that is what the former Minister of Finance said he would do—he would bring a whole regulatory framework—and for the years 1997, 1998, 1999, 2000 and 2001, they did nothing. They just legalized slot machines and roulette tables and gambling exploded in Trinidad and Tobago.

There is a point of view held by many people that that is the beginning, or that is a contributor to the rise in crime in this country, because they legalized casino gambling and brought with it the Mafia, brought with it money laundering, and all of the criminal associates involved in casino gambling. So, let us hear whether this Government has the gumption to make a firm statement and to give us a time frame in terms of how they are going to deal with casino gambling in this country, but I am not holding my breath, because this is a Government that talks a lot and does nothing.

Now, let me go to some of the other measures because this increase in taxes on gambling tables is a joke. The casino owners would laugh at that. “A man making \$100 million a year, do you think he care if yuh raise whappi—not whappi table—slot machines from \$10,000 to \$20,000.” Do you think he cares? [*Member steups*] He would laugh at you, and walk all the way laughing to the bank. [*Crosstalk*] Yes, it is definitely an insult to the population. Let us look at some of the other measures that are in this collection of taxes order.

Mr. Speaker, the Minister did apologize, but that is not good enough. Why would we be given a Provisional Collection of Taxes Order dated October 01, 2012 and another one dated October 16, 2012? What is going on in the Ministry of Finance and the Economy? They cannot even get a provisional—a two-page document right! So, we get one document on October 01, 2012 that deals with taxes on gaming tables and increasing and punishing owners of motorcycles and private school buses, and then two weeks later, like a thief in the night—I got it in my mailbox, I saw it last night.

Miss Mc Donald: I got mine this morning six o’clock.

Mr. C. Imbert: You get yours this morning; I saw mine last night in my mailbox. If I had not checked my email last night, I would not have seen it at all. Like a thief in the night, they changed up the whole thing, and they are now talking about driver’s permits and “all kinda ting”. What level of incompetence is

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this? I cannot excuse this incompetence by saying the Minister is new. That is not good enough. As I said, he has a whole battery of staff, advisors, consultants and lawyers working for him and you cannot even get a two-page Provisional Collection of Taxes Order right! Let us go now to what is in it.

Mr. Speaker, why is the Government punishing motorcycle owners? They are punishing them! Motorcycles have been exempt from motor vehicle tax for quite a while. This is supposed to be a revenue-raising measure. How much revenue are they going to raise from putting a motor vehicle tax on motorcycles, Mr. Speaker? How much, \$10,000? How much? But, you see, in all measures dealing with motor vehicles and motor vehicle fuels and gasoline and so on, there is a long-established policy that encourages energy conservation and encourages the use of engines which are of a low capacity that burn less fuel, that have a smaller carbon footprint.

Years ago, one of his predecessors removed customs duty on motor vehicles of 1,500 cc or less. The reason for that was to reduce the price of these smaller vehicles with these smaller engines that burn less fuel and, as I said, have less emissions and have a smaller carbon footprint, to move the population away from the larger-capacity engines—the 2,000 and the 3,000 cc engines so that we could conserve our natural resources, and we would not pollute the environment. It is in that philosophical context that there is no tax on motorcycles, because motorcycles are the least of the Apostles; the smallest engines, the least emissions, the smallest carbon footprint. What are you taxing motorcycles for? What is the rationale? Where is the rhyme or reason? There is no philosophy, Mr. Speaker.

Mr. Sharma: Why was it taxed under the PNM?

Mr. C. Imbert: You know, Mr. Speaker, through you, thank you for dealing with the Member for Fyzabad, but it is these kinds of comments across the floor that demonstrate the shallowness in terms of thought on the other side. [*Desk thumping*] The Minister says this is a new tax. It is a new tax; it was not there before. [*Desk thumping*]

Miss Mc Donald: It was not there before.

Mr. C. Imbert: Mr. Speaker, please, you would have to control the Member for Fyzabad for me please. Mr. Speaker, please, please, please.

Mr. Speaker: Member for Fyzabad, you would have your chance to speak. Continue, hon. Member.

Mr. C. Imbert: I mean, the crosstalk is bad enough, but when he is saying things that make no sense—this is a new tax, it was not there before. [*Desk thumping*] So, since it was not there before, what is this thing about why the PNM put tax on motorcycles? They did not have tax on motorcycle under the PNM, and I have to listen to this!

The fact of the matter is, the Motor Vehicles and Road Traffic Act is being amended by adding, by inserting, new provisions—let me spell it out for the Members opposite who want to hear, not for Fyzabad who is clearly not interested. These are new taxes: taxes on motorcycles, taxes on private school buses and taxes on motor omnibuses.

I really would like the Minister to tell us, what it is you have with motorcycle riders? What it is with you and them? They are the people who can least afford to pay taxes. What are you punishing them with taxes for? You do not need the money. In a \$58 billion budget, you are putting taxes on motorcycles. For what? As I said, how much revenue you are going to get out of this, \$25,000, \$30,000? Instead of dealing with the regularization or legalization of casino gambling in this country and collecting \$500 million in taxes, you want to punish poor little motorcycle riders and collect \$25,000 in taxes. [*Desk thumping*] Where is the rhyme or reason or philosophy in this fiscal measure?

2.45 p.m.

Let me go to the second one: private school buses. Mr. Speaker, I was the Minister of Works and Transport who, in February 2010, introduced into the Parliament the whole concept of a private school bus because it had come to my attention, as Minister of Works and Transport, that in southern Trinidad in particular—[*Interruption*]*—it is unique to southern Trinidad, it is not prevalent in north Trinidad. Mr. Speaker, I cannot help it if Members opposite have no institutional memory. They just come; they just arrive, and they make statements which demonstrate their lack of institutional memory. I cannot help that, but the fact of the matter is, Mr. Speaker, on February 24, 2010, I had this to say:*

“...I am told that this system operates to a large extent”—in—“south Trinidad”—Members opposite—“would be aware of something called the informal school bus transportation system.”

I am quoting myself because you need to put this into the record. I am quoting myself. Okay? Motor Vehicles and Road Traffic (Amdt.) Bill, Wednesday February 24, 2010—because we need to put these things in context before we develop the point, so this is the context because they want to tax private school

buses. So in order to understand why they want to tax private school buses, we must understand what a private school bus is. So let us go into it.

“...I am told”—a—“system operates to a large extent”—in—“south Trinidad...my understanding of the informal school bus transportation system is that it came into being approximately”—14—“years ago, as a result of requests from parents of students seeking an alternative mode of transport that would give some level of guarantee of the safety and security of their children.”

This was under the previous administration.

“After”—looking at—“it, the parents felt...the problems encountered everyday by their children could not be easily solved, except through the implementation of a special and separate means of transportation. This gave birth to a new transport system known as the informal school transportation service.

The service is...provided by private citizens who are the owners and operators of vehicles made or adapted for the purpose of transporting passengers, with...capacity of nine”—to—“25”—passengers—“Very similar to maxi-taxis, except they are not painted in the colours that are normally associated with maxi-taxis.

...the system is a specialized service that conveys pupils directly from home to school in the morning, and returns them home after school hours. From everything I have been told, the service is safe and reliable, and ensures that children, particularly those living in remote and rural parts of Trinidad, can enjoy a hassle-free means of travelling.”

Mr. Speaker, the previous government attempted to regularize the operations of these informal school buses by seeking to have the vehicles classified as omnibuses, however, that did not work. There are peculiar requirements in the law with respect to omnibuses. The PTSC and the Licensing Authority tried to give them temporary permits; that did not work.

So, Mr. Speaker, what I did in this debate, was to introduce into the Motor Vehicles and Road Traffic Act, a new definition for the first time—this is in February 2010—of a private school bus, and the definition was:

“...a public service vehicle having seating capacity of not less than nine nor more than twenty-five passengers, used for transporting school children and is of a type approved by the Licensing Authority;...”

So in February 2010, more than two and a half years ago, the Motor Vehicles and Road Traffic Act was amended to allow the regularization of the private school bus system. Two months after that, the Government changed, but the law was passed and assented to before the general election. So we now have in our Motor Vehicles and Road Traffic Act the concept of a private school bus.

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. [*Miss M. Mc Donald*]

Question put and agreed to.

Mr. C. Imbert: Thank you, Mr. Speaker. Mr. Speaker, what has happened since then? We, the PNM, changed the law to include in the definition of vehicles, a private school bus. We indicated they would be of a type approved by the Licensing Authority, which is the transport commissioner. What happened since then? These vehicles and this system operate mainly in rural Trinidad—as I said, mainly in south Trinidad—in areas predominantly represented by Members opposite.

From then to now, we changed the law. All that had to be done was for the necessary rules to be established for the licensing of these vehicles. What did they do? They have done absolutely nothing for two and a half years. The law was changed, you know, to allow these private school buses to fall within the ambit of the Motor Vehicles and Road Traffic Act. All they had to do was to create some very simple rules—it would take them about a week. They did nothing. What has happened during the last two and a half years is that these operators of private school buses have been persecuted; they have been terrorized because they are operating outside the ambit of the law, because the last little piece of legalization that had to be done has not been done, and this is typical of this administration, Mr. Speaker.

Now I see in the Provisional Collection of Taxes Order, having not properly regularized the private school bus system, they want to tax them. “Wey yuh taxing them for?” Why do you not regularize them? Why do you not make these people who, from my interaction with them, are primarily conscientious people? They are not taxi drivers; they are single mothers; they are people who are part-time employed; they have a little panel van; they use it to take children from the home to school and back home. That is all they do.

They do not—as we say, Mr. Speaker—they “doh pull bull in the road”; they do not run on routes that the other maxi-taxis will run. They do not compete with maxi-taxis. They are providing a service for the parents and children of people, predominantly, in rural areas and in south Trinidad, as I said, in areas represented by them. But what have they done? Nothing!

They have ensured that these people have been persecuted for the last two and a half years, and now—“icing on the cake”—after doing nothing, making sure they are not within the law, “yuh” taxing them—“yuh” taxing them. Why? Explain to this House what you are doing with respect to regularizing these school buses? We did 90 per cent of the work. We changed the law. We included a category called “private school bus”. We indicated that it is of a type approved by the Licensing Authority. [*Desk thumping*] All you had to do was a two-page document saying, “Look, they must be inspected at so and so time, they must have seat belts, and things like that.” It would take you one week to do that.

Mr. Roberts: One week?

Mr. C. Imbert: One week. All the work was done already, and I am sure one of my other colleagues will tell you exactly what was done. But it is typical of them, Mr. Speaker. So two and a half years, “they have time for section 34 and all kind ah kankatang.”

Miss Mc Donald: “They hustle that.”

Mr. C. Imbert: “They hustle dah one”—and it is about a thousand people involved in this industry. They cannot deal with a thousand honest, decent, hard-working citizens of this country, who just want to provide a service to parents and children. You cannot deal with them; you want to tax them now. “What yuh taxing them for?” These are people at the lowest level of the spectrum; the lowest income level. “What yuh taxing private school buses for?” This is wickedness, Mr. Speaker. How much revenue are you going to raise from private school buses? Is it worth it?

Miss Mc Donald: How much revenue from a motorcycle?

Mr. C. Imbert: “I tell you. What they doing this for?” It is just wickedness—punishing people.

Let us go to the next one: motor omnibuses. Mr. Speaker, again, in that debate in February 2010, we indicated that the law we were passing, which was the amendment to the Motor Vehicles and Road Traffic Act, we did many things—many, many different things. We dealt with permits and I will come to that in a

little while. The whole question of increasing the life of a permit from three years to five years; I now see the Minister is making it 10. I support that measure, but I will deal with the whole concept of driver's permits, and why that, too, is an indictment on this present administration for their incompetence, but let me deal now with the motor omnibuses.

Mr. Roberts: Strong words.

Mr. C. Imbert: It is incompetence. Two and a half years to regularize school buses—did nothing.

Now, let me deal with PH drivers. There is a legal notice published way back in 2010 by the then Ministry of Works and Transport—big “gambage”, big “grand charge”, as usual—former Minister of Works and Transport all over the country, “waylay-waylay”, as they say in Trinidad and Tobago.

Hon. Member: “Waylay-waylay.”

Mr. C. Imbert: “Waylay, waylay; gallerying, playing himself”—that is the local parlance, and we had these Proposed Draft Regulations for Establishing a Regulatory Framework for the Efficient and Safe Operations of Private-Hired Vehicles in Trinidad and Tobago.

Mr. Speaker, as a man who travels throughout Trinidad and Tobago, you would have seen these white vans looking like maxi-taxis, but they do not have the yellow band or the green band, or the blue—well, blue is Tobago—the brown, the green and so on—the green is Chaguanas, and so on. They look like a maxi-taxi but they do not have markings, okay. These are motor omnibuses, Mr. Speaker; they are really PH drivers, because we have two types of PH drivers in this country. We have ones that operate cars, your standard sedan car, five-seater, and then you have these motor omnibuses: these white vans; there are hundreds of them all over the country. Mr. Speaker, and they operate outside of the law, so what we did in 2010—[*Interruption*—Mr. Speaker, could you control the front bench there. Completely disrespectful!

Mr. Speaker: Yes.

Dr. Moonilal: We are listening. We are not speaking.

Mr. Speaker: All right, continue. They hear you. They hear you. They have heard your point.

Mr. C. Imbert: I know it is hard for you to control the Prime Minister and so on. I understand. Mr. Speaker, I find it offensive that the Prime Minister will

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interrupt my contribution here, today. [*Desk thumping*] I am offended because I am asking the Speaker for protection against the mutterings and the crosstalk of the Prime Minister. I find that offensive.

Miss Mc Donald: Shameful!

Mr. C. Imbert: Shameful! What is good for the goose is good for the gander. You threatened to throw me out because I engage in crosstalk, well threaten to throw the Prime Minister out too. What is good for the goose is good for the gander. I would ask all of them to be silent and let me finish my contribution. [*Desk thumping*]

Miss Mc Donald: Good. Good for you.

Mr. C. Imbert: Now, let me move to the Proposed Regulations for Establishing a Regulatory Framework for the Efficient and Safe Operations of Private Hired Vehicles in Trinidad and Tobago. In that debate, we increased the penalty—[*Interruption*—Mr. Speaker—[*Interruption*]

Hon. Member: “Oh God, talk nah?”

Mr. C. Imbert: Mr. Speaker—

Miss Mc Donald: “No man, it is ridiculous.”

Mr. C. Imbert: No respect. Mr. Speaker, in February 2010 we had put into the law, a provision that we would delay the implementation of a particular clause, which is the change in the penalty for using a vehicle for a purpose for which it is not registered for six months. The whole purpose of that deferment for six months, which, in fact, expired sometime in September, October 2010, was to allow the Ministry of Works and Transport to hold discussions with PH drivers to come to an agreement on how to regulate that informal sector of transportation in Trinidad and Tobago; and the Ministry did, in fact, publish regulations, but like anything that this Government does, that was the end of that. These regulations have been gathering dust in that Ministry for the last two years. These are proposed draft regulations which should have been made into law before the end of the 2010—nothing done; “gallery, gambage, carrying on”—no work, Mr. Speaker.

So what we have now is that for two and a half years, we have an unregulated sector where we have persons driving ordinary cars without insurance, without a background check on whether they are criminals just released from prison committing some violent crime—this is what is going on in this country under

this Government. For two and a half years, they have done absolutely nothing to regularize private motor omnibuses in this country. Nothing!

So passengers who get into these white vans do so at their own risk because they have no insurance. The driver is committing an illegal act and the passengers themselves have nothing to get if they get into an accident. If these white vans get into an accident with other vehicles, the other driver has nothing to get because these are uninsured vehicles. Mr. Speaker, two and a half years, nothing done to change the draft regulations published in 2010 and make them permanent regulations and regularize another sector of the transportation system which—you have the regularization of the school buses—nothing done! Regularization of PH drivers—nothing done, but “now you coming to tax them.” You want to tax an illegal enterprise; an enterprise where it is illegal to use a vehicle for a purpose for which it is not intended. You want to tax them.

3.00 p.m.

What is going on? Can the Minister of Finance and the Economy tell us who dreamt this up? Who is the author of this craziness? “You want to put tax on motorcycle.” Why? This is the least of the Apostles, “what yuh taxing dem for?” “Yuh want to put tax on private school bus”, but you have not regularized them. You want to tax motor omnibuses, but you have not dealt with the whole proliferation of illegal PH drivers.

There is room for everybody in this system, Mr. Speaker. These PH drivers can operate side by side with the other players in the transportation system, that was the whole point. They operate off the route. They do not compete with the traditional maxi-taxis. They operate off the main road. They go to areas not served by traditional maxi-taxis. There is space for everyone.

But the pattern of this Government is just to turn a blind eye. Members’ clubs exploding; “must be” about 30 or 40 members clubs that have grown up in the last two and a half years—exploding. Hundreds of millions of dollars being siphoned out of the country; “dey just putting blindfold around dey eyes and pretending it doh exist.” School bus operators in limbo, in a completely static state for the last two and a half years. “Dey pretending dey doh exist, but dey want to tax dem. PH drivers outside there for two and a half years, dey pretend dey doh exist, but dey want to tax dem.” Who dreamt this up? You are putting the cart before the horse. Deal with the fundamental structural issues within our transport sector, before you come with this.

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Mr. Speaker, I am sorry that you have ruled the word “foolishness” unparliamentary because it is the best word I could have found; the best—foolishness.

Deal with the issues. Instead of holding post-budget rallies and pre-budget rallies and all “kinda ra ra”, deal with these issues. There are so many things that were left for them to do when we demitted office in May 2010. All that was required for them to do was maybe a month’s work to get things complete. They have done nothing. Let me deal with the last one now, driver’s permits.

The Minister has proposed an increase in the time for the period of validity for driver’s permits, and I wholeheartedly support this measure. Unlike the measure to do this sort of superficial increase in the tax on gambling devices, which will do nothing; unlike the tax on motorcycles, which is oppressive; unlike the tax on private school buses, which is wicked; and unlike the tax on motor omnibuses, which is foolish—I endorse and support the increase in the period for duration of your driver’s permit from five to 10 years. We had moved it from three to five years, now they are coming with five to 10 years. At least some good has come out of this budget exercise.

That is just a panacea. What is really going on in this whole licensing office that has to issue these permits? These 10-year permits have to be issued in the same old, antiquated way. We should be able to get driver’s permits in the mail. You should be able to go online and apply for your driver’s permit and pay a fee using a credit card, and you get your driver’s permit in a week in the post. That is what happens in developed countries. They want to increase driver’s permits from five to 10 years, but they cannot even deal with the fundamental underlying issues that are endemic in the licensing office.

In 2008 the previous administration had agreed to an arrangement with the Government of Canada for the establishment of a Motor Vehicle Authority. I have in my possession a Cabinet Note from as far back as January 2010, which gave a status report on this new system. Not only would this new system allow you to get driver’s permits in the mail, but there is also an automated system where you could go into any office of the licensing department and your waiting time is 10 minutes. Everything would be modernized, everything would be streamlined.

We had engaged the Government of Nova Scotia to modernize our licensing system, our system for issuing permits, licence plates, vehicle registration and so on. Everything was in place for a roll-out of this system in November 2010. The people had met all their targets. The new licensing authority was to be located at

the Mount Hope facility, the mechanical workshop of the Ministry of Works. The consultants were on board. The law had been drafted. The first check of the new software had been done in Canada and submitted for security checks. The thing was in progress.

The new Government came in; “what dey do”? They looked at the plan to put the central authority for licensing for driver’s permits and vehicle registration in Mount Hope and said, “Nah, we doh want dat there.” So “what dey do”? They decided that they would put it in Frederick Settlement in Caroni. What is the result of that? Nothing; they completely scrapped the entire programme that was in the process to have our licensing department fully modernized, fully automated, state-of-the-art 21st Century technology, all functional and working by the end of 2010. They scrapped it. They shut down the project in Mount Hope and “dey decide dey go take de ting” to Frederick Settlement in Caroni.

The then Minister, in his usual way, promised it would be operational in 2011. “De whole ah 2011 come and go, nothing happened. Then they take away de transport portfolio from him, dey give it to another Minister.” He promised the sun, the moon and the stars, nothing happened. We have now come to October 2012, where the modernized system that we should have had for the issuing of these new 10-year driver’s permits, where I could go online, apply, submit a recent photograph, pay online and receive my permit in the mail, is now a dream. It is not a reality, which is what it would have been if they had stuck with what they found inside that Ministry.

In each one of these things—Mr. Speaker, I am going to read from the status report. People like to say all sorts of things, but facts are facts.

Factory acceptance testing of application software for the proposed Drivers’ and Vehicle Licensing Authority of Trinidad and Tobago was conducted over the period 19 October to October 30, 2009, in Halifax, Nova Scotia, by a team comprising the Ministry of Works and Transport, the project team and Nipdec. During the visit, the factory acceptance test of the software of the Nova Scotia Registry of Permits and Motor Vehicles and the following transactions were successfully tested: issuance of a new driver’s permit; renewal of a driver’s permit; registration of vehicle ownership, permit and plate of a vehicle; transfer of vehicle ownership; issue of vehicle identification number; replacement driver’s permit, and replacement of certificate of registration, plate and validation stickers.

At the second milestone review, conducted over the period January 25 to 29, 2010 in Halifax, Nova Scotia, the following were successfully undertaken:

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assessment of the programme progress; validation of the programme; release of the master plan; completion of the function and technical requirements; initial transport facility requirements; review of the communications strategy; the review of the preliminary master facilities programme plan; the review of the legislative and governance model, and review of the draft regulations, policies and procedures; and Phase one—which involved digitization of the current records of the Licensing Division: drafting of legislation for the Motor Vehicle Authority; development of a marketing plan; acquisition of hardware, software; implementation; business and organizational design; inventory of secure forms, smartcards, driving permits, and licence plates were scheduled for completion in June 2010—the month after the general election.

But you see then, it was just like the way the Minister of Sport came in and found a project in progress for the rehabilitation and construction of a new sporting facility in Diego Martin, “come and find it” in progress to serve three constituencies in Trinidad, and “scrap it”, the new Government scrapped this.

Mr. Speaker, I would like the Minister to tell us what has happened to all the work that was done by the Government of Nova Scotia in 2008, 2009 and 2010? What has happened to the millions of dollars spent by taxpayers of this country to have a new system?

I saw the Minister of Transport—“he like to gallery, yuh know”—in 2011, “gallerying” with the new styled driver’s permit and the new styled licence plate, and how “yuh could get yuh own personal plate”. And the way he spoke, as he likes to do, this was all his idea, despite the fact that it had been negotiated and executed with the Government of Nova Scotia since 2008, and was in its final stage of implementation. I saw him “gallerying” early 2011. We are now in October 2012. What has happened to modernization and computerization of the licensing department? Is it because you keep changing Ministers? “Is it that they fire the Minister of Transport, dey bring in a new one, dey fire he and bring in a new one?”

Is it that they removed half of the hon. Minister’s portfolio, and brought in a new hon. Minister, and then they moved that hon. Minister and bring in a new hon. Minister? So in two and a half years, all they have done is shuffle the pack, and at the end of the day we are still using an antiquated system for the creation of driver’s permits.

Everything inside of here is cart before the horse. [*Mr. Imbert holds up document*] As I said, I welcome the increase from five years to 10 years, but I

want to know what they have been doing for the last two and a half years with that plan to modernize the licensing office. What is going on? There is a deathly silence. At one point we used to get bulletins every two months. Then the Minister changed and we heard nothing. All we hear is licensing office shut down in St. James, it shut down in San Fernando, it shut down in Rio Claro, it shut down in Chaguanas, it shut down in Couva. “Dat is the bulletins we start to hear: licensing office eh functioning, nobody coming to work, air conditioning not functioning, all kinda irregularities going on.” That is what we started to hear. But prior to that, we were hearing from the Minister “how he will start it up now, and we will get new licence plates, and we will new driver’s permits, and everything will be modern.” Now there is a deathly silence.

I would like the Minister of Finance and the Economy to tell us: what has your Government been doing for the last two and a half years with respect to the modernization of the systems for driver’s permits and vehicle registration? Because we are dealing here with motorcycles, school buses and motor omnibuses. What does your Government intend to do about casino gambling? Are you going to pussyfoot for the next two and a half years? Are you going to tiptoe around the subject because your financiers own casinos or are you going to bite the bullet and deal with this issue of casino gambling in Trinidad and Tobago?

Why are you punishing private school bus drivers? I want the Minister of Finance and the Economy to tell us that. When are you going to regularize them, and when are you going to deal with unregulated PH drivers in this country? Those are the answers we need from the Minister of Finance and the Economy, Mr. Speaker.

Thank you.

ARRANGEMENT OF BUSINESS

Mr. Speaker: Hon. Members, before I call on the next Member, the hon. Minister of State in the Ministry of Finance and the Economy, I did advise hon. Members that I would seek your approval and leave, which you granted, to revert to item “Statements by Ministers”. The hon. Prime Minister is desirous of making a statement to this honourable House. I now call—[*Interruption*]

Mrs. Persad-Bissessar SC: [*Inaudible*]

Mr. Speaker: Okay, no problem. Well at this time—the Prime Minister will come shortly after—I call on the hon. Minister of State in the Ministry of Finance and the Economy.

PROVISIONAL COLLECTION OF TAXES ORDER, 2012

The Minister of State in the Ministry of Finance (Hon. Rudranath Indarsingh): Thank you, Mr. Speaker. I rise to join this debate on the Provisional Collection of Taxes Order, 2012—which was outlined following on the third budget presentation of the People’s Partnership Government, under the theme: Stimulating Growth, Generating Prosperity—and which focuses on the issue of the taxation of gaming tables as well as motor vehicles, and specifically the imposition of a motor vehicle tax on motorcycles, private school buses and motor omnibuses. It also focuses on the issue which gives drivers the option to renew their permits for five or 10 years, and with the 10-year renewal option which can only be exercised by individuals who have not attained the age of 56 years.

3.15 p.m.

Mr. Speaker, having listened to the Member for Diego Martin North/East, the Member for Diego Martin North/East spoke as if he was an authority on gambling. He seems to be someone who is very versed in the field of gambling and, Mr. Speaker, if I could recollect correctly, the hon. Member for Diego Martin North/East gambled in the internal election of the PNM when he contested the post of chairman and he lost [*Desk thumping*] [*Crosstalk*] and if I—[*Interruption*]

Hon. Member: That was a gamble.

Hon. R. Indarsingh:—could remember correctly too, the gentleman that he quoted from extensively during his budget contribution, the former Minister of Finance in 1996/1997, Mr. Brian Kuei Tung, was the campaign manager for Diego Martin North/East in that particular election. [*Laughter*]

Mr. Speaker, having listened [*Crosstalk*] to the gentleman again, the Member for Diego Martin North/East, in term of his pronouncements and so on, we must never forget that this is the same gentleman who went before—[*Interruption*]

Mr. Speaker: The Member of Parliament for Diego Martin North/East.

Hon. R. Indarsingh:—the Member for Diego Martin North/East went before a commission of enquiry in relation to the Elections and Boundaries Commission and declared a living person dead. So this is someone who seems not to be familiar with the truth, in terms of—[*Interruption*]

Hon. Member: A stranger.

Hon. R. Indarsingh:—his pronouncements this afternoon.

Mr. Speaker: Be careful in terms of being a stranger to the truth and not familiar to the truth. We do not want to implicate Members of not telling the truth. That is unparliamentary and disorderly. So continue.

Hon. R. Indarsingh: Thank you, Mr. Speaker, I will be guided—someone who sees the truth and passes it straight, Mr. Speaker. [*Desk thumping*]

Hon. Member: That was close.

Hon. R. Indarsingh: That is the Member for Diego Martin North/East. He seemed to want to push this Government into a position of not knowing what it is attempting to do in putting this provisional order before the Parliament, and also in trying to solicit from this Government our position as it relates to the gaming industry and gambling. But, the crocodile tears and the hypocrisy coming from the Member for Diego Martin North/East and those on that side must not be forgotten in terms of their hypocrisy, and the fundamental question which has to be asked really is, what is the PNM's position in relation to this particular issue of gambling and casinos?

Hon. Member: We know Manning's position, we do not know yours.

Hon. R. Indarsingh: In fact, Mr. Speaker, we might [*Crosstalk*] be a bit more informed as it relates to the position of the Member for San Fernando East as it relates to this particular issue, but in his discourse here this evening and his diatribe—if I should use that particular word—[*Interruption*]

Hon. Member: It sounds better.

Hon. R. Indarsingh:—the Member failed to say what is the PNM's position in relation to this particular issue, and what again we did not hear is what did the PNM do during their tenure as it relates to the regularization of this particular industry.

In fact, if I could recollect, all they did in relation to this particular issue of gambling and casinos and so on, was that they increased taxation in 2002 and increased taxation in 2003. In fact, the increase in 2002 was in excess, I think, of 200 per cent and where the entire workforce, again in that particular industry, turned on the PNM—turned on the PNM and in keeping with their anti-people and anti-worker position and so on, that was the direction of the PNM then.

Mr. Speaker, we must never forget that it is under the PNM that this particular industry expanded; it flourished and expanded under the PNM. If I am to quote, and support what I am saying—I want to quote from the *Trinidad Guardian*, the online version of Thursday 06 January 2005, and in relation to what was taking place at NLCB, and we must never forget that the PNM entered into a new contract with GTECH to develop and expand the industry over a period of three years. This article is written by Sandra Chouthi, and I want to read into the records what it says.

“The *Business Guardian* understands, though, that NLCB’s revenues two years ago were \$800 million, and that its highest earnings of \$965 million were”—in 2003 and—

“Junior Finance Minister Christine Sahadeo said on Tuesday that NLCB’s accounts up to 2003 are up to date, but they have to be reviewed by the Auditor General’s department before they can be published. The Auditor General has not yet done so.”

Mr. Speaker, that in itself shows that they failed to display any sense of political will in relation to dealing with this particular industry. As I will continue to say, the Member for Diego Martin North/East has not declared officially to this Parliament what is the PNM’s position as it relates to gambling and casinos.

The Member for Diego Martin North/East, in my opinion, took his time to engage in what I would call an abuse of parliamentary privilege here this evening—an abuse in parliamentary privilege where he said that rumours abound that this Government is not prepared to deal with this industry and its regularization and so on, as it relates to the issue of gaining donations from financiers of those whom are affiliated to casinos and so on. What the Member may have failed to declare is if any of them on the other side would have been the recipients of financing from this particular arrangement during their political campaigns, Mr. Speaker.

So the crocodile tears we are hearing from the Member for Diego Martin North/East really shows the hypocrisy of the PNM, and the failure of what I would call to display that sense of political will over their tenure for nine years. They did nothing, I want to repeat that, they did nothing to address this very critical and sensitive issue, and all I could recollect that they did was in 2002 and 2003, increase the taxation, Mr. Speaker.

During his contribution, he attempted to say that this Government was imposing what we would call draconian taxation on the population of Trinidad and Tobago, and more so those who are desirous of purchasing motorcycles so on. Whilst we are prepared to impose a tax on motorcycles, we must never forget as a Parliament, and we must never forget as a society, the draconian position that was adopted by the People’s National Movement as it relates to the imposition of the property tax—what they wanted to do with the property tax as it relates to home ownership in Trinidad and Tobago. That was draconian. That was high-handed. That was without a sense of consultation, and we as a Government will never attempt to be high-handed or draconian in our approach to taxation, as we continue to fulfil our sense of mandate with the people of Trinidad and Tobago.

In fact, Mr. Speaker, the PNM, through what they wanted to do with the property tax, wanted to destroy the society en masse because their approach to this particular piece of legislation, at that point in time, would have ensured that thousands of persons at all different class levels—hundreds of thousands of persons at all different class levels in this country—would have lost their homes and their houses. The PNM was on a collision course with destroying families and destabilizing the very fabric of our society.

So when the Member for Diego Martin North/East attempts to speak about draconian and high-handed measures and so on, we must never forget the approach of the PNM to dealing with the society at large, the rank and file, the ordinary man, the middle class, the upper class in the society and so on. In fact, we have done the very opposite in our budget presentation. We have empowered those who want to access low-cost housing, and we have stimulated, as a Government, the construction sector [*Desk thumping*] and that is the approach, Mr. Speaker, of the Government of Trinidad and Tobago.

3.30 p.m.

The Member continued in his ramblings, attempting to paint the Government as a Government of inaction and doing nothing and so on, as it relates even to PH drivers, and I just want to take the opportunity to refresh the memories of all those hon. Members present in the House, and also the society at large, when I resort to the *Newsday* of January 06, 2011, where the then Minister of Works and Infrastructure and Member for Chaguanas West attempted to move the process of dealing with PH drivers in Trinidad and Tobago. In fact, the Ministry at that point in time went on to publish what is called “The Proposed Draft Regulations for PH Drivers for Establishing a Regulatory Framework for the Efficient and Safe Operation of Private Hired Vehicles in Trinidad and Tobago”.

Also, in that said edition of January 06, 2011, one of the headlines read: “Warner thanks PH drivers”, for the role that they played in relation to getting thousands of commuters home whom were stranded as a result of action that was taken by maxi-taxi drivers then.

So, from where I sit, the Ministry of Works and Transport then, now named the Ministry of Works and Infrastructure, was engaged in discussions in finding a way forward. So all attempts by the Member for Diego Martin North/East to paint the Government as one that does not understand what it is doing—a Government of inaction, a Government that is high-handed and dictatorial and so on—is the furthest from the truth.

In fact, Mr. Speaker, the record will reflect differently as it relates to the whole approach of this particular administration since we came into power. And it was reinforced in the budget presentation of the Minister of Finance and the Economy, where it was said very clearly, clearly spelt out, clearly articulated, that in developing Trinidad and Tobago we will engage in a process of consultations on all fronts, whether it has to do with our legislative agenda, our infrastructural development, our health sector, education sector and so on. As we continue to address the fundamental question of the development of this society, it will be based on a process of consultation and this is the way that the governance model of the People's Partnership will continue to unfold in Trinidad and Tobago.

Mr. Speaker, the reality is that gambling in members' clubs or membership clubs is very prevalent and popular among sections of the society. It is very prevalent and it is very popular among certain sections of the society and these said clubs are not taxed in a manner that other businesses are taxed. It has been widely accepted and it is the thrust of this People's Partnership Government to aggressively pursue a comprehensive review of our tax system which will focus on tax policy, administration and enforcement.

Mr. Speaker, the private gaming industry, just from a statistical point of view employs approximately 40,000 persons: 7,000 directly, and—based on statistics that were provided as a result of consultations that are ongoing with the Ministry of Finance and the Economy—33,000 indirectly, and this indirect employment is very critical to economic activity and generation in areas such as taxi drivers, caterers, builders, seamstresses, musicians, security, decorators, maintenance, babysitters, printers and suppliers.

In fact, we may be tempted to ask, who are these workers? Statistically again, based on figures that were provided by the union of lottery and commercial workers, it would reveal that 71.4 per cent of these workers are women; 70 per cent of those are single mothers, and on the average 1.7 children are dependent per worker and on the average 2.4 in terms of dependent on each worker.

And the very fact that you would have heard from the Minister of Finance and the Economy in his budget presentation, and today in his presentation, is an indication that we have recognized that an industry exists, and we need to do something about an industry that is existing in terms of providing employment and also one which economic activity revolves around 40,000 persons in the society. We must never forget that sense of responsibility.

And the debate will continue to exist in our society whether these entities, these premises, these clubs and so on, should continue to exist or not. There will

always be the pros and cons based on upbringing, moral values, religious persuasions and so on, persons in the wider mainstream of the society will have their individual positions and so on, on this particular issue.

But, Mr. Speaker, against this backdrop or against this background, and taking into consideration the statistical data that I have presented to this House, there is the need to change also the legislative environment to ensure that these entities do not continue to operate in a manner which may be deemed unquestionable. There is the need to change the legislative environment so that these entities would not continue to operate in a manner which may be deemed questionable.

Mr. Speaker, the Ministry of Finance and the Economy proposes that a working committee—I want to reiterate that the Ministry of Finance and the Economy proposes that a working committee—be established to ensure that a regulatory and control environment be found with respect to licensing and compliance of all these clubs and casinos.

We know of the social ills; we will continue to hear from commentators and those whom, as I said, would have taken their respective positions as it relates to this particular issue of prostitution, money laundering, and also the very sensitive issue of the fallout of those who may become addicted to the vice or pastime of gambling and so on. Because, it is said that gambling could become addictive and, as such, if the activity is promoted or legitimized it must be regulated in such a way that it is not promoted or legitimized as entertainment for families and children.

And this is why the Ministry of Finance and the Economy is proposing the establishment of this working committee so that there could be the appropriate mechanisms and mediums to be found in addressing this particular issue, and of course, the issue of consultation and bringing all the stakeholders on board in relation to the way forward. So, we are displaying that sense of political will. We are displaying the political will which is needed to find the appropriate mechanisms and the way forward. We are not only dealing with it the way that the PNM dealt with it; they simply increased the taxation. We are going the distance in terms of the establishment of this particular committee and, as a responsible Government, we will ensure that the initiatives that we pursue under this particular committee—which will develop the appropriate legislative environment also to tackle the issue—we will ensure that gambling clubs and casinos and the related activities will be conducted honestly, competitively and free of all criminal and corruptive elements.

Mr. Sharma: Very good point.

Hon. R. Indarsingh: Mr. Speaker, it is also of critical importance that the public trust is embraced on this particular issue because, in the context of public trust that permissible gambling will not endanger public health, safety or welfare, and that is of critical importance if we are to continue to develop as a nation because, as I said, we recognize the social ills and the social fallout in terms of the destruction of families. When there is the destabilization of families, there are a number of consequential problems as it relates to children and more societal issues of a nature that could only impact upon the society from a negative point of view. So, as we continue to develop as a society, Mr. Speaker, we would want to ensure that the whole issue of permissible gambling is addressed and addressed in this particular way.

3.45 p.m.

We have to understand that in addition to public trust and confidence it can only be maintained by a strict and comprehensive regulation of all persons, locations and associations. It is of critical importance, too, that records of cash and credit transactions involving gambling establishments have a high degree of usefulness in criminal and regulatory investigation.

Therefore, it is of critical importance to keep records and make reports concerning significant cash and credit transactions. This is where we are now seeing that, under this working committee, we will be directing a sense of focus as it relates to collaboration between a number of government entities or what we would call State institutions as it relates to addressing the issue of the operations of clubs, casinos and so on. This collaboration will be seen in the involvement of the police service of Trinidad and Tobago, the compliance officers of the Board of Inland Revenue, the officers of the Financial Intelligence Unit, and it also takes into consideration the role of the Magistracy based on the way that there is the registration of certificates and licences and so on being granted in the relevant magisterial districts or division.

In that regard, there is the need for a strong sense of manpower, and coming together in relation to addressing the issue—because at the end of the day a compliance officer attached to the Board of Inland Revenue cannot simply walk into these clubs or casinos and so on, based on what has been coming to the fore in terms of money laundering, the issue of drugs and prostitution.

So, there is the need for what we will call support coming from the security arm of the State and this is where there is the need for the collaboration between

the Ministry of National Security and, more so, the police service of Trinidad and Tobago so that police officers could be in a position to accompany compliance officers to go and make the necessary spot checks, evaluation and assessment, as it relates to providing that sense of feedback and analysis that is of vital and critical importance to the Ministry of Finance and the Economy as we find the appropriate way forward in addressing this particular issue.

Mr. Speaker, we would have heard also of the involvement of the Financial Intelligence Unit. The Financial Intelligence Unit is of critical importance in the context of the fight against money laundering and terrorism, and in that regard, the issue of detection of large volumes of transactions which could find its way into the gambling houses and clubs, that needs to be monitored very stringently by the Financial Intelligence Unit. In this regard, we must understand the importance of the establishment of the working committee that will address all the issues and challenges that are facing this particular regularization of the gambling industry in going forward.

In addition to what we will be focusing on, we will be focusing on the issue of the clubs and the casinos. I want to pay attention also to the issue of driving permits. The Member for Diego Martin North/East attempted to paint a picture, or send a message to the population of Trinidad and Tobago, that persons over the age of 65 are not allowed to drive or will not be allowed to drive by this particular administration. That is the furthest thing from the truth.

Mrs. Mc Intosh: [*Inaudible*]

Hon. R. Indarsingh: Member for Port of Spain North/St. Ann's West, you will be allowed to drive and I just wanted to put that to rest because the Member attempted in his usual bobbing and weaving style—and I am not in his style of half-truths and innuendoes and so on, which has been the Member's consistent approach and the PNM's consistent approach in dealing with the Government of Trinidad and Tobago. So, in that regard, that is the furthest thing from the truth, but what is important is that now the citizen has the opportunity to renew his driver's permit for up to 10 years. [*Desk thumping*] That is a very progressive measure—[*Interruption*]

Dr. Ramadharsingh: Never said that.

Hon. R. Indarsingh:—that has been taken on board—[*Interruption*]

Dr. Ramadharsingh: Globally attempted.

Hon. R. Indarsingh:—by this particular administration.

Dr. Ramadharsingh: That is world standards.

Hon. R. Indarsingh: So it means that in 10 years you will only have to visit the licensing office for one time. So what it means—[*Interruption*]

Hon. Member: [*Inaudible*] [*Laughter*]

Hon. R. Indarsingh: What it means, Mr. Speaker, is that there would be less absenteeism from work. Persons could now utilize their time—their additional time in more efficient and productive manners in relation to contributing to the economic development of Trinidad and Tobago, and as I said, less absenteeism and less crowd, less volume of traffic going into the licensing office of Trinidad and Tobago and the rest of the sub-offices and so on. So it gives a sense of peace of mind in terms of 10 years for this particular piece of progressive legislation, or progressive move, or initiative on the part of the People's Partnership administration.

In addition to that, it also creates less stress on the staff of the Licensing Authority and of course the Transport Commissioner and the senior staff will have the opportunity now to redeploy or take into consideration, with the less volume and traffic of persons going into the office to renew their driver's permit, the Transport Commissioner and senior officers of the licensing office could come up with more innovative means and mechanisms of utilizing the workforce in the interest of the licensing office and, by extension, in the interest of the wider citizenry of Trinidad and Tobago. That is how this particular initiative on the part of the Government must be seen.

Again, a Government that is committed to being people friendly, a Government that is committed to bringing a sense of relief to the inconvenience of the ordinary citizens in the country and this will be the concentration of the People's Partnership Government in our first term of office as we move towards the end of our first term, and this will continue to be our mantra and our modus operandi in our second term of office.

So in that regard, Mr. Speaker, what has been tabled before you by the Minister of Finance and the Economy must be seen, as I said, as moving Trinidad and Tobago, continuing that process of development—[*Interruption*]

Dr. Ramadharsingh: The population is happy.

Hon. R. Indarsingh:—continuing to ensure that the population of Trinidad and Tobago is happy, and continuing to ensure that whatever we bring to the Parliament of Trinidad and Tobago takes into consideration the small man, the

people at heart and this is the commitment of the People's Partnership Government. I thank you, Mr. Speaker.

STATEMENT BY MINISTER

**Financial Action Task Force
(Delisting of Trinidad and Tobago)**

The Prime Minister (Hon. Kamla Persad-Bissessar SC): Hon. Speaker, I thank you very much for allowing me the opportunity to make this statement in the Parliament. We did have to make a few revisions, so my printed version is now with me. I thank you very much for this opportunity today, and it is with great pleasure that I bring this information to the attention of Members of this honourable House.

Mr. Speaker, you will recall over the past year, and indeed from 2010, and even prior to 2010, there were reports in the public domain about the status of our anti-money laundering laws as well as about appointments made to the FIU, the Financial Intelligence Unit. There were reports, and some of them came from concerned Members on the other side that Trinidad and Tobago could face very severe sanctions internationally for failing to deal with anti-money laundering legislation. Indeed, the picture that was painted was very dark and very gloomy for our prospects. Indeed, our image was sullied by predicting that we were on the verge of being blacklisted by the FATF.

Mr. Speaker, who is the FATF? What is the FATF? If you would permit me, from the website, to share with you and with hon. Members:

“The Financial Action Task Force is an inter-governmental body established in 1989 by the Ministers of its Member jurisdictions. The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system. The FATF is therefore a ‘policy-making body’ which works to generate the necessary political will to bring about national legislative and regulatory reforms in these areas.”

So they developed a series of recommendations. These are recognized internationally, setting international standards for the combating of money laundering the financing of terrorism and proliferation of weapons of mass destruction. They form the basis for a coordinated response to these threats to the integrity of the financial system and help ensure a level playing field.

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So, Mr. Speaker, they first issued, according to their website, recommendations in 1990, revised in 1996, 2001, 2003 and, most recently, in 2012 to ensure that they remain up to date and relevant, and they are intended to be of universal application. This is on the website of the FATF and if I may just share the source, www.fatf-gafi.org, website of the Financial Action Task Force.

So these concerns that were raised are concerns that would really trouble every right-thinking citizen. This is an international body and others in the international community are guided by recommendations they make and by the place on the list that they put—whether it be blue, black, white, grey, brown, so, where a country falls is of great importance.

So the concern was raised and we were told that our citizens would not be able to use their credit cards overseas. We were told that investor confidence will be adversely affected; our trading partners will look for new suppliers and markets; job losses will occur; and Trinidad and Tobago will become a haven for money launderers and terrorists.

4.00 p.m.

Hon. Members on the other side—as I say, which could have damaged investor confidence. But, again, right-thinking citizens were not misled by the very dark and gloomy picture that was painted especially—I believe it was the Member for Diego Martin North/East in this very Chamber.

Mr. Warner: That is right.

Hon. K. Persad-Bissessar SC: Very, very gloomy picture: we could not use credit cards; we would be blacklisted; no investors would come into Trinidad and Tobago. This is what was said. Mr. Speaker, I really think we need to spend a short time, with your permission, to recite a brief chronology of the relevant developments in this matter.

In February 2010, Trinidad and Tobago was publicly identified as a country with strategic Anti-Money Laundering/Combating Financing of Terrorism deficiencies, and this is abbreviated AML/CFT deficiencies in the Financial Action Task Force public statement entitled: Improving Global AML/CFT Compliance: Ongoing Process. That was February 2010.

This public identification was as a result of a mutual evaluation which was conducted wherein Trinidad and Tobago was rated as partially compliant, or non-compliant, with 15 of the 16 key and core recommendations of the FATF. So in February 2010, Mr. Speaker, 15 out of 16 key and core recommendations—

Trinidad and Tobago was non-compliant, and this is where the fear was that we would become blacklisted and all these other horrible things would happen.

So when we assumed office in May 2010, the complexity of this matter was brought to the attention of my Government. What we inherited was, indeed, far from what was needed. The FIU was not operational; the FIU had no staff—and the FIU is the Financial Intelligence Unit—no staff or very little staff. What was even more troubling was that an attorney from private practice, who was a private consultant to the office of the then Attorney General, had been appointed to act as the interim director—a practising attorney in private practice, being a private consultant to the office of the AG. And, you know, when we speak of conflict of interest, this is something that we really need to look at. That person was appointed to act as interim director of the FIU. Little or no staff; the legislative framework was defective, and so we stood on the brink of being blacklisted by the FATF.

Mr. Speaker, that is what we inherited at that time. I then, as Prime Minister, made a very high-level political commitment to the FATF and the Caribbean Financial Action Task Force—the Caribbean FATF; so, the global body and the Caribbean Financial Action Task Force—in which I ensured that Trinidad and Tobago would continue working assiduously to address our identified AML/CFT deficiencies. I made that commitment immediately upon this matter being brought to our attention to let them know there was a change in the Government but we remain committed, as a nation, to working to address the deficiencies.

Mr. Warner: Thank God.

Hon. K. Persad-Bissessar SC: Mr. Speaker, one has to only look at some other countries and to defect the impact where blacklisting or dark-grey listing—what could happen in countries. If you look at the Bahamas, Cayman Islands, St. Kitts and Nevis, St. Vincent and the Grenadines—by appearing on the list of uncooperative countries in regard to the fight against money laundering that the FATF published in the year 2000—then we can see the very devastating economic and reputational consequences experienced.

Mr. Speaker, that was a risk my Government was not prepared to take, with the economic and reputation viability of our country. As a responsible Government, we did not panic. We did not panic and we did not broadcast the deleterious effects of the non-compliance with the FATF recommendations because we did not wish to undermine investor confidence. As we always say, our commitment first is to Trinidad and Tobago. Therefore, it would not be in the

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interest of the people of Trinidad and Tobago for the Government to be preaching, far and wide, the dark and very gloomy picture that was being painted as to the effects of non-compliance with FATF recommendations.

So, we chose instead, Mr. Speaker, to take very deliberate steps to ensure that immediate action was taken to remedy the deficiencies. Accordingly, I mandated that the hon. Minister of National Security devote all necessary resources to ensure that the strategic deficiencies identified by FATF were addressed expeditiously to avoid being elevated to the FATF public statement of blacklist and circumvent sanctions being imposed on T&T by the international community.

So what did we do? We mandated the Ministry of National Security to put all the resources—take all the steps—to remedy the deficiencies, thereby we could circumvent sanctions being imposed on our own country. Mr. Speaker, I also immediately appointed a national AML/CFT committee comprising of several senior Cabinet Ministers and high-level technocrats. This committee was duly constituted by November 2010. It included the hon. Minister of National Security, the hon. Attorney General and the hon. Minister of Finance. It also included the Director of AML/CFT Compliance Unit, Mrs. Sherene Murray-Bailey, and the head of the FIU, Miss Susan Francois.

This committee co-opted the heads of departments with responsibility for various aspects of our national AML/CFT architecture. The committee continues to guide Government's policy in respect of compliance with our international obligations. It is a vital cog in our national AML/CFT regime and it continues to strengthen our AML/CFT compliance.

A comprehensive review of the AML/CFT legislation was undertaken by the Ministry of National Security, the Office of the Attorney General and the Ministry of Finance. Mr. Speaker, you may well recall, amendments to the legislation were guided by the policies and recommendations formulated by the reconstituted national Cabinet-appointed AML/CFT committee and through stakeholder consultation, and you will recall these amended pieces of legislation which came to this honourable House, Mr. Speaker—several pieces: the Financial Intelligence Unit of Trinidad and Tobago (Amdt.) Act, 2011; the Anti-Terrorism (Amdt.) Act, 2011; Trafficking in Persons Act, 2011; the Financial Obligation (Financing of Terrorism) Regulations, 2011; the Financial Intelligence Unit of Trinidad and Tobago Regulations, 2011, and very recently, the Miscellaneous Provisions (Financial Intelligence Unit of Trinidad and Tobago and Anti-Terrorism) Act, 2012, which we passed recently here.

So during 2011, Mr. Speaker—as I said, we set up the committee in November 2010 and throughout 2011—one two, three, four, five—five pieces of legislation—substantive legislation that was necessary and required by the FATF for Trinidad and Tobago, as I said, to avoid falling off the cliff and going down into the gloomy depths of a blacklisted country. In addition to those five pieces of legislation I mentioned, as I said, the sixth piece we completed in this House and in the Senate in this year, 2012—August 2012, Mr. Speaker, you may recall.

In February 2011, along with Members of my Cabinet, I met with a Caribbean Financial Action Task Force high-level mission to discuss Trinidad and Tobago's progress in rectifying our AML/CFT strategic deficiencies. Emanating from those discussions, I reinforced Government's unwavering commitment to achieving further compliance with international financial standards set by the FATF.

Trinidad and Tobago—you will recall that in June 2012 the FATF agreed that Trinidad and Tobago had made significant progress in rectifying its AML/CFT deficiencies, such that an on-site visit was warranted to ensure that the progress reported by technocrats at the FATF plenaries had, in fact, been made and that they were sustainable.

The FATF conducted a comprehensive on-site review in Trinidad and Tobago during the period August 28—29 of this year—2012. At this time, the FATF on-site team met with senior public and private stakeholders with responsibility for implementing the AML/CFT regime. Members of Cabinet also met with the on-site team and reiterated our commitment to addressing financial crime in all its facets.

A delegation of senior government technocrats consisting of the Director of Public Prosecutions, the Commissioner of Police, the Inspector of Financial Institutions, the Comptroller of Customs and Excise, the Director of the AML/CFT Compliance Unit, as well as the director of the FIU, also met with this on-site team. Private sector representation during the on-site visit included the Bankers' Association of Trinidad and Tobago, the Association of Trinidad and Tobago Insurance Companies and listed businesses regulated by the FIU. Mr. Speaker, we want to thank all those who participated in these discussions with the FATF during the on-site visit, those from the private sector and those from the public sector.

Today, I am very pleased, Mr. Speaker, to inform that the FATF has recognized that significant progress has been made in rectifying our AML/CFT deficiencies. Today, at the FATF plenary in Paris, France—a few hours ago—the FATF agreed to move Trinidad and Tobago from the list of countries with strategic AML/CFT deficiencies. [*Desk thumping*]

Mr. Warner: Prime Minister, one more time.

Hon. K. Persad-Bissessar SC: One more time?

Mr. Warner: Yes, please.

Hon. K. Persad-Bissessar SC: Before I repeat, again, I want to go to the website that I read earlier, www.fatf-gafi.org. The country is Trinidad and Tobago. This is right now online. Technology is such a fantastic thing. So that these are not the words of those of us on this side of the Government; this is, in fact, the public statement issued today by the FATF in Paris coming out of their plenary, and I read from this, Mr. Speaker, with your leave. Under Trinidad and Tobago:

“The FATF welcomes Trinidad and Tobago’s significant progress in improving its AML/CFT regime and notes that Trinidad and Tobago has established the legal and regulatory framework to meet its commitments in its Action Plan regarding the strategic deficiencies that the FATF had identified in February 2010.” [*Desk thumping*]

Most important, Mr. Speaker, as I continue to quote from the website:

“Trinidad and Tobago is therefore no longer subject to FATF’s monitoring process under its ongoing global AML/CFT compliance process. [*Desk thumping*]

The statement continues:

“Trinidad and Tobago will work with CFATF”—that is the Caribbean Financial Action Task Force—“as it continues to address the full range of AML/CFT issues identified in its Mutual Evaluation Report, particularly implementation of the new legislative and regulatory reform in order to more effectively combat illicit finance in Trinidad and Tobago.”

Mr. Speaker, the words straight off the website of the Financial Action Task Force, coming out of their plenary meeting today in Paris where our director, Mrs. Sherene Murray-Bailey, is representing Trinidad and Tobago, as is Miss Susan Francois, the director of the FIU.

Mr. Speaker, I go a little further with this, with your leave. So it is very clear—if Dr. Moonilal will give me back my text, having taken it for us to use this great piece of technology here. I am saying that we are very happy to announce that today, Friday, October 19, at their plenary, as I mentioned before, they have agreed that we will no longer be under their monitoring process; we will be removed from the list of countries with strategic AML/CFT deficiencies.

Mr. Speaker, what does this mean? It means that we have been removed from the dark-grey list. Mr. Speaker, it means we are not going to be put on any blacklist; it means that we are not going to be placed on any white, blue, green, yellow, brown list; it means that the only colours that will apply to Trinidad and Tobago will be the red, white and black, our national colours. [*Desk thumping*]

This mammoth achievement could not be accomplished alone. I want to extend our sincere gratitude to the hon. Attorney General, the hon. Minister of National Security—former Minister of National Security and our present Minister of National Security, our Minister of Finance and the Economy—former Minister of Finance and present Minister of Finance and the Economy—for their tireless efforts which led to this very successful outcome.

In addition, my thanks also go to the Office of the Chief Parliamentary Counsel, the Office of the Director of Public Prosecutions, the Central Bank of Trinidad and Tobago, the Ministry of Finance and the Economy, in particular the Financial Intelligence Unit, and all other public and private stakeholders and institutions who have made worthwhile and invaluable contributions to our success in being delisted by the FATF.

4.15 p.m.

We also want to thank and pay tribute to the hard-working public officers whose dedication to country and duty made this wonderful result a reality. The success of our Government in this matter is no small feat. There are several larger and more developed countries around the world which have been flagged as being deficient and they continue to be monitored by the FATF. This success confirms my Government's commitment to fight crime at any and all levels. [*Desk thumping*]

Mr. Speaker, the Director, Compliance Unit—our Director—Mrs. Sherene Murray-Bailey, in her report she sent to us here, to the Minister of National Security, she made a very important point when she said:

“It is with great pride I... inform you, Hon. Minister that FATF has recognized that significant progress has been made by Trinidad and Tobago in rectifying our AML/CFT deficiencies.

In fact during the discussion on”—Trinidad and Tobago—“the Executive Director of CFATF proudly indicated that”—Trinidad and Tobago—had proffered its first money laundering charge since the enactment of the legislation.” [*Desk thumping*—Trinidad and Tobago was encouraged by the FATF to press on.

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So, I am saying, Mr. Speaker, this success with the FATF confirms our commitment to fight crime at all and any levels. The passage of strong anti-money laundering legislation is equivalent to putting a high-powered rifle in the hands of our law enforcement agencies. It places the financial sector on the duty to report suspicious transactions and it equips the FIU and the Financial Investigations Bureau with the right legal tools to fight white-collar crime.

Our removal from the grey list of FATF is indeed a significant milestone. It confirms and demonstrates the strong commitment of my Government to tackle financial fraud, corruption and indeed, Mr. Speaker, white-collar crimes in all its forms. [*Desk thumping*]

The magnitude of this accomplishment as a nation is highlighted in a letter issued today to the hon. Minister of National Security from the Executive Director of the Caribbean Financial Action Task Force organization which has jurisdiction over the Caribbean. So they are the regional body which thereafter reports to the global body, the FATF.

This letter, dated October 12, is full of praise for the efforts of our Government—[*Interruption*]

Mr. Warner: October 19th—

Hon. K. Persad-Bissessar SC:—October 19, 2012—I am sorry—and asks now for our help in assisting other countries to become compliant. [*Desk thumping*] I read this letter into the record, Mr. Speaker:

“Port of Spain,

Friday 19th, October 2012”

Caribbean Financial Action Tasks Force headquartered here in Port of Spain.

“The Honourable Jack Warner

Minister in the Ministry of National Security

Dear Honourable Minister,

On behalf of Chairman Manuel Gonzalez, all Members of the Caribbean Financial Action Task Force (CFATF) and the staff at the Secretariat, I would like to extend warmest congratulations to you and the Government and people of Trinidad and Tobago on the removal of Trinidad and Tobago from the monitoring process of the Financial Action Task Force...International Co-operation Review Group...Initiative.

This sterling achievement must be commended as a testimony of the commitment at the highest political levels in Trinidad and Tobago, to ensure that the Anti-Money Laundering and Combating the Financing of Terrorism architecture is strong and is being effectively implemented in keeping with international best practices.” [*Desk thumping*]

The letter continues, Mr. Speaker.

“I trust that Trinidad and Tobago will continue to work with both the FATF and the CFATF with a view to rectifying all outstanding deficiencies in its Mutual Evaluation Report as expeditiously as possible, so that it can be well placed to be assessed under the Fourth Round of the CFATF Mutual Evaluation Programme.

Trinidad and Tobago has amassed considerable experience and expertise during its involvement with the FATF ICRG process, and I would like to take this opportunity to enlist your support in putting this wealth of talent to the benefit of ten CFATF Members that have met the FATF ICRG criteria in particular and to the CFATF generally by assuming the Chair of the CFATF ICRG when the current Chair demits office at the November 2012 Plenary Meeting.”

Hon. Member: Ooh, we will lead.

Hon. K. Persad-Bissessar SC: So, Mr. Speaker, from dark-grey list, from doom and gloom, we are now being hailed as those who can assist as leaders in this field of FATF compliance, a tremendous achievement. [*Desk thumping*] Let me repeat:

“Trinidad and Tobago has amassed a considerable experience and expertise during its involvement with the FATF ICRG process and I would like to take this opportunity to enlist your support in putting this wealth of talent to the benefit of ten CFATF Members that have met the FATF ICRG criteria in particular and to the CFATF generally by assuming the Chair of the CFATF ICRG when the current Chair demits office at the November 2012 Plenary Meeting.”

Mr. Speaker, this was on the Caribbean Financial Action Task Force.

The letter continues:

“Trinidad and Tobago has a significant and constructive role to play within the CFATF family and I would be pleased to meet with you at our earliest

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mutual convenience to discuss this prospect as well as some other matters related to the general operations of the Secretariat and the organization as a whole.”

The letter continues, Mr. Speaker.

“Once again my congratulations to you as Prime Contact to the CFATF on the important milestone of having successfully navigated the FATF ICRG process.

Yours sincerely,

Calvin E. J. Wilson

Executive Director”—Caribbean Financial Action Task Force. [*Desk thumping*]

Hon. Member: Well done.

Hon. K. Persad-Bissessar SC: Mr. Speaker, I wish to reiterate that my Government is ever cognizant of the ill effects of money laundering and terrorist financing. We will continue to expend all possible resources in this area, in recognition of the very adverse, serious effects that this can have on our country’s financial stability and national security.

As Prime Minister, I am committed to ensuring that our AML/CFT regime is effectively implemented to advance Trinidad and Tobago closer to full compliance with the recommendations. The laws have been strengthened and it is now up to us to enforce them.

There are too many reports of money laundering—suspicious bank accounts are being monitored and reported by banks. The FIU has its work cut out for them. It is time for action. Those who are involved in money laundering must know they can run but they cannot hide. I thank you, Mr. Speaker. [*Desk thumping*]

Mr. Speaker: Hon. Members, I think it is a good time for us to take an early tea break today. This sitting is now suspended until 5.00 p.m.

4.23 p.m.: *Sitting suspended.*

5.00 p.m.: *Sitting resumed.*

PROVISIONAL COLLECTION OF TAXES ORDER, 2012

Mrs. Patricia Mc Intosh (*Port of Spain North/St. Ann’s West*): Thank you, Mr. Speaker, I am grateful for the opportunity to join this debate on the Motion, the Provisional Collection of Taxes Order, 2012.

Mr. Speaker, I should like to explain the intent of this Motion for the benefit of the man in the street because, in the final analysis, I feel that it is the man in the street who would be most affected by the proposed imposition of taxes being debated in this honourable House this afternoon.

Mr. Speaker, this is the perspective that I should like to adopt in approaching this Motion. But, before I do, Mr. Speaker, through you, I should like to remind the man in the street that the Members on this side did not vote for this budget for the fiscal year 2012/2013.

I noted with interest that the PP Government did not call for a division. I think they probably could not bear the resounding echo of the noes along the lines of this bench—*[Interruption]*

Mr. Sharma: “Say something intelligent, nah.”

Mrs. P. Mc Intosh:—from the Members of this side.

Mr. Speaker: Please, please, please.

Mrs. P. Mc Intosh: Mr. Speaker, I suppose they could not risk that. May I repeat, that the Members on this side did not vote for this new finance Minister’s budget, nor shall we support the proposed imposition of taxes outlined in his budget statement.

Mr. Speaker, for the benefit of the man in the street, what the Government is essentially doing is seeking to raise revenue to offset the expenditure specified in the Bill entitled an Act to provide for the service of Trinidad and Tobago for the financial year ending on the 30th day of September, 2013.

Essentially, this is the budget for the fiscal year 2012/2013 and the Government is seeking to raise the revenue partly through increased taxation which must be legitimized through the variation of existing taxes or the addition of new taxes in the written law.

According to the Provisional Collection of Taxes Act, Chap. 74:01, this must be done no later than 21 days after the presentation of the budget statement, which was read in this honourable House on October 01, 2012.

So, Mr. Speaker, to substantiate what I am saying I should just like to quote from the Motion:

“And whereas it is provided by section 3(5) of the Act that an Order varying an existing tax shall cease to have effect if the Order is not confirmed with or

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without modifications, by a resolution agreed to by the House within the next twenty-one days after the commencement of the Order.”

Mr. Speaker, so the Minister has to get approval for these new taxes proposed in his budget for this fiscal year on or before October 22, 2012, in order for these new taxes to have effect.

So this is why we are here today, to amend existing law, in order to facilitate the imposition of taxes, such as was declared by the hon. Minister of Finance and the Economy on Monday October, 01, 2012 in his budget statement.

Mr. Speaker, I should like to examine the proposed increase in taxation for the following areas: the gaming industry, the motorcycles, school buses and omnibuses.

I would like to look at the gaming industry first. The Minister of Finance and the Economy proposes to raise taxes on this industry. I would like to quote from his statement.

“...we intend to bring the gaming industry under more effective control and capture more fully the revenue that can accrue to the Treasury. The gaming industry offers a legitimate form of entertainment if it is properly regulated. We propose to construct a comprehensive framework for doing so.”

5.05 p.m.

“In the short term, and until the management and control structure for the industry can be put into place, we will introduce regulations to manage the industry. These regulations will come into effect on May 01, 2013. We also propose to increase the taxes levied on private members clubs from October 01, 2012.”

Mr. Speaker, I agree wholeheartedly with the hon. Minister that there is need to establish some sort of regulatory framework to govern and control the industry. This need is critical since the gaming industry has grown and flourished tremendously over the past five to 10 years, and still, to this day, it is not subjected to any legitimate or formal rules and regulations, and this will not do.

Currently, there are no laws in place to govern casinos which are operating under the Members’ Club Act, but the point is, casinos are not members’ clubs, and so, by and large, casinos are operating “illegally”. So, one cannot argue with the Minister that there is a critical need for some sort of regulatory framework to

govern the operations of the gaming industry. However, having said that, one must concede that over the years, the gaming industry has become a source of employment for thousands of our citizens.

Hon. Member: True.

Mrs. P. Mc Intosh: While I agree for the need for regulatory framework, I cannot agree that his proposed increase of taxes to be levied on private members' clubs is a practical or rational move, since this approach may cause the closure of many of these gaming houses and consequently lead to a loss of jobs.

I heard the Member for Couva South talking about the industry generating employment, but I think there is a lot of contradiction here because at the same time we have heavy taxes being imposed on the gaming industry which can squeeze the small gamers out of existence and thereby have a ripple off effect on employment.

Mr. Speaker, I am not going to go through all the listing that I have here of the increases of the taxes to be levied, but what I have to say—and those who have the statement can read it—is, let us look at this scenario: if an owner of a gaming industry owns and operates at least one of each of those tables or devices listed in the Minister's statement there, the total annual levy that he will have to pay to the Government is a whopping \$504,000. The question we have to ask ourselves is: can this owner afford it? The gaming industry would say, no, especially in respect of the lower end gamers, whose clients are not from the higher end of the market. Can the big gamers afford it? Probably, because they do earn quite a bit of money.

So my point or my focus is on the small man, and I feel, all in all, that this taxation will affect him adversely. So the Minister of Finance and the Economy takes this decision to rake in all these earnings to help fill the Treasury, despite—or having not considered—the hardships that might be visited upon the small man or the small entrepreneur. I know the Member for Pointe-a-Pierre, the Minister of Labour and Small and Micro Enterprise Development, likes to talk about promoting entrepreneurship and small business and so, but I am going to show how this will adversely affect the growth of business for the small man.

Mr. Speaker, also the Member for Couva South said that his Government is one of consultation and they consulted—I cannot remember who he said they consulted with about this, but I am certain they did not consult with the members of the gaming industry, because the Trinidad and Tobago members' club association does not agree with the increase in taxes as announced by the hon. Minister of Finance and the Economy in his budget statement on October 01, 2012.

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Mr. Speaker, I should like to refer to an article by Janelle De Souza in the *Newsday* on Wednesday, October 03, 2012 entitled, “Casinos adopt ‘wait and see policy’ on new taxes...”. I quote:

“Some Private Member Clubs have considered reducing their inventory of gaming machines and table, in order to lessen their burden of taxes which became effective October 1, according to Peter George of the Sportsman Members Club on Ariapita Avenue, Woodbrook.

George told *Newsday* the gaming industry was not as lucrative as it seemed.”

He is a big gamer and he says it is not as lucrative as it seems. We take that. I continue:

“As a result he said, the increase in taxes proposed in the 2013 Budget, presented by the Minister of Finance and the Economy, Larry Howai on Monday, would put further strain on the industry, possibly resulting in the retrenchment of workers.

‘Sixty to 70 percent of casinos are struggling because there is heavy competition in the industry, and the overheads are tremendous.

The industry also employs thousands of people whose wages have to be paid, hence it cannot be assumed that the industry is making any significant profit,’ said George.

‘While there were no tax increases in some cases, some increased by as much as 200 percent, from \$10,000 to \$30,000. The new taxes may have an impact on the employment factors, but I hope it does not happen.’”

He went on to admit that casinos make money, but emphasized that the larger casinos will fare far better than the smaller ones. I am going to show a trend how the smaller casinos are going to find themselves in a lot of trouble to remain viable and survive.

“However, he said, the new taxes would affect”—all—“profits...”—across the board.

Mr. Speaker. I have another article—short—from Sherry Persad, secretary of the private members’ club association. She concurred with George when she said:

“...contrary to popular belief that these Clubs are lucrative ventures, and that these taxes will not be very impactful, the truth is that our industry is a very competitive and labour-intensive one, so that any increases such as this, will have a serious impact on our daily operations.’

Persad pointed out that, the industry was not as lucrative as it used to be. She said it was not immune to the economic crisis and, over the past few years, business had reduced significantly. Therefore, she believed that there would be”—tongue in cheek—“a few layoffs’ in the future.”

My last article, Mr. Speaker, to corroborate my point, is from the website www.ctntworld.com, and this article is entitled, “Gaming industry against tax increases”. It states and I quote:

“The Trinidad and Tobago Members Club Association, which is made up of most of the bigger clubs like Ma Pau, the Princess Group, Island Club, Sportsman, Carnival City and many smaller clubs in all areas of Trinidad, met with its members to discuss the new taxes.

After deliberation, they issued a statement saying the increase in taxes will lead to downsizing.”

I go on to quote from this article:

“We do not agree with the increase in taxes, whilst this industry continues to find ways to create employment, opportunities and revenue to our society, this increase in taxes forces us to downsize, even closure for some which creates further unemployment and less revenue to our country.”

I want us to notice, Mr. Speaker, the common denominator in these reports—three, I have read so far. This feedback to the Government that this will result in closure for many of the smaller gaming industries and it will lead to unemployment—Member for Pointe-a-Pierre, I want you to take note—and less revenue for our country.

“The facts will show why the results will not be to the Government’s best interest or projected increases in revenue from this industry.”

So you see, while the Government is planning that the Treasury will benefit from those increases, it does not seem so because the industry is going to contract.

“The Association said that the gaming industry employs about 7,000 workers”—permanently—“and 30,000 indirectly.”

So we are talking here about 37,000. I heard the Member say 40,000, but you know 37,000/40,000, somewhere around there approximately.

“Additionally, it said 90% of its employees come from underprivileged areas...”

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These are poor people we are dealing with. They are not highly educated. I know them, Mr. Speaker. Many of my constituents are single mothers, who work in these industries.

Mr. Roberts: We all have.

Mrs. P. Mc Intosh: Many as I said are single mothers. Some of them were rescued from being “the new people on the block”.

So you see, Mr. Speaker, when we have these industries employing people, we have to be aware that they keep them away from activities that might be negative activities and they give people a dignity in being self-sufficient, in being independent and being able to take care of themselves and their families.

Mr. Speaker, I suppose there must come a time when we have to bite the bullet and weigh the pros and cons in respect of the provision of employment and revenue and the scourge that industries, such as the gaming industry, could have—I am not saying it has definitely, but could have—on our society in terms of mutually accepted societal norms and values, and we have to come to a point where we have the political will to make certain hard decisions in respect of where we are going with the gaming industry. Which is more important: society and our values and norms, or generating employment? Probably we might have to look at more creative and better ways to generate employment. I do not know. I am only saying.

The society went on to say:

“Our Association has over the five years developed some of these people by creating programmes to educate and turn around in their life style.”

So for now, I will say that the gaming industry is doing a whole heap to keep people employed and to turn around their lives.

Hon. Member: [*Inaudible*]

Mrs. P. Mc Intosh: I have to agree with that, it provides employment. However, the new taxes are going to affect that and we have seen that thread throughout all these reports. It is a common thread throughout all these reports and I see the sincerity in the reports. They are saying, yes, the bigger ones do make money, they are not denying that, but the smaller ones are going to be challenged, they might have to face closure and it will mean retrenchment.

Mr. Speaker, this PP Government has to consider carefully whether this increase in taxation will really help it in its efforts to reduce the unemployment

rate. We are talking here about 37,000 workers one way or the other—40,000, 37,000—will it really generate revenue in a significant way; will it reduce the unemployment rate as I asked before? Then we have to ask: will it reduce crime?

Mr. Speaker, I am concerned and the reason why I am concerned is because up to yesterday when I was in my office, I had a lady come in to speak to me. She works in one of these casinos; she is a single mother and I know there are many like her. She is trying to eke out a living and take care of her family, but if, for example, her gaming house has to close down, what will become of her, what will happen to her children? These are real issues. This is the reality. What would become of the children? Who will feed them? Who will send them to school?

Mr. Sharma: Cry, cry.

Mrs. P. Mc Intosh: When these children become dropouts, if they cannot go to school because their parents have no money to send them to school and they grow up to be illiterate, and they lose their self-esteem, and they succumb to a life of crime, who will be accountable? Who would be to blame? I will tell you who, Mr. Speaker, no one but this very uncaring Government who would have deprived them of their opportunities for survival and self-advancement.

5.20 p.m.

Hon. Member: “Ah like dat!”

Mrs. P. Mc Intosh: Mr. Speaker, the Minister boasts of full employment. Already we know that this is not true—yes, it is. No, we know this is not true because our leading economists have claimed that the unemployment figures are more like 16—20 per cent, and those of us who are elected to serve the people know because we see them flooding our offices looking for employment. Not those who were recently employed in Hoop of Life; not those.

Mr. Hypolite: Two days ago.

Mrs. P. Mc Intosh: Two days ago, we had people begging for employment in St.Paul Street; not those who just got from the Hoop of Life.

Mr. Sharma: I saw you in the line-up.

Mrs. P. Mc Intosh: I wonder, Mr. Speaker, what the hon. Minister would say in his next budget statement when this imposition of taxes results in a serious loss of jobs and the unemployment figures rise. I wonder what he would say—whether he would say we have full employment. In the final analysis, at the end of the day, it is the small-time or lower-end gaming businesses that will suffer, and most of them will have to close because they will not be able to afford the taxation.

Mr. Speaker, this ill-advised move, this taxation, will cause small-time operators to look at their options, and they would try to cut expenditure at first, I am sure, before they close. They might offer less tables or less devices—they have to cut—they might reduce salaries or they might retrench their workers. Mr. Speaker, we also have to look at the fact that some of them might choose to operate illegally; they might go underground to avoid the radar, God forbid; and others might just decide to close shop completely. But none of these measures would be considered beneficial to the small-time gaming establishment as they would obviously lose their competitive edge to the bigger gaming entities. Mr. Speaker, I have to ask: was it this Government's idea all along to squeeze out the small man?

Mr. Sharma: “Why yuh ask that?”

Mrs. P. Mc Intosh: Once more I contend, Mr. Speaker, that the imposition of taxation on the gaming industry does indeed pose a potential shift in business for the small man in the gaming sector, either into illicit activities, or reduced activities, or outright removal from this sector. The future of the gaming industry in Trinidad and Tobago looks bleak under this PP Government. As matter of fact, many aspects of our economy look bleak under this PP Government, which leads me to my next point.

Another bleak point and that is this UNC-dominated PP Government's intention to impose taxes on school buses, omnibuses and motorcycles, and particularly school buses. I am going to come to that. These vehicles were never subjected to taxation before under the People's National Movement.

Mr. Speaker, I would like to look at the motorcycles. People who own motorcycles use them for either personal transportation or they use them because they like riding motorcycles as a hobby, or most people I know have their motorcycles for commercial purposes as a means of livelihood to make deliveries. None of them anticipated having to pay taxes on these bikes which means an additional unexpected expenditure.

Let us examine more closely those who use their motorcycles for their livelihood, either as a courier to deliver mail or packages from companies to their destinations or for the provision of delivery services for fast food outlets. Because many fast food outlets outsource their delivery services to couriers and you see them advertised in the papers all the time. They are looking for someone with a motorbike—*[Interruption]*

Miss Mc Donald: Yes!

Mrs. P. Mc Intosh:—who can perform these services.

Miss Mc Donald: Kentucky chicken and pizza.

Mrs. P. Mc Intosh: Yes, they come to your gate very often to deliver fast foods. These people are using their motorcycles for their livelihood and these new taxes will mean for them a reduction in their earnings.

Mr. Speaker, most of these people who use their motorcycles for livelihood are people of very humble means: the small man. These people have families to take care of. Some of their earnings are used to further the education of their children and sometimes they, themselves, try to further their education with their earnings. What is their position now that they are facing a reduced income?

I must emphasize, Mr. Speaker, that these people, while they are trying to sustain a legitimate business—*[Interruption]* Yes, I want the Member for Pointe-a-Pierre to listen. These people are trying to sustain and manage a legitimate business, you know, to eke out a living, but they are not going to succeed under this new taxation system.

This Government is oppressing them with taxes and while at the same time, boasting about promoting small businesses. I want the Member for Pointe-a-Pierre to take a look at this. He has to have an interest in seeing that these small businessmen are not taxed like that, because if he does not, this is just paying lip service to this small business concept. It is just hypocrisy! Tell me, Mr. Speaker, how the imposition of these new taxes would help the small man. What is this Government doing to the small man?

In this regard, I should like to know how would the imposition of taxes on motorcycles stimulate the economy or generate prosperity. How would it do that? What is the justification for this move? We must ask ourselves: would the means justify the end? Would the revenue, very small it would be, accrued in the Treasury—*[Interruption]*

Miss Mc Donald: Minuscule!

Mrs. P. Mc Intosh:—justify the hardship and suffering and loss of income that would be visited upon the small man? Would the means justify the ends? Mr. Speaker, I am concerned about this taxation on the income of the small man.

Mr. Speaker, what, apart from the obvious minuscule returns on the Treasury, is the rationale behind imposing taxes on school buses used to transport our nation's children to and from school? This taxation will surely be passed on to the parents, many of whom, again, are single parents or humble people. People who

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have to send their children to school in these school buses, most of them do not own a car of their own and they rely on the school buses to take their children to school. It would be naive of us to believe, Mr. Speaker, that the increase in taxation on the school buses would not eventually lead to an increase in school transportation fares, thereby increasing the financial hardship for the working class people who do not have their own transportation and depend on the school buses to transport their children to and from school.

Miss Mc Donald: And remember for the two and a half years, they did nothing.

Mrs. P. Mc Intosh: Mr. Speaker, some of the owners of these school buses might no longer find the transportation of schoolchildren a viable one—
[*Interruption*]

Miss Mc Donald: That is right.

Mrs. P. Mc Intosh:—given the imposition of these taxes. They might opt to discontinue their service leaving parents in a quandary as to the ability to send their children to school. It must also be taken into consideration that many of these school bus owners originated from within communities, they belong to the communities. Or if not, they are persons known to the people in the communities where they operate having been referred by reliable sources, having come highly recommended. So that parents have a sense of security and a sense of comfort that their children would be transported safely and soundly from home to school and back—[*Interruption*]

Mrs. Gopee-Scoon: At a reasonable cost.

Mrs. P. Mc Intosh:—at a reasonable cost and back to their doorsteps. [*Desk thumping*] What this means for parents is that they can go to work comfortably and concentrate on their jobs, and give a full day's work, assured in knowledge that their children would go to school and return home safely.

Mr. Speaker, when these school bus owners have to close down their operations, parents are now left with the burden of transporting their children to and from school. Do you know what this means? Given our horrific traffic situation, this means that some of them are going to reach to work late in the morning, and they are going to have to leave very early in the afternoon because school ends at 2.20 at least, if not before—2.10 in some schools—they have to leave work early to pick up their children. That is the reality. I do not think that this is a good situation. It is very stressful and challenging for parents, working parents, as well as employers and this could not be good for our productivity.

Mr. Speaker, if some parents for one reason or the other, find themselves in a position that they cannot take their children to school themselves, and they do not have the facility of these school buses to take their children to school, many of these little innocents—these children are mostly small children who go on these school buses, not the big ones. The big ones can fend for themselves but these are the little ones, I am concerned about them. Many of these little innocents would be left to fend for themselves, exposed to the danger of travelling on their own. Mr. Speaker, especially in times when we have a high incidence of rape and violent crimes and road fatalities.

I wonder if the hon. Minister would like to find himself in that situation where he has little children and they were accustomed to going on a school bus and the operations have discontinued, and his little children would have to be on the road because he cannot take them, he has to go to work. I see some of them on the road, but those who can, who have the facility of the school buses, do use them to avoid this danger.

Mrs. Gopee-Scoon: They do not have a heart, “yuh know”!

Mrs. P. Mc Intosh: Mr. Speaker, the irony of this entire situation is this: this Government is willing to save us a few pennies here and a few pennies there on a tin of sardine and a tin of corn and a tin of sausages and a tin of corned beef—*[Interruption]*

Mrs. Gopee-Scoon: Pancake syrup!

Mrs. P. Mc Intosh:—and a bottle of pancake syrup, which we have an option of buying or not buying. At the same time, it is ironical that they are willing to impose taxes on school buses that would result in a rise of school transportation fares by a dollar or two per day per child. So if a poor man has four or five children—they usually do—who are used to taking the school bus, what would be his position to pay this increase for the four, five or even three children? So the small man’s pocket is going to feel this increase, Mr. Speaker. I am saying here, we will hear about it. *[Desk thumping]*

I have to ask, having said all that, would the common man be better off or made the worse for it? Is this the approach that the PNM Government has chosen to marginalize even further—*[Interruption]*

Hon. Members: The PNM!

Mrs. P. Mc Intosh: The PP Government, sorry. *[Desk thumping]* The PP Government has chosen to further marginalize the small man or the common man—*[Interruption]*

Mr. Roberts: “Now yuh talking.”

Mrs. P. Mc Intosh: I am sorry, Mr. Speaker, I would like to repeat my sentence and make it clear because may I say, may I emphasize, that it was under the People’s National Movement that these school buses emerged as a means of transportation, they were regularized. [*Desk thumping and crosstalk*] No, no, no; that is a bad slip of the tongue, I take it back.

Hon. Member: “Is D’Abadie/O’Meara who caused that!”

Mrs. P. Mc Intosh: Mr. Speaker, you see, I am speaking to you, I am not taking them on. I am not even interrupting to beg your protection but they are really disturbing me. [*Crosstalk*] “But ah bad slip of the tongue.”

Mr. Speaker, all I am seeing that they are doing with this taxation is marginalizing the common man. It appears that this PP Government has a plan to squeeze the small man and make him even poorer. [*Desk thumping*] Or is the plan simply to raise taxes in every conceivable area in an effort to reduce the \$7.6 billion deficit under which our economy is operating without even considering how the common man will survive? Mr. Speaker, a budget should be working for the people, not pulling the people down. It should be helping the people.

5.35 p.m.

Miss Mc Donald: That is right.

Mrs. P. Mc Intosh: This Government must think of the man on the street and the hardship that he would have to endure.

You give with one hand and you make a big fanfare about it and you take with the other as stealthily as you could and I call this, in respect of this taxation, playing politics with taxes, giving with one hand and taking back with the other. Mr. Speaker, this Government is acting like a true gambler, it is trying its luck and playing politics, not only with the taxes but with the citizens of Trinidad and Tobago.

Look, Mr. Speaker—[*Interruption*]

Miss Mc Donald: Do not shout across the room. Standing Order 40(a), (b) and (c), Mr. Speaker.

Mr. Sharma: What about it, sit down, sit down.

Mr. Speaker: Yes, please, please.

Mr. Sharma: What reading?

Mrs. P. Mc Intosh: Look, Mr. Speaker my point is simple, when you play politics with taxes—[*Interruption*]

Mr. Sharma: When you read.

Mrs. P. Mc Intosh:—you cannot—[*Interruption*]

Mr. Speaker: Member for Fyzabad, I understand you will speak in a short while, please, after, so take notes. Continue, Ma'am.

Mrs. P. Mc Intosh: When the Government plays taxes with politics, it must expect to create—[*Interruption*]

Mr. Roberts: Plays politics with taxes.

Hon. Member: “Yuh read dat wrong.”

Mrs. P. McIntosh:—a ripple effect that leads to negative fallout and negative repercussions and negative spin-off effects, and when we peel off the legal and technical jargon for the sake of the man in the street, we have a clear and definite point that is exposed and that is, that this PP Government has failed to create any significant revenue streams and is now renegeing on its 2010 election propaganda of axing taxes and has now come full circle with this issue of taxation.

Given the current trend of this PP Government, and the pronouncements of the Minister of Finance and the Economy, we can expect to see the imposition of higher rates, higher fees, levies and taxes across the board. We can expect to see, as he already hinted, the return of the infamous property tax that this Government so distortedly used in its 2010 election campaign to help topple the People's National Movement but they are bringing it back and saying that they are bring it back differently. I want to see how differently. All I can say it is from axe the tax in the 2010 elections campaign, to no new taxes in fiscal 2012, to taxes “fuh so” in 2013 and beyond.

Mr. Roberts: That is a bit rough.

Mrs. P. Mc Intosh: Mr. Speaker, I thank you. [*Desk thumping*]

The Minister of Transport (Hon. Chandresh Sharma): Thank you very much Mr. Speaker.

Mr. Roberts: “Yuh was going good yuh know.”

Hon. C. Sharma: It is clear, the PNM's mantra is doom, doom, doom, no good news.

Mr. Roberts: And gloom.

Hon. C. Sharma: Let us look at the games they play. When the hon. Minister of Finance and the Economy started today, at some point he had to indicate to the House, with your blessings, that he needed to put into context, the Bill that was in front of us and then he was followed by the Member for Diego Martin North/East, who, very soon, will get the award for saying the most white lies in this Parliament.

Miss Mc Donald: Mr. Speaker, I rise on—

Hon. C. Sharma: Which one?

Miss Mc Donald:—Standing Order 40(a), no, no, no insulting, 36(5). He cannot say that he brings to this House white lies, absolutely not, absolutely not.

Mr. Speaker: Yes, Member of Parliament for Fyzabad, withdraw those remarks please.

Hon. C. Sharma: Thank you very much Mr. Speaker. Whatever colour.

Mr. Imbert: Standing Order 36(5), he has not apologized at all. He has not done that.

Mr. Speaker: Please, hon. Member, could you kindly withdraw those remarks and proceed please?

Hon. C. Sharma: Withdrawn, Mr. Speaker. The point I was making is that the PNM has no interest in Trinidad and Tobago. They hope to get government by being the most miserable in presenting anything. It is never anything about substance. It is never about caring for the people and not only that, unlike the Government of the People's Partnership, they are not a team.

Hon. Member: Yes.

Mrs. Mc Intosh: “Eh heh?”

Hon. C. Sharma: You can see that.

Mrs. Mc Intosh: “Eh heh?”

Hon. C. Sharma: Because if they were a team—the Member for Diego Martin North/East says one thing, the Member for Port of Spain North/St. Ann's West says the total opposite. But more than that, they do not even believe in themselves because let us go to the 2008 budget presentation.

Mr. Imbert: 2008, four years ago?

Hon. C. Sharma: At least he could count, four and eight is 12, correct. In 20 years this is the first correct thing he has said. Strange enough, the then Minister of Finance, a colleague, was known at “Taxcheira” T-A-X, but that was wrong. Hear what she had to say:

“...government expenditure...”

And she went on. Motor vehicles—this PNM really does not have shame. Really does not have shame. [*Interruption*]

Mrs. Gopee-Scoon: Get to your point.

Hon. C. Sharma: It is in the—thank you very much. She agrees with me. At least the Member for Point Fortin agrees with me—

Mrs. Gopee-Scoon: Absolutely not. Absolutely not.

Hon. C. Sharma: Thank you very much. Member for Point Fortin, through the Speaker.

| Engine Size | | Motor Vehicle Tax per CC Rating | | |
|-------------------|------|---------------------------------|----|----------|
| | | Current | | Proposed |
| 1599 cc and under | from | 0 | to | \$5 |
| 1600-1799 cc | from | \$4 | to | \$8 |

And it went on. These included the same school vans they are talking about. How shameful can they be? The same school vans carrying the same children that they are crying for today, fooling the country.

The Member for Port of Spain North/St. Ann’s West does not say—and she knows, as a citizen. She said someone came to her office crying yesterday “’bout children”. Why did she not do her duty and say the PP Government, all schoolchildren travel in this country for free. All schoolchildren.

Miss Mc Donald: The PNM brought that here.

Hon. C. Sharma: “So, when yuh come crying ’bout yuh raising the taxes”, it is not only that. Hear what they went on to say:

“This measure will require amendments to the Motor Vehicles and Road Traffic Act...”

The same thing we are doing today.

“...From September 23, 2008 and will”—bring—“revenue collections of \$525 million.”

Shame, shame total shame.

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Let us go to 2009/2010. Hear the former Minister of Finance:

“Mr. Speaker,...the fees and duties under the Motor Vehicles and Road Traffic Act, Chapter 48:50, (Fees and Duties), the Government proposes the following...”

Exactly what the Minister of Finance and the Economy came to do today.

“Amend the cost of the renewal of drivers’ licences from \$200 every three years to \$500 every five years; increase all other fees and duties under the First Schedule by 75 per cent.”

Member for Port of Spain South, you do not normally identify with that kind of thing. The PNM is a total waste of time and never again—[*Interruption*]

Miss Mc Donald: Hello.

Hon. C. Sharma: A total waste of time.

Miss Mc Donald: Mr. Speaker, again I rise, again I rise. [*Interruption and crosstalk*] No, you sit. Mr. Speaker, Standing Order 40(a), (b) and (c).

Mr. Roberts: Standing Order what?

Mr. Speaker: Overruled, continue, please.

Hon. C. Sharma: Thank you, Mr. Speaker.

“Amend the cost of the renewal of drivers’ licences from \$200 every three years to \$500 every five years; increase all...”

A-L-L.

“...other fees and duties under the First Schedule by 75 per cent.”

“Dat is like I win ah £100 today and ah re-increase by 75 per cent.”

Mrs. Gopee-Scoon: “Yuh on television, yuh know.”

Hon. C. Sharma: Exactly, thank you Member for Point Fortin.

Mrs. Gopee-Scoon: Make sense.

Hon. C. Sharma: “This measure is expected to contribute an additional \$35 Million to Government’s revenue and will take place from January 01, 2010.

Motor Vehicles and Road Traffic Act, Chap. 48:50.

Mr. Speaker, it is proposed that Motor Vehicles Transfer Tax be increased by 50 per cent as follows:"

The excellent Minister of Finance. Shame on the PNM, shame, shame. We should have a public meeting tonight and tell them this.

"Particulars/Existing/Proposed

Used motor vehicles (other than motorcycles)"—hear carefully—"over ten years old"—listen—"from \$100.00 to \$150.00

Used motor vehicles over seven years..."

That is like what I buy.

Mr. Imbert: Motorcycle?

Hon. C. Sharma: Listen Sir, you have a small level of intelligence. Listen a little.

Mr. Speaker: Please, please.

Hon. C. Sharma: "...not more than ten years old from \$900.00 to \$1,350.00."

Mrs. Mc Intosh: Let the people hear you.

Hon. C. Sharma: Yes. Very good. Let the people hear them, important.

"Used motor vehicles over seven years... from \$900.00 to \$1,350.00

Used motor vehicles over five years old but not more than seven years old from \$2000.00 to \$3000.00

Used motorcycles..."

—you see—They were hoping that is not here. Shame on the PNM, total shame.

"Used motorcycles not exceeding 250cc from \$100.00 to \$150.00."

So all this false cry, crocodile tears "bout de man who bringing KFC home by you and you have tuh raise de fee and de fella who going tuh work with the motorcycle, yuh go have tuh raise." Suddenly, 2009:

"Used motorcycles not exceeding 250cc from \$100.00 to \$150.00

Used motorcycles exceeding 250cc from \$200.00 to \$300.00."

You have done very well, Sir.

Hon. Howai: Thank you.

Hon. C. Sharma: Very, very well.

Mr. Roberts: Yes man.

Hon. C. Sharma: This is the PNM. This is the PNM; “ah total waste ah time. Oh Lord.”

Mr. Roberts: “All yuh now geh hungry.”

Hon. C. Sharma: So, you see. “Dat is what ah saying”, the PNM has no consistency.

Mr. Speaker: Member for Laventille West—I notice that the Member for Point Fortin has abandoned your post and you are now closer and you are engaging in more crosstalk. I do not want to tell you anything further, but I would ask you whilst you are there, if you want to engage, do it softly, please. I am not preventing Members from engaging because this is a church, but at the same time, do it in undertones so you do not disrupt the Member and disturb the Hansard reporters who are taking verbatim notes. Hon. Member for Fyzabad, Minister of Transport, you may continue.

Hon. C. Sharma: Thank you, Sir. Thank you very much.

Mr. Hypolite: What figures you have just quoted?

Hon. C. Sharma: Member for Laventille West, “there is some classes at Elders”, the Government gives that for free too.

Mr. Hypolite: The same one you went to?

Hon. C. Sharma: Mr. Speaker, the Member for Diego Martin North/East, a big cry, trying to—earlier today, when the Prime Minister made the statement about the global achievement of a “small little” country, you would recall the Member for Diego Martin North/East always wants to present, as if the country is going bad.

Listen, as it relates to eye examination, in Colorado, people 66 and older cannot renew their DP by electronic, they have to go in because they are required to take two things with them from a licensed medical practitioner. One is a medical test and secondly an eye test. This obtains. This is best global practices. What does this do? What is the result of it? What has it shown all over? They want to make sure it reduces accidents as one of the biggest contributor. South Carolina, five years, vision test required.

Mr. Imbert: You all seem to work with mediocrity.

Hon. C. Sharma: Mr. Speaker, on the question of casino, it was under the PNM all these casinos came into being. On the one hand, the Member for Diego North/East is complaining that we are allowing all these casinos to do one thing or the other and they would lead to crime and all kinds of sad stories and the Member for Port of Spain North/St. Ann's West is begging for the casinos—
[*Interruption*]

Mrs. Mc Intosh: No, no.

Hon. C. Sharma:—because they provide jobs. She said: “doh reduce it, the tables go get smaller. Dey go go under de ground and play”, suddenly an expert on casinos, and the PNM mantra has been to close down the casinos. They cannot seem to decide what they want. But they do this, anything, hoping. They are competing among themselves to get front page. That is all the competition is, to see who makes it on the seven o'clock news. But bad news from the PNM cannot be seven o'clock news because historically that is what the PNM is known for, for corruption, for corrupt acts and to promote nothing good and nothing in the interest of Trinidad and Tobago.

The taxes that the Minister has proposed is not the first time. It obtained under the PNM. It obtained under previous governments. Should we fear the casinos? Should we fear persons who are earning money not to tax as they tax all over the world? The same moneys they want us to provide to take the schoolchildren free, it has to come from somewhere.

5.50 p.m.

Mr. Speaker, what do these taxes offer us here, as it relates to the taxes? We agree that when they spoke previously they said: “where is the Government going to get money from, they have not demonstrated to the country any source of revenue.” Well, today we are indicating some sources of revenue and they are criticizing that too. So you have to make up your mind. On one hand you want us to tell the country that we are going to have pockets of revenue, and when the Minister of Finance and the Economy brings it here you say: “Dat eh good too.” You cannot be arguing from both sides.

Mr. Speaker, I also have a budget document which was placed in this Parliament in 2010, transfer tax and fees for vehicles, this was under the previous administration. This is the transfer tax and fees; vehicles over 10 years, \$160; vehicles between seven and 10 years, \$1,310; vehicles five years, but under seven years \$3,000; vehicles two years and under five years, \$4,500; under two years, \$6,000; motorcycles, over 250 cc, \$310; under 250 cc, \$160. To have tax on this,

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you first must pay the tax. It means to say every motorcycle in this country would be illegal if the motorcycle taxes were not collected. It means to say that the same person who is delivering KFC or delivering whatever, if he is using a motorcycle for which the taxes were not paid it will be illegal.

Mr. Speaker, those were the few points I wanted to make sure we treat very clearly. [*Crosstalk*] One—[*Interruption*]

Mr. Speaker: Please, Members, please.

Hon. C. Sharma:—is that the school buses—the other consideration is that the insurance companies will not provide comprehensive insurance for those vans that are transporting children unless these taxes apply, and the safety of the children is considered in that avenue as well. So that is the first consideration. The second one that the Member for Diego Martin North/East raised about eye test and tried to make a joke of it—

Mr. Imbert: Eye test?

Hon. C. Sharma: Previous PNM—[*Interruption*]

Mr. Imbert: I never raised eye test. Me?

Hon. C. Sharma:—Member in the person of Selwyn Richardson [*Crosstalk*] when he moved shop—and tried to make it a big joke today—the point is that it is a requirement all over the world, where persons who are getting older they want to reduce the possibility of accidents—most of us over 55 years or 65 years, like my good friend from Pointe-a-Pierre.

Mr. Roberts: “Talk fuh yuhself.”

Hon. C. Sharma: And even the Member for Diego Martin North/East and all the others on that side wear glasses, because persons over 65 years normally wear glasses—[*Interruption*]

Mr. Roberts: Joanne, you too?

Hon. C. Sharma:—and now they have to get a medical. The Member for Port of Spain North/St. Ann’s West, to renew some of her licences, will require a medical. Nothing is wrong with that. That is to guarantee, the same children that you are concerned about, that you do not “bounce them down”, because “yuh eh seeing too good”. So you want to correct that. So that was taken care of.

In terms of the taxes, we have demonstrated very clearly this is what obtains everywhere, and has obtained with us in Trinidad and Tobago for the last many years.

Mr. Speaker, the last thing I want to raise is that—[*Interruption*]

Hon. Member: Thank God!

Mr. Imbert: “Dat was an embarrassment.”

Hon. C. Sharma: We indicated—good points are made in short time now—[*Laughter*] that schoolchildren in Trinidad and Tobago, as do pensioners—in fact, I was told that some Members opposite travel on all our public transport services buses free of charge.

Thank you very much. [*Desk thumping*]

Mr. Roberts: Yes, man.

Hon. Member: Well said.

Mr. Speaker: Yes. Okay. Members, can I have your attention? Member for Diego Martin North/East, can I have your attention? Hon. Members, I want to take this opportunity to let you know—Member for Diego Martin North/East—that we have with us some visitors in the Speaker’s gallery. We have with us two esteemed Members of Parliament and Ministers in their respective Governments. We have the hon. Esther Byer-Suckoo. She is the Minister of Labour of Barbados; she is with us. [*Desk thumping*] I would like to welcome the hon. Minister of Labour of Barbados. We also have with us this evening, the hon. Minister of Labour of St. Maarten. [*Desk thumping*] We welcome you to our very important Chamber, the Parliament.

We now recognize the Member for Laventille West. [*Desk thumping*]

Mr. NiLeung Hypolite (*Laventille West*): Thank you kindly, Mr. Speaker. We also on this side wish to extend, of course, welcome to the Minister of Labour from Barbados and the Minister of Labour from St. Maarten.

I also will be very short. [*Desk thumping*] Nonetheless, I sat here and I listened to the Member for Fyzabad. I listened to him because he is the Minister of Transport, and we are dealing with a Motion here that deals with some part of transport. Okay. We are dealing with motor vehicle taxes; not only that, but we have visitors [*Laughter*] and this Minister stood in this House—it is embarrassing—[*Desk thumping*] this Parliament, with his actions.

Hon. Member: Shame! Shame! That is right. [*Crosstalk*]

Mr. N. Hypolite: Embarrassing! He is the Minister. The Member for Fyzabad is hopelessly confused! Hopelessly confused! [*Desk thumping*] He does not know the difference between transfer tax—[*Interruption*]

Mr. Imbert: On the sale of a motor vehicle.

Mr. N. Hypolite:—when you sell a vehicle—and that of the motor vehicle tax, and that—*[Interruption]*

Miss Cox: “Is de Minister of Transport.”

Mr. N. Hypolite:—is the Minister of Transport.

Hon. Member: Madness! *[Laughter, desk thumping and crosstalk]*

Hon. Member: Shame! Shame on you. Shame!

Mr. N. Hypolite: Sorry, Mr. Speaker. The Member for Fyzabad is the Minister of Transport.

Hon. Member: Shame! Shame!

Hon. Member: Shame on you.

Mr. N. Hypolite: He made mention of a motorcycle being transferred.

Dr. Browne: “Embarrassing yuhself.” *[Crosstalk]*

Mr. N. Hypolite: And the PNM administration would have increased the tax from \$100 to \$200. *[Crosstalk]* That is what he is referring to as motor vehicle tax.

Mr. Imbert: Foolish!

Mr. N. Hypolite: Mr. Speaker, through you, that is “ah transfer tax”. Transfer tax! *[Desk thumping]*

Hon. Member: “Dat is right.”

Mr. N. Hypolite: He stood in the House here and tried to explain to the people of Trinidad and Tobago that he went to Elders, he “advertising de school dat he went to”, Elders Classes.

Miss Cox: “Elders Classes. Dais when yuh fail Common Entrance.”

Mr. N. Hypolite: That is our Minister of Transport. What a disgrace. What a disgrace. *[Desk thumping]*

Hon. Member: Ohhhh!

Mr. N. Hypolite: Nevertheless, in 1996, the then Government under the United National Congress had implemented something called an informal school bus system, and that bus system was a system that was used mainly in the

southern areas. What they did, was that you had these panel vans with seats in it, painted yellow, that used to carry schoolchildren from home to school and back to home. It was a safe environment, simply because the parents of these children would have built some kind of trust with the drivers and drivers/owners of these vehicles, but it was not regularized.

It was in 2010, Mr. Speaker, under the then Minister of Works and Transport, the hon. Colm Imbert, the Member for Diego Martin North/East, a good Minister of Works and Transport, [*Desk thumping*] who would have taken the opportunity at [*Crosstalk*] that point in time in February 2010 to regularize that informal service, [*Desk thumping*] and we called that service the School Bus Service, in 2010. [*Desk thumping*] The Member for Fyzabad stood in this House and made mention of something that took place in 2008 and—that was misleading, because at no point in time did the Member for Diego Martin North/East make any attempt in 2008 to regularize that service.

The sad thing about it is with this increase or this new tax system, what you will find taking place is that a vehicle—and this is the private bus system—whose cc is 2,499, will now have to pay \$6 per cc. That means that the owner of that vehicle will now have to find \$14,994—[*Interruption*]

Hon. Member: God, Lord, no!

Mr. N. Hypolite:—to pay as a tax, but that is not the end of it. It will be the parents of those children that that driver has to carry from home to school and back home, they are the ones who will have to pay for it. So my colleague from Port of Spain North/St. Ann’s West is quite correct when she says that you give with one hand and you take back.

Hon. Member: Plenty.

Mr. N. Hypolite: You have a “flam” outside there, Mr. Speaker, with respect to the removal of the VAT on the food items. Removal of VAT on food items we have—most of the food items would have already been zero-rated, okay, and now you have to pay more for transportation for those children to get to school. That is unfair. It is this Government that said no new taxes, and they said no new taxes because they want to evade talking about property tax, but that is one of the ways that we can earn revenue. The property tax—and the thing about it is that the property tax—whether they call it property tax or they call it land and building taxes—must come back, and the Minister of Finance and the Economy said so. [*Desk thumping*] He said so. [*Desk thumping*] How much money will we raise with this new motor vehicle tax?

Mr. Speaker, let us talk about the motorcycles. The motorcycles play a very important part in Trinidad and Tobago.

Dr. Ramadharsingh: Mario's and KFC.

Mr. N. Hypolite: It plays—yes, Mario's and KFC. Yes, thank you Member for Caroni Central. Mr. Speaker, the Member for Caroni Central, a good guy, much better than the Member for Fyzabad I must say. [*Laughter*]

Hon. Member: Yes.

Mr. N. Hypolite: Much, much, much better than the Member for Fyzabad.

Hon. Member: “De Member for Fyzabad is de worse.”

Hon. Member: Anybody is. [*Laughter*]

Mr. N. Hypolite: That motorcycle tax will also affect a number of our citizens, especially our senior citizens.

Dr. Moonilal: “Who ride de motorcycles.”

Mr. N. Hypolite: Because—you know, the Member for Oropouche East, said the senior citizen ride these motorbikes, and yes, they also ride motorbikes, they do—[*Interruption*]

Hon. Member: Premium gas.

Mr. N. Hypolite:—but you see, the thing about it is these motorcycles are also used to drop medication for senior citizens.

Hon. Member: That is right, and groceries. [*Desk thumping*]

Mr. N. Hypolite: And they use these motorcycles to drop groceries. [*Crosstalk*] Mr. Speaker, it is a very important mode of transportation to transport goods and even services. [*Crosstalk*]

Mrs. Gopee-Scoon: It should be encouraged.

Mr. Speaker: Both sides, I want to hear the Member for Laventille West, but you all are disturbing him. So could I seek your cooperation, continue, Member.

6.05 p.m.

Mr. N. Hypolite: Thank you, Mr. Speaker. They transport these goods and services to these senior citizens and what the Government is doing is adding to the tax net, making it a burden on our senior citizens. Not only that, Mr. Speaker, I believe that what is supposed to take place is an incentive for persons to purchase

motorcycles. [*Desk thumping*] The Minister of Transport and Member for Fyzabad should have made mention that it is important for us to start looking in that direction, especially when we are faced with a traffic situation in this country. [*Desk thumping*]

I really and truly thought that the Member for Fyzabad would have stood up in the House and make mention of something like that. In fact, I thought he would have pleaded with the Minister of Finance and the Economy not to put that tax on those motorbikes, but rather to give the members of this Trinidad and Tobago an incentive to have motorbikes because, in First World countries, that is the direction in which they are going. In Australia, in 2007, there were 511,966 registered motorcycles. Why? Because it did two things—[*Interruption*] Remember you still have the house of the lady, 104 years old, to go and complete. Remember that, Mr. Caroni Central! [*Laughter*] The lady, 104 years old, you still have her house to do. You promised her to complete her house in three fortnights, and after six months you are still promising her.

Mr. Speaker, those motorcycles, as well as the scooters, assist with the reduction in traffic management and pollution. When we looked at the mass transportation system in this country, we looked at all of those things. We looked at the rapid rail. We looked at the maxi-taxi system. We looked at the water taxi. We looked at the regular taxis. We looked at our motorcycles, as well as our scooters, and we saw—a comprehensive plan is what we put together. Mr. Speaker, we need to revisit that whole tax system.

The Member for Diego Martin North/East spoke about the omnibus. In 2010, when we looked at the regularization of the PH taxis, which included those same white panel vans, which we call the omnibus, everything was in place except the regulations, and all the Government had to do was to come, maybe a week after, and present the regulations.

The PH taxis—and what I was told is that the PH taxi drivers can probably add up to something like 60,000 of them outside there—had a comprehensive programme put in place and we opened discussions with them; those discussions started way before March 31, 2010 because they presented a proposal to the then Minister Imbert on regularizing the PH taxis. Our intention, then, was to fit them into the whole mass transportation system.

After May 24, they became the Government. These individuals started discussions with the then Minister of transportation, the Member for Chaguanas

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West, and he promised them that he would legalize it and, to date, the 60,000 PH drivers are still waiting for that to take place—a Member of promises and no delivery.

Mr. Speaker, I go back to that of revenue. We can generate revenue two ways—two very, very simple ways. One: land and building taxes, if that is what you want to refer to it; property tax, if that is how you want to refer to it—we must go back there—or, two: consider, one million square feet of office space at \$12 a square foot. That will generate something like about \$12 million a month in revenue or over \$150 million a year if only—

Mr. Roberts: \$144 million.

Mr. N. Hypolite: I say approximately \$150 million, if only the Government would consider completing the customs building, the legal affairs building, the education complex and move into those buildings. [*Desk thumping*] The Government Campus. They will be saving close to \$150 million per year.

Hon. Member: What was the cost overrun on it?

Mr. N. Hypolite: The cost overrun? You are asking me, but you know the answer.

Hon. Member: The point is the building is there.

Mr. N. Hypolite: I just want to end by saying that the motor vehicle tax—
[*Interruption*]

Mr. Speaker: Please, please, Members, allow the Member to speak in silence!

Mr. N. Hypolite: The motor vehicle tax, at this point in time, can be avoided and can be avoided as a measure of raising revenue if the Government would really and truly consider—now they are trying all kinds of—they are dancing around this property tax system; they are dancing around it; but they must come right back to the property tax and may I suggest that they consider quickly moving into those three buildings, the Government Campus, so as to reduce the amount of money spent on the rent outside there.

I thank you, Mr. Speaker.

The Minister of Tourism (Hon. Stephen Cadiz): Thank you, Mr. Speaker, and a very warm welcome to the Speaker's guests, this evening.

I am not going to go with the motorbike issue because I do not think, really and truly—with what the Minister of Finance and the Economy has planned for

motorbikes—that the elderly in our society are going to suffer enormously with a huge rise in the cost of delivery of critical medicines to those elderly, especially where the Minister of Health is working feverishly to provide medicines all over this island, free of charge. So we would not worry with the motorbike issue.

My issue, really and truly, is with the Member for Diego Martin North/East, who, again, I will remind the general public, is my Member of Parliament. What I wanted to deal with is that he made mention numerous times of the whole issue of gambling, casino gambling in particular, and the issue of tourism. Of course, in my new portfolio in tourism, I have to deal with it. You cannot let the Member for Diego Martin North/East come here and say, and not say at the same time, and allow him to go home without a little niggling.

Mr. Speaker, whether or not casino gambling is good for tourism or not, that is something that I have made mention of, that under the present situation there is work to be done and, of course, the Minister of Finance and the Economy has already stated that by May of next year, we would have new regulations under which casinos will be operating and then within two years we will have brand new legislation which will be an entire new gambling Act.

Again, the other side always comes here “holier than thou”. It is as though they have just arrived. It is as though they were never here before. It is as though they never had any part to play in the governance of this country. I think, as good citizens, we must always remind ourselves of what happened before because unless you know where you came from, you have no idea where you are going. We know where they are going because we know where they came from and we do not have a problem with that. So, when we start listening to the other side about the evil things that they keep preaching about, let us remind them about the evil things that went on before in this very same House.

Mr. Speaker, the Member of Parliament for San Fernando East, who is on medical leave—from what you were saying earlier on—was then the Prime Minister of the country and was presenting his 2006/2007 budget, and part of that budget dealt with casino gambling. The citizens at that time could not figure out why all of a sudden there was that interest in casino gambling. To date, I do not believe that the general public is aware of what happened because one minute—in 1968, those on the other side, who were maybe a bit younger then, but under that particular regime, they enacted the lotteries Act in 1968, which would have brought gambling from what it was before, which we know are Play Whe and “whe whe” and what have you; and “whapie”, I think that the Member for Diego Martin North/East mentioned.

Mr. Imbert: [*Inaudible*]

Hon. S. Cadiz: No, no. You mentioned “whapie”. They brought it under an electronic gambling Act basically to amalgamate everything. That was in 1968. So between 1968, they allowed this population to feel free—everybody go and pay their dollar bet or their five-dollar bet or whatever it was in those day, and there was absolutely no problem.

Hon. Member: Who was the Government?

Hon. S. Cadiz: The Government was—I guess certain Members on the other side would have grown up with that particular party, but the deal is that lotteries like that are typically for the local population. The fact is that they encouraged it. They are the ones that brought control to the gambling system by creating this electronic gambling.

So, the first thing I would like to say is that they on the other side, obviously, supported gambling in 1968. And then we come forward now, because, of course, the Member for Diego Martin—[*Interruption*] Member for Diego Martin North/East, excuse me, I am on my feet. [*Interruption*]

Listen to what I am saying. Lottery gambling is typically for the local population any part of this world. That is what the local population would do. They would go to the little corner store, place their little bet; have a little fun; who win, win; buy some beers at the end of the day, if they win; if they lose, they say well, “Tomorrow we are going to win”; whatever it is, but it is mainly for locals.

Here it is, in 1968, we come forward to the famous speech by the then Prime Minister, in 2006, on casino gambling.

6.20 p.m.

I want to quote, Mr. Speaker. [*Crosstalk*] You are not the “Mr. Speaker” I am referring to, reading this, okay?

“Mr. Speaker, the emerging trends in casino-type gaming activities are of great concern to the Government, particularly”—and most important—“its rapid spread in urban, rural and semi-rural communities.”

This is in 2006, Mr. Speaker. The then Prime Minister is making this statement, particularly its rapid spread in urban, rural and semi-rural communities, yet still the Member for Diego Martin North/East will come here and have the population believe that the only time we have this rapid spread was within the last two and a half years. [*Crosstalk*]

Hon. Member: Shame!

Hon S. Cadiz: Shame! Okay, it is always about half a sentence with certain Members on the other side, or only one side of the page. They never go to the other side to complete the story. [*Crosstalk*]

Now, Mr. Speaker, interestingly enough, he goes on—and I am not going to read the whole thing—and he talks about:

“Global research findings have shown that the gaming industry can destroy the financial security of families, negatively impact marriages...”

Gentlemen, please listen to that.

“...encourage deviant behaviour among children, undermine work ethic, cause increases in crime...”

Now, the Member for Diego Martin North/East went on and on and on about the issue of causing increases in crime, and here it is, his Prime Minister, in 2006, makes the statement.

Hon. Member: Yes!

Hon S. Cadiz : The Government is strongly against the proliferation of these casino-type establishments in Trinidad and Tobago. What did they do in 2006? Absolutely nothing! The then Prime Minister, totally against casino gambling—totally, yet still did not lift one finger to make the change.

He goes on:

“Mr. Speaker, Private Members’ Clubs cannot engage in gambling activities that involves payments being made to the house.”

Very important! He goes on to say:

“This law will be reviewed and strengthened to give effect to Government’s policy in this regard.”

In other words, in 2006 he makes that very bold statement, “We going ahead, we going to shut it down, we cannot continue with casino gambling.”

From 2006 to 2007, nothing—2007 to 2010: well we know what happened on May 24, 2010; that was the end of that statement.

Dr. Moonilal: He gambled!

Hon S. Cadiz: He gambled and he lost, like many on the other side. [*Crosstalk*] Again, I come back to the fact that you have the two types of

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gambling. You have the casino gambling which is what we are talking about here and then you have the local lottery-type gambling, but of interest—I think the Member for Port of Spain South should be aware of this.

He goes on to say:

“Mr. Speaker, as far as the online gaming system...”

Now, what is the online gaming system that he speaks of? Surely that must be the online gaming system that came under the 1968 Act, which is what we know as the Lotto and Play Whe and Pick Two and pick whatever. The online gaming Act which really caters for the local population. Hear what the then Prime Minister says:

“As far as the online gaming is concerned, there will be no further expansion in the games offered and the Government is moving to eliminate the entire system.”

Imagine those on the other side were going to remove—they were talking about the money launderers and the big business and the investors and the people moving money offshore and all of that. Yet still, in 2006 the then Prime Minister is moving to shut down the Lotto system that the same poor man, the same ordinary man, the same Joe in the street—[*Crosstalk*]

Hon. Member: Poor you.

Hon S. Cadiz:—that go and have their little fun—they wanted to shut that down. I will repeat: “is moving to eliminate the system”.

Mr. Roberts: What did they do?

Hon S. Cadiz: Well, of course, they did absolutely nothing, which is typical of those on the other side. Doing nothing is what they do. [*Crosstalk*] That is what they do best.

Mr. Roberts: They talk about biting people. They “doh bite nobody”.

Hon S. Cadiz: And strangely enough, and I keep asking, and there may be somebody on the other side who knows what happened to the then Prime Minister in 2006—when to change his mind—because my information tells me, Mr. Speaker, that that Prime Minister actually opened the Laughing Buddha on Frederick Street—[*Crosstalk*]

Mr. Roberts: What?

Hon S. Cadiz: Which is one of the first big casinos in the country.

Hon. Roberts: What?

Dr. Moonilal: That is no laughing matter! [*Desk thumping and laughter*]

Hon S. Cadiz: That is not a laughing matter, Mr. Speaker. What is all of this up and down? Laughing Buddha is a casino.

Dr. Moonilal: Is that a restaurant?

Hon S. Cadiz: Jump high, jump low, it is a casino. [*Crosstalk*]

Mr. Roberts: “Is ah casino boy.”

Hon S. Cadiz: But let us deal now with the—[*Crosstalk*— and you know, Mr. Speaker, coming back to our same—where one gentleman—and that is another problem that I have. I sat here and I listened to my Member of Parliament for Diego Martin North/East—[*Crosstalk*]

Hon. Roberts: Poor you!

Hon S. Cadiz:—and my Member makes the statement—[*Crosstalk*]

Dr. Moonilal: A sorry state of affairs!

Hon S. Cadiz:—“tax, tax and more tax, bend them with tax”. Not too long after, the Member for Port of Spain North/St. Ann’s West says, “we going to lose jobs if yuh tax them”. [*Crosstalk*] The single mothers that she keeps talking about, the old lady, the 104-year-old that is for—sorry—the people who come to visit her in her office talking about if the taxes increase, and there are two sitting down next to each other. Number 29 and number 30. And they are sitting down next to each other.

So, I do not know what to believe on the other side. It is as though we come back to an increase of the decrease or a decrease in the increase. [*Desk thumping*] I am not sure which one it is. We go on further, Mr. Speaker. This is June 23, 2005. Quoting the *Newsday*, by the reporter Clint Chan Tack. In the *Newsday* he is reporting the “NLCB tunes \$sweet spot”. This is how they go:

“...NLCB is getting ready to punch in the numbers to bring more people into its gambling orbit, and increase its presence in the market... These games have always been a cash cow for the Government...”

This is 2005. In 2006 we have the then Prime Minister saying, and I will repeat it:

“As far as the online gaming system is concerned, there will be no further expansion in the games offered and the Government is moving to eliminate the entire system.”

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Here you have the Prime Minister making that statement one year after the NLCB—who is the CEO of the NLCB—I believe the current mayor of the city of Port of Spain. He is making those statements: “These games have always been a cash cow for the Government.” What is it that they want? Well, they cannot even decide on who is a leader over on that side. [*Desk thumping*] So, I would assume therefore that they really and truly have no real position. They do not understand what this thing is, and they do not know how to do it.

So, again we are going with an increase in the decrease. The CSO says that we have, what—under 5 per cent unemployment? The Member for Port of Spain North/St Ann’s West goes at 16 per cent. Where did those figures come from? Again, where are those figures coming from?

Hon. Member: You did not tell us!

Hon. Member: From who?

Dr. Moonilal: Lester Henry!

Hon S. Cadiz: Mr. Speaker, let me get back now to—the learned—the casino business. Here it is in the Caribbean in tourism, again, we have islands, one of the islands is represented here and I believe the island of St. Maarten, which has made an economy out of this casino gambling.

Mr. Roberts: We want to hear from them.

Hon S. Cadiz: Okay! That is their economy, not the entire economy, but a great part of the—I see, Mr. Speaker, your guest nodding his head, saying that is so. [*Desk thumping*] We have our brothers and sisters in the Caribbean, Antigua and Barbuda, Aruba, the Bahamas; in fact, the Bahamas has the largest casino in the entire region—the Atlantis, which I am sure a couple Members on the other side have—[*Crosstalk*]

Dr. Moonilal: They lived there!

Hon S. Cadiz: Yes—gone through the doors of the Atlantis in the Bahamas. We have Puerto Rico, Dominican Republic, St. Croix in the Virgin Islands, I said St. Maarten already, Curacao and Bonaire, Jamaica and Martinique. All of these islands realize and understand that part and parcel of the tourism plant is going to be casino gambling—and controlled, properly regulated.

As the hon. Minister of Finance and the Economy says, by May of next year we are going to bring in new regulations, and within two years we are going to have a brand new gambling Act that the islands understand. It is not only sea and

sun but also casinos. The Member for Diego Martin North/East, I am pretty sure when that happens, is going to say “tax them” and the Member for Port of Spain North/St Ann’s West is going to say “doh tax them”. I am sure the goodly Senator, the Minister of Finance and the Economy, will determine in-between those two what is a happy medium. Really and truly where should the tax be?

Mr. Speaker, we go on from that. The Member for Diego Martin North/East—Mr. Speaker, I cannot refer to him as 30?

Mr. Speaker: No! Member of Parliament for Diego Martin North/East.

Hon S. Cadiz: Okay. Thirty is a lot easier then. Anyway, the Member of Parliament for Diego Martin North/East—[*Crosstalk*]

Hon. Member: Play Whe, number 30.

Hon S. Cadiz: [*Laughter*]—goes on and on again about the issue of money laundering, and the money going offshore and what have you. The hon. Member for Siparia, my Prime Minister, just stood up here not too long ago and made her statement about Trinidad and Tobago being removed from the dark-grey list, something that they could not achieve, and with the short time that we are in office, that we are running this Government properly, for the first time we have been removed from the list. When it comes to issues of money laundering and what have you, that is going to take all of that and control all of that, something that they were never in a position to do. But, I know when he talks about moving money offshore, and what have you, that is probably local knowledge. [*Crosstalk*]

Then we talk about—I will be very, very brief now. He talks about tourism and its relationship between casinos. There was a report done by a company called The Tourism Company in 2008 about the relationship between casinos and tourism. Again, it is very simple. He says where large casinos and ancillary facilities are being concentrated in one location they have become a major tourist attraction in their own right. We do not have to sit here and try and figure out whether casinos should form part of the tourism plant, it is a given. Controlled properly, it is a given. It is the same way people go away to see horses run and dogs run, and what have you. It is all part of the plant.

Mr. Roberts: And goat racing in Tobago, \$110 million.

Hon S. Cadiz: I wonder, Mr. Speaker, if there is any betting that goes on in the goat racing in Tobago.

Mr. Roberts: “A hundred and ten million all yuh spend on a goat race!”

Hon S. Cadiz: I do sincerely feel that the Member for Diego Martin North/East should really and truly do a little more study, and really and truly figure out—look at all the reports, and look at it again. St. Maarten, a huge success story in the Caribbean. St. Maarten, beautiful place, I am sure nearly everybody here has been to St. Maarten. A lovely place! [*Desk thumping*] How did it happen? It did not only happen with sea and sun. The casino gambling industry helps St. Maarten to be where it is today.

Mr. Roberts: Well said!

Hon S. Cadiz: So, Mr. Speaker, all I can say is those on the other side should really and truly do their homework, understand properly, understand well, understand how this thing works before they come to this august House and try to mislead the population. Mr. Speaker, I thank you. [*Desk thumping*]

6.35 p.m.

Miss Marlene Mc Donald (*Port of Spain South*): Mr. Speaker, thank you very much for the opportunity to join in this debate on the Provisional Collection of Taxes Order, 2012 but, Mr. Speaker, I want to join you and, of course, my colleague from Chaguanas East, to welcome your guests to this honourable House here this evening.

Mr. Speaker: The guests of the hon. Minister of Labour and Small and Micro Enterprise Development.

Miss M. Mc Donald:—for the Minister of Labour and Small and Micro Enterprise Development—my apologies, Member for Pointe-a-Pierre.

Mr. Speaker: But they are here in the Parliament and they are my guests.

Miss M. Mc Donald: That is right. [*Laughter*] You see, Mr. Speaker, I understand hierarchy. [*Laughter*] That is what I do. I understand the hierarchy. [*Desk thumping*] I just want to say to the Minister of Labour from Barbados that I lived there for two years. Your former Prime Minister, Mr. David Thompson and I, shared a class for five years—no, I should say four: two years in Barbados and two years here back at the Hugh Wooding Law School—so, I am acquainted with your country.

Mr. Roberts: “Yes, man!”

Miss M. Mc Donald: Mr. Speaker—

Mr. Roberts: Mr. Speaker, I thank you. [*Laughter*]

Miss M. Mc Donald:—I would tell you what. You see, this Government makes light of very serious issues, very, very, serious issues, [*Desk thumping*] but I am not going to be part of their scheme here this afternoon.

First, I want to tell you, I do not patronize the private members' clubs nor any casino in this country, nor do I belong to any private members' club. I would be the first to recognize the negative effects that gambling and games of chance have on some individuals and family life in this country. The former speaker said that we did not bite the bullet. I suppose he probably refers to the regulating of the gaming industry.

Hon. Member: You must admit that.

Miss M. Mc Donald: I want to tell you that you are there now. I was not there back then when it all happened. It started under—as my friend, the Member for Diego Martin North/East said, this whole gaming industry came into being under a UNC Government in 1996. [*Crosstalk*] You forgot that conveniently. I am saying that you are there now and, therefore, the onus is on you to regulate this industry and “what not”. You all rolled into power on May 24, 2010, on new politics and governance and transparency.

Hon. Member: Yes!

Miss M. Mc Donald: Well, listen, do it!

Hon. Member: “Yes man!”

Miss M. Mc Donald: Just do it [*Desk thumping*] and stop coming here and complaining about what the PNM did! I already said to you all last week in my debate—I already told you all in my debate last week—that we were adjudicated on, on May 24, 2010. Whenever the next election is called—be it before 2015 or 2015—you all will be adjudicated on.

Mrs. Gopee-Scoon: “Oh yeah!”

Miss M. Mc Donald: You all would be! You are on your third year, and if you listen to my friend, the Member for Diego Martin North/East, he gave everything; he gave a comprehensive list. Since you all are here for two and a half years, what have you done?

Hon. Member: Nothing!

Miss M. Mc Donald: What have you done? Ask yourself those questions.

Hon. Member: Do you want the list? [*Crosstalk*]

Miss M. Mc Donald: Mr. Speaker, let me continue. I seek your protection.

Mr. Speaker: Just face me and you have it. [*Laughter*]

Miss M. Mc Donald: Mr. Speaker, the Minister of Finance and the Economy in his 2013 budget said that he would improve the business climate in this country. In his fiscal measures, he proposed numerous things that he would do, and I want to look at the gaming industry. I do not think I would take too much time on the others, but there is a fundamental question I want to find out with respect to the gaming industry.

Before I came here, I met with the gamblers—I mean, sorry—[*Desk thumping and laughter*]*—*I met with some of the owners of the private members’ clubs in this country and the traditional ones, the ones that just started, not the casinos. You all said that my colleague, the Member for Port of Spain North/St. Ann’s West, was talking opposite to what the Member for Diego Martin North/East said, and I would show you that that is not so. While she was referring to the traditional private members’ clubs, the Member for Diego Martin North/East was referring to casinos, and what happens inside of there and, therefore, in my contribution, I am going to separate it so, “10 like you can’t tell me I mixing up anything.” [*Laughter and desk thumping*]

Mr. Speaker, in respect to the gaming industry, the Minister declared that he would take a tough position on this industry and, to quote him, he said:

“...the...industry”—would be—“under more effective control...”—and he will ensure more of the revenue goes into the Treasury.

So, he proposed a lot of increases, for example, with the baccarat table, 25 per cent increase; the black jack table, 20 per cent increase; the Caribbean stud poker, nil; dice table, 40 per cent increase; regular poker table, 50 per cent increase; the pool table, nil; roulette table, 20 per cent; the rhum 32 table, nil; the Sip San table, nil; and slot machine, 20 per cent—and this is where my question will come from—and every other table or device not mentioned above, there will be a 200 per cent increase from \$10,000 a year to \$30,000.

Mr. Speaker, permit me, because whenever I speak here, I speak to you because they take everything to make it a joke, and I speak to the national community, especially my constituents in Port of Spain South. [*Desk thumping*] There are roughly close to or just over 500 private members’ clubs in this country. Some of the traditional ones—I look at them as traditional clubs, but they are really private members’ clubs. They are—

Mr. Imbert: No, you are mixing up.

Miss M. McDonald: No, no, no, 500. I am dividing them. Mr. Speaker, protect me from the Member for Diego Martin North/East [*Desk thumping*]*—*and 90 casinos. So I am saying 500*—*

Mr. Roberts: From your own friend!

Miss M. McDonald:*—*private members' clubs, those are the traditional clubs and 90 casinos. But, you see, those casinos operate under the rubric of the private members' club, and they are all registered under a particular Act, and that is how they get away, because they are illegal in this country, but I would demonstrate that fact.

It is important to know that in Trinidad, the operation of a casino is illegal, but to get around this illegality, the casinos operate under a private members' club cap, and they are even referred to as private members' club. My research reveals that the licence fee for a private members' club is \$1,500 per annum, and this is in accordance with the schedule of fees in the Registration of Clubs Act, Chap. 21:01. The clubs then pay by the table. So, after they pay their \$1,500*—*that is licence the fee*—*they then pay under section 23 of that Act, by the table, as prescribed in the particular Act.

Mr. Speaker, as I indicated to you before, the traditional private members' clubs operate a lot in the country districts, and they play a pivotal role in terms of employment in these areas, but in order to understand the impact that the increase in the taxes would have on the gaming industry, I need to separate them out. I need to deal with the traditional private members' clubs and I need to deal with the casinos separately because if you look to join them together the picture would be skewed.

In the traditional private members' clubs they depend mainly on bar sales for their income*—*people come in, they play their games and they purchase drinks. I met with a wide cross-section of them, so what I am doing here is sharing with you and the national community what actually happens. They operate the following tables: they operate a "romey" table, where you can also play all fours; they operate a "whapie" table and, currently, on the "whapie" table they pay \$10,000 per annum; and they also operate slot machines. What is this slot machine? These slot machines are not owned by the owners of the private members' clubs. Independent contractors go to these clubs and place their slot

machines in these clubs, and what they do, the owners now—that is, the private members’ club owners—they get a 20 per cent from all sales from the slot machines. That is how these traditional clubs make their money.

With the new taxes imposed, a “whapie” table which cost \$10,000 per annum will now increase by \$20,000 per annum to \$30,000; that is a 200 per cent increase. Now, I am asking the Minister—when I look at the schedule from one to 10 describe the various tables operating, be it in the private members’ clubs or be it in the casinos, and there is no “whapie” table named here, and this has been like this for quite some years. That is my understanding, but in No. 11 it says:

“For every other table or device not mentioned above”—the cost would be—
“\$30,000 per annum”

So, there is a little confusion there. It is not listed there, so that is why I had to meet with these people, because they have said to me, the “whapie” table is not listed from one to 10 and, therefore, they will now have to pay more taxes—from \$10,000 to \$30,000—an increase of \$20,000, which is equivalent to 200 per cent. They have asked me to ask the Minister here this afternoon to make a statement on whether the “whapie” table will continue at \$10,000, or as you look at it, on the face of it here, it will be subjected to the 200 per cent increase. Mr. Minister, when you are winding up, I would like an answer, please.

Mr. Roberts: “Whapie advocate!”

Miss M. Mc Donald: With respect to the slot machines, under the current law it is \$10,000 per annum. With the new taxes, it would be \$12,000 per annum, an increase of some 20 per cent. Now, let us look at it in terms of what is going to happen to the traditional club owners here. In this case, the owners of the slot machines, because they have to pay more in taxes, they certainly cannot pay the club owners—they cannot continue paying 20 per cent, so it is going to be reduced. I do not know what is that figure, but it will be reduced.

I want to quote Miss Sherry Persad, secretary of the Private Members Club Association on Wednesday, October 03, 2012. It is a *Newsday* article, a story by Janelle De Souza, and I quote. She said:

“... ‘contrary to popular belief that these Clubs are lucrative ventures, and that these taxes will not be very impactful, the truth is that our industry is a very competitive and labour-intensive one, so that any increases such as this, will have a serious impact on our daily operations.’”—She continues, the industry—“...was not immune to the economic crisis and, over the past few years, business had reduced significantly. Therefore, she believed there would be ‘a few layoffs’ in the future.”

I want to endorse the sentiments of Miss Persad because the industry currently employs about 7,000 and growing.

Mr. Speaker, this issue raises questions about fall in profits for the owners and, most important, I would say, the loss in jobs. This tax would act as a disincentive to employment opportunities present and future. These are small operators, especially those who operate in the rural districts, and their profit margins, as I said, are based on bar sales, and not necessarily on profits from the “whapie” tables. It may very well end up in a case where the expenditure of these private members’ clubs might be higher than the revenue—just like your deficit budget, Mr. Minister. That may end up for some of these PMCs and we may push them out of business.

I do not want to remind this House about what happens when someone is unemployed. We see it every day, the deviant behaviour, the violence and the crime in our communities, and one of the ways to combat the scourge of crime in our communities is to get people working. You know, idle hands would be the devil’s workshop, and we need to get people working outside there.

6.50 p.m.

Mr. Speaker, there is another slant, another issue, that these owners raised with me. Should they go out of business because the tax is too high? Some of them may close shop, but what would happen is that it may well lead to the introduction of an illegal game—something I did not know about—called “ground whapie”. This is where, Mr. Speaker, in this case, no licence fee of \$1,500 would be paid. And these people who engage in “ground whapie”, they go to the backyards, people’s backyards; they go to hidden places, et cetera—you know about that, Member for Oropouche East?

Dr. Moonilal: Leave me out of that, please.

Miss M. Mc Donald: Mr. Speaker, whereas in the private members’ clubs, because of the Act and whatnot, and the procedures you have to follow, they are well structured; they are registered; there are rules; there are penalties if you should breach those rules; and in those clubs, persons 18 years and under cannot enter. So you find a situation where young persons, 12 years and whatnot—below 18—would go to play this “ground whapie”. So, this is one of the downside risks when we push these smaller PMCs—I will call them PMCs, Mr. Speaker, private members’ clubs—you would push them out of business.

Mr. Speaker, I want to turn my attention to the casinos; and these casinos are operating and masquerading under the guise of being private members’ clubs.

Under the current law, casinos are not legal, but private members' clubs—as we know them, the traditional ones—are registered under the Registration of Clubs Act, Chap. 21:01. So you have in Trinidad a situation where casinos are operating under the members' club Act, and on the other hand, those laws do not govern the operations of a casino. That is what we have going on here.

Mr. Speaker, it would seem to me, when I listened to the Member for Chaguanas East in his budget contribution and this evening, there was a revelation that the Government—I cannot say—might very well be—let me choose my words carefully—that the Government is focusing on the development of tourism, and a key part of that now would be the gaming industry.

Mrs. Mc Intosh: That is right.

Miss M. Mc Donald: It would be part of the tourism package. [*Interruption*] You could let the Minister answer, not you.

Mr. Cadiz: That was not said.

Miss M. Mc Donald: I heard, and I am going to get your *Hansard*. I will get your *Hansard*!

Mr. Cadiz: I did not say Trinidad, I said part of the tourism plan. It is all different territories.

Miss M. Mc Donald: Mr. Speaker, he cannot talk to me across the floor. You already spoke, do not waste my time! Mr. Speaker, I will go on to say that Caribbean countries: Aruba—that is what you said—St. Maarten, the Dominican Republic, Bahamas, Panama, Jamaica; they all have their local gaming industry well regulated and part of their tourism package.

Mr. Speaker, I have a question for the Minister of Finance and the Economy. Mr. Minister of Finance and the Economy, what is your Government's vision or plan for the gaming industry in Trinidad and Tobago? I would like to know because, you know, some other Minister may answer and they will give a contrary view. I want to hear from the Minister of Finance and the Economy: what is your Government's plan? What is your Government's vision for the gaming industry in Trinidad and Tobago?

Mr. Minister, I would have thought that, given the facts, that this unregulated gaming industry that rakes in hundreds of millions of dollars each year in Trinidad and Tobago, in undeclared profits—and this money barely benefits the economy. Mr. Minister, I think that instead of looking at an imposition of taxes, I

expected to see you adopt a holistic approach to regulating the industry, so that this country, Trinidad and Tobago, can gain maximum benefits from the gaming industry.

Some of the casinos even have links and ties to foreign investors who invest their money in overseas accounts, and that is where all the money laundering will come in. Mr. Speaker, for far too long, the casino owners have gambled on relaxed lax oversight and law enforcement to earn their mega profits, whilst Trinidad and Tobago is losing out on millions of dollars of income, annually.

Mr. Speaker, I want to quote, and, I believe, one of my friends quoted it, but I will do so—I will put it on *Hansard*. It is *Trinidad Express* dated October 15, 2011, in an article called “Casinos gone wild”, a story by Mark Pouchet, and I quote:

“...MovieTowne boss”—Mr.—“Derek Chin estimated the”—loss of income to the country—“to be \$150 million per year—because of the lack of proper and effective monitoring systems for the PMCs” —and those casinos are masquerading as PMCs.

Mr. Speaker, Mr. Minister, do you know how many beds we could buy for our hospitals? Do you know we could even buy the cerebral drill? Much to my amazement, a gentleman died at the Port of Spain General Hospital because there was no cerebral drill. This drill is really for use in surgery where people—
[*Interruption*]

Dr. Browne: Cranial drill.

Miss M. Mc Donald:—cranial drill. Thank you to the doctor in the House. [*Desk thumping*] The cranial drill—and this would be used on neurological patients—and this guy had to have a brain surgery and there was none, or the drill was broken down at the Port of Spain General Hospital, and they had to go to Mount Hope—[*Interruption*]

Dr. Browne: And there were other patients waiting.

Miss M. Mc Donald:—and other patients were waiting. He had to go to Mount Hope to get it. I am saying, Mr. Minister, you know how much money—and it is \$3 million—and as you said, earlier today, we are going to buy three drills to place in our hospitals: San Fernando, Mount Hope and Port of Spain. And, also too, Mr. Speaker, you know how much housing could be built in my constituency, Port of Spain South?

Remember I told you about the retention pond, last week, with the water and the egrets and the grass and the bush and the mosquitoes? You know you could create a construction boom? That is what I was telling you, hon. Minister. You could create a construction boom in my constituency and all this money leaking, going out to other countries—all out to North America, South America and Europe—and my constituents are languishing in these apartments where all the lifespan of these buildings are gone. You know how many roads—I just submitted 15 roads to the Minister of Works and Infrastructure and up to now I have not gotten one.

Mr. Speaker, today, over 90 private members' clubs, most of them offering casino-style games with matching profits, have mushroomed throughout Trinidad and Tobago. Mr. Speaker, the Act I am referring to is the Registration of Clubs Act—that Act does two things, to my understanding: it registers—it gives you the procedure of how to register the private members' club—and, two, it points you, or it advises you, as to the payment of the annual taxes on the use of certain tables. The Act was never intended to regulate casinos and the operations of casinos.

Mr. Speaker, Trinidad and Tobago has to be one of the few places in the world where an illegal operation rakes in millions of dollars, annually, and all they have to provide is \$1,500 in registration fees and 25 names—because it is supposed to be a club, where these people get together. It is supposed to be a non-profitable club where these people get together and whatever they do it would redound to the benefit of the 25. And all over, there must have been 75; there were 75 such three years ago, there are now 90 of these casinos in this country—hundreds of millions of dollars being leaked out of Trinidad and Tobago.

Mr. Speaker, it is within this context that the Government must decide whether they will support the gaming industry as part of an overall plan for tourism—but one thing is sure, it cannot continue to be uncontrolled and unregulated. As the Minister said, he will take a tough position on the local gaming industry. Mr. Minister, I wait with bated breath to see what happens here.

I want to look at just one other point—and that is, the new taxes on the motorcycles, the motor omnibuses, and the school buses. I just want to start by saying that the IMF recommendations that were made to this Government in June 2012 by Article IV—the IMF said that Trinidad and Tobago needs to strengthen their non-energy revenues by improving tax administration and broadening the tax base; included in this is reducing the exemptions under the VAT and reforming

property taxes. But how did the Government respond to this? They took the advice to broaden the tax base by going after a nuisance tax: increase on motorcycles, omnibuses and school buses.

Mr. Speaker, there are less than—I have researched it—there are less than 2,000 motorcycles in Trinidad and Tobago. The amount of revenue to be raised by this method is but a drop in the national coffers—is very, very negligible. So I ask the question; why does the Minister feel the need to interfere and to dip in the pocket of the poor man? Why? I ask that question. Should you not go for the bigger fruits, Mr. Minister? Mr. Speaker, it is also about small businesses, the fast food outlets, the couriers—when I order a pizza at my home, I would have to pay more.

Mr. Roberts: “I go pay it for yuh.”

Miss M. Mc Donald: The couriers—“I doh want you to pay nothing for me.”—the messengers who try to keep down the cost of doing business by using motorcycles, by raising the taxes the Government is putting pressure on small persons in this country who already make small dollars—and we are coming now—wait until they lift the subsidies on CNG and—what is the other one?

Hon. Member: Super.

Miss M. Mc Donald: Super! Wait, by next year—by diesel—by September next year, wait. Mr. Speaker, much has been said about the omnibuses. I just want to, again, bring to the Minister’s attention, that small businesses like the cleaners, the small contractors, the bread vans to transport goods and services to people; the increase in taxes would certainly be transferred to the cost of service to tourists and others, and all users, whoever they are. I want the Minister to think about that.

Mr. Speaker, enough has been said about the school buses, and you would have heard from the Member for Diego Martin North/East that only—when we left office everything was in place to have brought the school buses right under the ambit of the law, and for two and a half years—the Member for Chaguanas East wants to say that PNM has done nothing. For two and a half years you all sat on it and did nothing. So these people were operating illegally, outside of the purview of the Act, and now, what are you doing? You are going to tax them. This service was put in place to assist all those schoolchildren in the rural areas where they could not get the PTSC buses, and here it is now you are going to tax them. Have a conscience. Have a conscience all of you.

7.05 p.m.

Mr. Speaker, the finance Minister prefers to increase taxes on the poor man's transportation needs, while his administration, I must say, dilly-dallies with the more substantial revenues that can be earned. He is putting his hands into the pockets of the small man picking up small change here and there, while the larger picture escapes him.

I want to end with a quotation from KPMG, an accounting firm, from their bulletin of October 01, 2012, where they said:

There is a still a sense that we are embarking along so many different paths to achieve the desired end and we are not fully consolidating and leveraging the skills and expertise that we have developed over the years in the energy and natural resources sector.

Mr. Speaker, in closing, let me state that this bench cannot support these measures. We are not supporting these measures. The Minister has to go back to the drawing board, get his facts straight, get his figures straight, get his priorities right, and return to this Parliament.

I thank you, Mr. Speaker.

Dr. Keith Rowley (*Diego Martin West*): Thank you very much, Mr. Speaker. I rise to make a short intervention, just to clarify a question put to my colleague by the Member for Couva South, because I would not want it to be said, as he put it, that there was no position from the Opposition with respect to the gaming industry.

Let me begin by trying to clarify something. What we have or had in this country was a private sector initiative where, in virtually every community, large or small, the people—without Government's assistance, intervention or guidance—sought to create locations of entertainment for themselves, and one would have grown up knowing of what is called recreation clubs, private recreation clubs. They were community locations.

In those clubs the major entertainment were low-level games of chance, elements of gambling. That was where a lot of working people spent their weekends or other time available, at nights. They met their friends, had a drink, showed their skills at cards. Some even made a living around a "whapie" table. These were the hardcore gamblers. But there was never a real problem and it was an accepted part of the national community. They had legislation governing them

because they came to the attention of the State, and that legislation governed their conduct, and there was a membership requirement and some minimum payment to exist, and so on.

That is how it was; that is not how it is now, and that is how it will not be in the not-too-distant future. Because as the economy grew and a different level of entrepreneurship came into the arena, I think it was in what we call the boom period, that persons began to invest in gambling in what we call now, or what we accept as a casino industry in Trinidad and Tobago. Because of the objection of some members of the national community to the acceptance of casino gambling, Trinidad and Tobago must now come to realize that whether we like it or not, what has evolved in this country and what exists in this country is a duality of recreation clubs, whose legislation has afforded the existence of a thriving casino industry.

Whether we support gambling or not, we will be burying our heads in the sand, and as legislators and the country's administrators, in the last 10 to 15 years, it has grown up and is growing in this country. I think one of my colleagues mentioned it—I think it was the Member for Diego Martin North/East—that the fact the numbers have grown from 75 to 90 in a year, a year and a half, two years, should indicate to us that the thing is evolving further. It is growing further.

What has been the reaction of the Government of Trinidad and Tobago—I do not mean this Government; I mean the State's managers—in response to it? One, was to initially not acknowledge the presence of this development. Two, when it was forced to acknowledge it, it decided to tax it because there is a point of view that if it is happening and money is being made, the State should get some, so you tax it; or let the tax be so punitive as to prevent it from growing.

Two things are happening: One, the point of view that the State should tax it so as to get the State's "fair share" is not happening, because the collection is not sufficiently well organized or not sufficiently well reported, and the transparency of the industry does not exist. So you get some tax, but you do not get the tax that you are supposed to get. In the absence of regulations, you are not sure what is happening, and you are not even sure what you are supposed to get. In that environment the operators can run rings around you, and give you the barest minimum. That is happening.

The other thing is taxing to retain the status quo or to prevent it from growing further or to stifle it out as an undesirable has failed, because the number of casinos have grown exponentially in the last decade. So the Government's

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[DR. ROWLEY]

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attempts to tax it has not had the effect of restraining the growth of this industry, for those who want it restrained—fact.

So the Government, in seeking to legalize it, as was done in 1996, legalized it under the umbrella of the legislation of the accepted and acceptable private recreation club. The Government did so, so as to boost the tourist industry. We heard today that no such thing has happened and no such thing will happen, because it has nothing to do with the tourist industry. I want to repeat that. Casino gambling and the casino industry in Trinidad and Tobago have nothing to do with the tourist industry. [*Desk thumping*]

It has everything to do with entrepreneurship, where there are those who know the appetite for gaming is there, they create the environment, they operate a business and they make a good out-turn, a good profit. It is a business that is operating in every case. The fact that the numbers are increasing and virtually in every one of our urban centres—and I have seen some in Tobago, in the East-West Corridor, San Fernando, in virtually every urban centre, in Debe—people have seen the opportunity to make money. If we do not do something about it, I guarantee you in three to five years time virtually every significant community in this country would have some kind of casino gambling available, or whatever name you call it. Apparently, it will all be done under private members' club.

The Government is not unaware of this. The Government cannot now say it is unaware of this industry, because somebody brought it to the attention of the Minister of Finance and the Economy who, in looking for revenue, decided to ratchet up the tax arrangement again. So once again the Government has raised taxes on private members' clubs, but it is really aiming at taxing the casinos in the country. Nobody could tell me that the Minister of Finance and the Economy and his staff think that the genuine two-by-four, back-a-yard private members' clubs could pay those taxes that are being raised. Because it is being done under the legislation that governs private recreation clubs, this attempt to extract taxes from the elephant in the room, the casinos, has the potential to see the death and certainly the reduction of the original, genuine private members' clubs.

The complaint I have had from persons who genuinely operate a private members' club for the social recreation of persons in the community—in many cases older persons for whom that is their only recreation—those persons now see their recreation being threatened by a tax which is so punitive that if they are to act legally they have to try and find that money somewhere. They might not be able to find it, and if they are not going to break the law, they would have to close the door of the private members' club.

There is a certain element of unfairness here because the people who operate under the protection and guidance and in compliance with the law of the private members' club, are now being driven out of business by a Government who is not prepared to face up to those who are acting illegally. If the Government is going to be real in facing up to what has evolved in Trinidad and Tobago, the Government must have the backbone and the spine to say, "We have recognized that there is in this country a casino industry."

Dr. Moonilal: Thank you very much for giving way, Member for Diego Martin West. I am just following the argument and I want to ask you a question, so I do not speak after you, which is not necessary if I could just ask.

You are suggesting that a possible downside of this measure is to crowd out by a punitive measure the traditional recreation clubs and so on. In those recreation clubs—I do not know, I am just asking—would there be traditional clubs that play the types of games they have outlined in the Order? Again, I do not know much about that. In the traditional clubs you were saying they play card-related games of "romey", all fours or pool hall, and that type of thing, would they be covered by the type of games identified in the Order, so that they are punitive towards that traditional club? That is what I want to ask.

Dr. K. Rowley: I must admit, I do not know very much about the inside. I am not a gambling man, I do not know, but I am telling you the complaint that has come to me. I am a representative, and the persons who operate what is not regarded as a casino are claiming that they are exposed to a tax that could see them closing their doors. Maybe not all, maybe some of games are played in there and, again, played at a level. Remember you are taxing a table, and if the table is there and it is used at a certain level of concentration where the revenue is small, then the tax in relation to the revenue in that establishment, could be punitive.

On the other hand, if you are operating that same table in a glitzy casino which attracts a larger population of participants, then the tax is not a burdensome thing. So I think that is the nature of the problem, but I could not tell you, in response to your very important question, whether what exists in the casino exists in the recreation club. I would be surprised if it does, but there might be some commonality.

The point I am making, Mr. Speaker, is this: that we cannot continue to treat with the existence of casinos as though they are not there. That denial cannot continue. When we had two or three or four, we might have got away as a people.

7.20 p.m.

Hon. Member: Not 90.

Dr. K. Rowley: We are ignoring their existence. Now that we have 90 casinos, with 15 coming on in the last two years, and every indication of more to come, it is irresponsible as a nation to pretend that they are not there. And insofar as we recognize that they are there, to want to treat them only from the point of view of taxation without regulation, is to accept failure. I submit, Mr. Speaker, at this time, given what has evolved in this country, this thriving gaming industry, that what we expect to see from the Government now is a greater focus on regulation and not taxation.

Hon. Member: That is right.

Dr. K. Rowley: Taxation is not regulation, taxation is participation. Trinidad and Tobago—and I am not talking about the Government of Trinidad and Tobago, I am talking about the nation of Trinidad and Tobago—needs to focus on the regulation of an activity which has now become an integral part of our economy. There are very few new industries in this country that can point to—what is it, the number is always inflated, whenever something comes up they tell you they employ 40,000 people—that is not so, but there are quite a number of thousands of persons who work in this industry.

Mr. Speaker, I do not know that the Government could get up one day and say, okay, all of you are out of a job because we have done X, we have done Y. I am not recommending that. I am recommending that we stop fooling ourselves that casino gambling does not take place in Trinidad and Tobago and therefore, there is no need for the Government to regulate it.

Dr. Moonilal: Thank you very much for giving way again. I am really following you and want to understand something a bit more. The Order provides for members' clubs where a person—because I do not know much about this sector—I mean, the persons are members, I imagine some registration of a card-holding member and they go for the purpose of gambling.

In the traditional clubs that you talk about, the traditional recreation club where the people from the village will go for evening recreation and so on, and whatever games they play, would that be a registered members' club pursuant to this piece of legislation? Were those persons in the village, in that traditional club, a member of that club paying their dues, so to speak, to go to the club to gamble, or would they just walk out from their homes, go to the club for recreation purposes? I just want to know if it is covered by this.

Dr. K. Rowley: My understanding is that to begin to operate a recreational club a certain requirement to open the door, to get registered, you have to have certain conditions, and one of which is that you have a nominal membership. Once you open the door and begin to operate, what normally transpires in any community—Tunapuna, Canaan—once it is opened anybody comes in and participates. So the club operates as a members' club, but it is pretty much open to adults coming and going, and that has not been a problem, right, and the police will pass every now and then and check and if you never have the 25 members, and you did not pay the \$1,500 you are in breach. But it is that loose and low-level registration that is the same registration that is used for a guy who wants to open a multimillion-dollar casino. I hope you follow what I am saying.

Dr. Moonilal: Yes.

Dr. K. Rowley: It is the same registration of a minimum number of persons, a very minuscule registration fee, and you pretend—it is a pretence—you pretend to be a members' club, and that is as far as it goes. After that you are a full-fledged casino with all the attractions of night being day or day being night, as the case might be, and whatever is served and whatever goes on in there.

In some places in the Caribbean, in the Bahamas—I have heard, I have been to a hotel that had a casino, but the bottom line is, they were cognizant of the fact that this was an important part of an industry they wanted to participate in, but did not want to allow it to be all pervasive in the community—they limit the access of locals to the casino. So even though they had the casino industry, within the territory, arrangements were in place to minimize the participation of locals.

In some countries they do that by location. In the United States, where casinos are all over the place you cannot just open a casino; you are required to get permission, and they will determine if the location you want to open it in is a location that casino gambling is acceptable, and that is where a lot of the Indian states within the USA, the local Indian communities—American Indians—on their lands, they have casino gambling. And in some states where casino gambling is not legal, the Indian nation within the state allows gambling on their lands, and investors come in and pay them some significant amount of money or they own their own casino, and casino gambling is only allowed in there.

In some states you have a gaming commission that takes responsibility—
[*Interruption*]

Hon. Member: Vegas.

Dr. K. Rowley:—for ensuring that this industry of gaming is operated legally. It monitors criminal involvement, or attempts at criminal involvement, it also monitors the payments of taxes, it monitors to ensure that money laundering is minimized or eliminated, insofar as you are able to, and it holds out to a population outside its own the opportunity for participating in gambling as recreation, as a holiday event and so on. So, there is a whole range of what Governments do with respect to responding to the gaming industry.

In Trinidad and Tobago on a scale of zero to 10, we are at a five because we are not prepared to accept the presence of this thriving industry, and that is dangerous because we are now at the mercy—[*Interruption*]

Hon. Member: Of the mafia.

Dr. K. Rowley:—of those who are operating them. It being a cash industry, most people who go in there use cash, so the industry has an opening to do cash transactions with no questions asked. That makes a nonsense of all the regulations which require you to explain your source of income. More importantly, Mr. Speaker, the environment in which this industry has now evolved in Trinidad and Tobago has changed considerably.

It is only today that the Prime Minister came here quite unnecessarily, disturbing the Parliament's proceedings, [*Crosstalk*] quite unnecessarily disturbing the parliamentary proceedings to tell us that we have completed the process of getting ourselves—let us say certified, I am using the word loosely—certified by FATF, in that we have put things in place so as not to be of concern to the international body, the Financial Action Task Force, and the Caribbean Action Task Force.

This is a process that we have engaged in for quite some number of years, even before this Partnership was formed. Even before they knew that there was going to be an election.

Dr. Moonilal: Mr. Speaker, Standing Order 36(1).

Hon. Member: “What you talking about?”

Hon. Member: Relevance? [*Crosstalk*]

Mr. Roberts: Relevance. [*Crosstalk*]

Dr. K. Rowley: You know, Mr. Speaker, I gave way to a number of his interruptions.

Hon. Member: And you were going nice.

Dr. K. Rowley: I am here talking to you, Mr. Speaker, and he intends to abuse me. But I have not lost my trend of thought. I was saying, today during the finance Bill, we were unnecessarily detained and interrupted by the Prime Minister to tell us that FATF has given us a clearance where we are no longer on any list—we are deemed to have complied. That should put us on notice, Mr. Speaker, that this is the era of the Financial Action Task Force.

I will also tell you, in making the statement today, the Prime Minister reversed her Government's position because they now understand what FATF means and what FATF's blacklist could have done to us, and she read it off today with great aplomb, and takes great credit for having saved us from this fate worse than death, but she forgot to tell you, Mr. Speaker, that when the Member for Diego Martin North/East, in 2010—[*Interruption*]

Mr. Imbert: Two years ago.

Dr. K. Rowley:—raised a flag for the new Government that what was being proceeded with—this exercise which would take some time, and had taken some time before they came into existence—if they did not respond to it in a timely manner, that we could have been blacklisted.

Mr. Imbert: We were grey listed.

Dr. K. Rowley: Mr. Speaker, I was sitting right here in this chair when the Minister of Finance got up over there, with great support from his colleagues and chastised the Member for Diego Martin North/East for being irresponsible—[*Interruption*]

Mr. Imbert: An alarmist.

Dr. K. Rowley:—for telling us that we could be blacklisted.

Hon. Member: He said we were blacklisted.

Dr. K. Rowley: For telling us that we could be blacklisted. In fact, he in this House showed how at least two American finance houses had already taken steps to treat us negatively. The Government that did not know anything about FATF decided that the word “blacklist” was an irresponsible utterance of the Member for Diego Martin North/East.

Hon. Member: A PNM word.

Dr. K. Rowley: And the legislation that she read out here in great numbers today—one, two, three, four—they were Bills in progress when they formed themselves into a political party. They came into office and met the work almost

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finished. They finished it, and we passed it in 2011. And to tell you, Mr. Speaker, how “they shopping around” for some good news; good news as it is. [*Laughter*]

If you look at the June report of FATF, the June report, it was very negative towards this Government; this Government because it was June this year. It was talking about them, commitments given by them which were not kept, and it also raised—in the June report—it raised the question of the director that was illegally appointed, but was subsequently appointed by the prime-ministerial veto, and FATF raised it as an unacceptable situation because it pointed to not an independent appointment, and FATF demanded a certain independence. But, fortunately, it appears as though, based on what we were told today, FATF did not use that to prevent us from being cleared, but the concern was raised in June. So, Mr. Speaker, how does this relate to relevance—[*Interruption*]

Dr. Moonilal: Please.

Hon. Member: Thank you.

Dr. K. Rowley:—of the gaming industry? It is this. Now that we have satisfied the FATF requirements, it is not permanent. It is not a permanent state of affairs. I heard the Government talk as though we have achieved something in stone. But if we conduct our business in this country in any way that gives the Financial Action Task Force body cause to look at us to see what we are doing, and if what we are doing creates the environment for wrongdoing—like money laundering and other kinds of criminal activity which could be associated with unregulated casino gambling—we could find ourselves being identified as a territory where undesirable activity is taking place, and we could find ourselves back on some kind of list.

So, the point that I am making, let us not take today’s good news as a permanent state of affairs. And if the casino industry continues to grow, or continues to operate in this country unregulated, with the State pretending that it does not exist or every so often improve the tax, where tax is not regulation, we could find ourselves in the not too distant future being given a deadline, a deadline, because how FATF operates—it gives you deadlines to comply and if you do not comply against the deadline then the punitive action could be then taken against you.

We do not want, Mr. Speaker, to be trying to regulate the casino industry in this country against some deadline imposed from outside. Because when FATF gives you a deadline, if you do not comply, there could be serious consequences as outlined by the Prime Minister today, as outlined by my colleague from Diego Martin North/East two years ago.

7.35 p.m.

Mr. Imbert: Two years ago.

Dr. K. Rowley: If you look at the June report of FATF, you would see that the complaint there was that commitments given by this Government in the period before were not met, and in fact, subsequently they would have been met and the meeting today which, hot out the oven, we got the Parliament interrupted to be told that we have been removed from FATF's list. That, Mr. Speaker, could very well happen again.

The same way it came to us today in glory, it could come to us in sorrow, when the next time we get something from FATF to ask us, what are you doing about the gaming industry in Trinidad and Tobago, and we cannot tell—in fact, if we tell them that there is no casino industry in Trinidad and Tobago, they will know that we are not speaking the truth, that we are not responsible and that this unregulated industry poses a threat to the international stability. Because you see, my colleagues mentioned earlier on, whereas the private members' clubs were 100 per cent local and community things, in the casino industry in Trinidad and Tobago are international tentacles. I do not even know if the Government knows who is involved in it.

Mr. Imbert: They know.

Dr. K. Rowley: Because if there is no regulation and no proper reporting mechanism, the Government cannot know unless they are operating at the personal level with one or two of them. But if external people are investing here and money is flowing out to them as their profits, then we are asking and inviting somebody like FATF to come to us and say to us, you are operating an industry in your country which poses a threat to international good order, and we are giving you a deadline by which to fix it. And when that happens, it does not matter who supports gambling or who is against gambling, the Government will be running against a fast-moving clock to either shut down the industry totally or to try to regulate it under duress.

I am saying, Mr. Speaker, now is the time to pay attention to the industry and determine in a very civilized way what we are going to do about it because it is going to continue to grow and it will—guaranteed—attract the attention of FATF, and it will not be to our benefit, and my fear is that a deadline could be given to us to treat with it. So I put that to the Government as something that—*[Interruption]*

Dr. Griffith: *[Inaudible]*—could lose.

Mr. Speaker: Continue, hon. Member.

Dr. K. Rowley: Mr. Speaker, I am not talking to the Member for Toco/Sangre Grande, I am talking to you! [*Crosstalk*]

Mr. Speaker: Member for Toco/Sangre Grande, please!

Hon. Member: “The man making a contribution.”

Dr. K. Rowley: If it was left to me to talk to him, I would not waste “meh” time, Mr. Speaker, I want to talk to you. And the fact that it does not please the Member for Toco/Sangre Grande, I am talking to the people of Toco/Sangre Grande on whom that imposition exists. I am talking to you, Mr. Speaker. [*Laughter and desk thumping*]

So, Mr. Speaker, I simply want to—[*Interruption*]—what I will not have, Mr. Speaker, is his disturbance.

Mr. Speaker: Please! You have my protection. Member for Toco/Sangre Grande, could we have silence, please.

Dr. Griffith: Mr. Speaker, I am sorry.

Dr. K. Rowley: I simply want to draw it to my colleagues on the other side, particularly the Minister of Finance and the Economy, that what has happened here in recognition of the existence of a gaming industry under the umbrella of the private members’ club, is a casino industry that is thriving and growing, that has potential to bring the national community into a situation where persons who are operating other kinds of businesses and financial businesses could find themselves disadvantaged as a result of the non-regulation of the casino industry in Trinidad and Tobago. That is a fact and it requires the attention of the Government of Trinidad and Tobago.

Mr. Speaker, I thank you.

PROCEDURAL MOTION

The Minister of Housing, Land and Marine Affairs (Hon. Dr. Roodal Moonilal): Mr. Speaker, in accordance with Standing Order 10(11), I beg to move that the House continue to sit until the completion of the Motion presently under consideration, as well as the matters on the Motion for the Adjournment.

Question put and agreed to.

PROVISIONAL COLLECTION OF TAXES ORDER, 2012

The Minister of Finance and the Economy (Sen. The Hon. Larry Howai): Thank you, Mr. Speaker. It has been a long trek in bringing this budget to a close

starting last week in the Lower House and then this week in the Upper House, and then today.

I thought in closing this debate that I should make mention of the fact that—and bring to the attention of the House and the community at large—that in the budgets of 2010, 2011 and 2012, no new personal nor corporate income taxes were introduced. In fact, several incentives have been introduced to support businesses and business expansion, including incentives for housing, for land development, for commercial construction, and especially in the energy sector, for exploration and production.

Lest we forget, Mr. Speaker, I would add that this Government, apart from not raising personal and corporate taxes, has increased the minimum wage, has increased maternity benefits, has increased NIS benefits, has provided 55,000 laptop computers for children, has increased old age pension, has redefined the GATE Programme and has expanded the school book programme. So, there has been a considerable increase in the benefits enjoyed by the population over the past few years as a result of the intervention of this Government.

Mr. Speaker, today we are looking at the legislation relating to taxation for the private members' clubs, for motor vehicles, and of course, the introduction of the 10-year permits for drivers. Let me first start with the issue of the private members' club. The impression may have been given that it is the intention of this Government to introduce casino gambling. At other times the impression may have been given that we are seeking to kill the gambling industry, so it has been difficult sometimes to follow some of the conflicting views that have been expressed.

I want to say that in looking at this, the position of this Government is that the gaming industry has a role to play in Trinidad and Tobago. The gaming industry employs several thousand people. I have heard numbers ranging from 37,000 to as high as 80,000, so it has been very wide-ranging in terms of the number of people who are stated as—*[Interruption]*

Miss Mc Donald: Seven thousand.

Sen. The Hon. L. Howai: Seven thousand.

Miss Mc Donald: About?

Sen. The Hon. L. Howai: Seven thousand up to 80,000 I have heard. So, it clearly speaks to the fact that we do not have a good handle on this industry and it is clearly something that has to be addressed.

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In my budget speech, what I did is that I did indicate that we will proceed to start putting some structure around this industry and start dealing with the issue of how we are going to manage this in a way that it is not counterproductive to the society, and in a way that we will truly reap the benefits that a properly managed entertainment industry can produce by—first of all, in the short term—introducing measures to deal with tightening the regulations that relate to this industry. Because we recognize that we cannot properly manage this industry and cannot properly deal with the negative effects of all the fallouts that can occur from this industry unless we start to put proper regulation in place, and only then can we start the process of actually properly implementing a framework and implementing the measures that will ensure that this industry contributes in the way that it should to the national community.

Therefore, I did commit, Mr. Speaker, that by May of next year we will have the regulations further developed and in place. I further said that within a two-year period—and I have to recognize the contribution that has been made, and even by the Members’ on the opposite side, to developing some of the basic framework which I have seen, for the regulation of a gaming industry in Trinidad and Tobago. I believe it is good work that we can build from, and that would allow me to achieve the deadline that I have established. So, work has been done and I think it is a question of putting the right focus and resources on it to ensure that we can get to where we want to be in two years’ time.

Miss Mc Donald: Thank you hon. Minister, through you, Mr. Speaker, for giving way. I just want to find out a “lil ting about the whapie table, you know?”

Sen. The Hon. L. Howai: Yes.

Miss Mc Donald: Okay, thanks.

Mr. Sharma: “You interrupt for a whapie table?” [*Laughter*]

Sen. The Hon. L. Howai: So, Mr. Speaker, we are moving towards putting a regulatory process in place, and it is not a question of deliberately trying to simply put off the Opposition in any way. We have already identified a committee that we will put in place to ensure that the work that needs to be done to deal with the proper regulation of the industry will be progressed in the way that we have identified.

Mr. Speaker, the hon. Member for Port of Spain South has asked the question about the “whapie” tables, I think it was.

Miss Mc Donald: Yes.

Sen. The Hon. L. Howai: I had asked for some explanation on how these taxes would operate, and I did get from our Treasury solicitor an opinion on how it will actually operate. She did say that clause 2 of the Order makes provision for the increase in the gaming taxes payable by members' clubs registered to conduct gambling activities on their premises, so that the increases that are contemplated relate to gaming taxes payable by members' clubs registered to conduct gambling activities on their premises.

I was referred to what a members' club is in the Registration of Clubs Act, Chap. 21:01 and:

“members' club' means a club not constituted for the acquisition of gain, the members of which contribute to the funds out of which the expenses of conducting the club are paid and are jointly entitled to all the property and funds of the club.”

So, that is the definition for the members' clubs that are affected by this legislation, and my understanding of the explanation that was given to me is that the recreation clubs do not fall to be part of this legislation. This relates simply to the private members' clubs as defined in the Registration of Clubs Act.

Miss Mc Donald: Thank you Minister for being so patient. Through you, Mr. Speaker, you would recall during my contribution, I did make mention of the fact that I met with some of the owners of the private members' clubs and I did go through and said that, when you look at the private members' clubs, how do they operate?

7.50 p.m.

There are three tables there. There is the “romey” table where they can play all fours, there is the “whapie” table and then the slot machines. With respect to the “whapie” tables, currently they pay \$10,000, all right, per annum as taxes for the “whapie” table. But in the legal notice between one—10 there is no “whapie” table listed there. So, then, 11 would apply and where 11 says, that any other table or device not mentioned will move from \$10,000 to \$30,000. That is 200 per cent increase and that is what—I am sure they are looking at us—that is what they are interested in. Thank you.

Hon. Member: [*Inaudible*]

Sen. The Hon. L. Howai: It will include the “romey” tables and so on. What I have given you is the explanation I have received from my officers. What I will do is I will further investigate this particular question you have asked and we will provide it as a separate response to you afterwards.

Miss Mc Donald: Thank you.

Hon. Persad-Bissessar SC: [*Inaudible*]

Sen. The Hon. L. Howai: Yes. So, Mr. Speaker, in terms of where we want to go with the gaming industry in Trinidad and Tobago, the fact is we do not intend to ban the gaming industry, we do not intend to do away with the gaming industry, we intend to put proper regulation in place because we recognize that it can make a positive contribution to the entertainment industry overall in Trinidad and Tobago. As my good friend here said, it can make a contribution to the tourism industry as we develop and grow that industry.

With respect to the motor vehicle taxes, I must say it has come under tremendous fire. First of all, I want it to be understood that most of these changes here were changes that perhaps could be described as somewhat administrative, although, there are some taxes that would come in, for example, on the school buses. We did consult and receive advice from the Ministry of Transport before we went ahead with these particular taxes and I know, for example, that the private school buses, we were told, could not be licensed as a result of the fact that there was no basis on which the tax could be levied.

In fact, one large school establishment requested that—and the licensing office agreed—they would recommend a regime which would facilitate the licensing of these private school buses and which would then therefore allow them to be properly insured and properly operated and operate in a proper legal environment, in a proper regulatory environment as a result of putting this arrangement in place. Therefore, we have moved with alacrity to deal with this particular issue. [*Interruption*]

Mr. Imbert: Two and a half years.

Sen. The Hon. L. Howai: And to regularize this particular issue.

Mr. Imbert: You all are not serious, you know.

Sen. The Hon. L. Howai: Similarly, the fiscal measure as it relates to the motor cycles, for some reason, was not in the schedule for taxing, but nevertheless, what had happened is that we could not find within any of the previous budgets where it may have been deliberately taken out. For some reason it seems to have come out of the schedule, for some unknown reason, and we simply reinstated what had been there before which may not have—you know, would have come off for a reason that perhaps—which certainly no one in licensing office had any idea as to what had occurred that would have created this particular problem. So we are rectifying a problem there, Mr. Speaker.

Finally, with respect to the driver's permits we have simply added 10 years on, we have simply put a 10-year permitting arrangement in place to make it easier and more convenient for citizens of Trinidad and Tobago. In doing so, we sought to maintain the controls that I believe even may have been put in place by Members on the opposite side, actually, to manage and control the safety on our road system. What we simply did in putting this particular arrangement in place is to ensure that we keep those regulatory systems in place that protect the safety on our roads. Therefore, what we did also was seek to replicate what, to some extent, were best practices that exist internationally.

So, Mr. Speaker, the whole issue of the driver's permits being put in place, and the 10-year driving permit, is not intended to discriminate against older people in anyway. We have kept the control arrangements for people who are over 65 and we simply said if you are 56 you would not get a 10-year permit. You would then be eligible for a shorter period of time for that permit, and if you are over 65 you will not be entitled to a permit for 10 years.

So, those are the main issues that affect the taxes and the tax regime that we have put in place. I just want to say that regarding the FATF, when this Government came into office, Trinidad and Tobago was on the grey list and we remained on the grey list for a long period of time over the past two years and certainly in terms of the event that occurred today—is something that I do disagree with the hon. Leader of the Opposition. I think it is something that we need to celebrate. I think it is something that Trinidad and Tobago needs to be proud of. [*Desk thumping*] And I think it is something that will redound to the benefit of Trinidad and Tobago, certainly to our banking sector which does business with banks throughout the world and regulatory regimes throughout the world, all of which would have taken note of what has happened here for Trinidad and Tobago today. It is the first time, as far as I could recall, that Trinidad and Tobago is on no list. As the Prime Minister said, we are not on any grey list, any light grey list, any dark grey list, any black list or any other list. We are on no list except the red, white and black list.

Hon. Member: That is right.

Sen. The Hon. L. Howai: But we are recognized throughout the world now as a jurisdiction that international investors could have confidence in. I think it is very, very important that this is something that in a sense transcends politics. It is something that affects Trinidad and Tobago. [*Desk thumping*] I think it is very, very important that we recognize this milestone and recognize the efforts of all

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those in the public sector, in the private sector throughout Trinidad and Tobago who have played a role in achieving this particular milestone for Trinidad and Tobago.

Mr. Speaker, with these brief words, I beg to move. [*Desk thumping*]

Question put.

Mrs. Persad-Bissessar SC: Division!

The House divided: Ayes 23 Noes 7

AYES

Moonilal, Hon. Dr. R.

Persad-Bissessar SC, Hon. K.

Warner, Hon. J.

Mc Leod, Hon. E.

Sharma, Hon. C.

Ramadhar, Hon. P

Peters, Hon. W.

Rambachan, Hon. Dr. S.

Seepersad-Bachan, Hon. C.

Khan, Mrs. N.

Roberts, Hon. A.

Cadiz, Hon. S.

Baksh, Hon. N.

Griffith, Hon. Dr. R.

Ramadharsingh, Hon. Dr. G.

De Coteau, Hon. C.

Khan, Hon. Dr. F.

Indarsingh, Hon. R.

Samuel, Hon. R.

Roopnarine, Hon. S.

Ramdial, Hon. R.

Alleyne-Toppin, Hon. V.

Partap, Hon. C.

NOES

Rowley, Dr. K.

Cox, Miss D.

Hypolite, Mr. N.

Mc Intosh, Mrs. P.

Imbert, Mr. C.

Browne, Dr. A.

Thomas, Mrs. J.

Question agreed to.

ADJOURNMENT

The Minister of Housing, Land and Marine Affairs (Hon. Dr. Roodal Moonilal): Mr. Speaker, I beg to move that this House do now adjourn to Friday 26 October, 2012, at 1.30 p.m. and on that day we will debate Private Business, Motion No. 1 on the Order Paper.

Mr. Speaker: Before putting the question on the Motion for the Adjournment, I have granted leave for the Member for Diego Martin North/East to raise on the Motion for the Adjournment two matters. Fifteen minutes is allocated to each, both the person who is speaking and the person who is responding, that is the hon. Minister. The two Motions that are before us: one deals with national football and the second one deals with the adverse economic consequences of the decline in national oil and gas production.

The hon. Member for Diego Martin North/East—dealing with football first.

National Football of Trinidad and Tobago (Management of)

Mr. Colm Imbert (Diego Martin North/East): Thank you, Mr. Speaker. Mr. Speaker, over the last couple weeks there has been an unseemly public brawl between the Minister of Sport and a number of persons associated with the management of football in Trinidad and Tobago. It seems that every single day

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we open the papers or we turn on the television or listen to the radio and we hear the Minister of Sport, full of sound and fury, attacking somebody involved in the administration of football.

Now, Mr. Speaker, just speaking generally, I do not think any right-thinking person would agree that this constant back and forth, this bitterness, this venom, this bile that has been spewed out in the public domain is healthy for the sport of football. It has become very personal and we have a situation now, where our footballers find themselves wondering whether they will be able to travel to other countries to take part in football competitions which they must take part in, in order to maintain their ranking within international football, in order to qualify for regional football competitions and in order not to receive penalties and sanctions from FIFA.

8.05 p.m.

The most recent problem that the footballers have faced is the fact that the Minister of Sport came—[*Interruption*] Mr. Speaker—

Mr. Speaker: You have my protection.

Mr. C. Imbert: I have to get you back for that. [*Laughter and crosstalk*] Yeah, well she terrorized me. Sorry, Mr. Speaker.

Mr. Speaker, we have a situation now where footballers were stranded in St. Kitts because of the passage of a tropical storm. The Minister came into the Parliament, full of sound and fury, attacking All Sport Promotions, Mr. Anthony Harford and so on, shortly after the hon. Leader of the Opposition had raised this issue, and made a bold promise to provide funding for airfare and accommodation for the national football team to take part in the Caribbean Football Union qualifiers in St. Kitts. “One set ah noise!”

What are the facts? The Ministry did not provide the funding that the Minister promised; the footballers found themselves stranded in St. Kitts; they did not receive money for hotel expenses. All this set of noise! You see, Mr. Speaker, it cannot be good for the sport of football where the Minister takes everything so personally that he has to come into this Parliament and make rash and reckless statements which later prove to be entirely without any foundation. Up to now, you have the Ministry of Sport talking about the fact that they do not run a bank; they have to wait on a release of funds from the Ministry of Finance and the Economy, but you have the Minister making all these bold promises in this Parliament, that funding would be provided for accommodation and expenses of our footballers in St. Kitts.

So our footballers went to St. Kitts; they got stranded; they had to depend on the goodwill of private citizens, including the same All Sport Promotions that the Minister has demanded be removed—[*Interruption*] It is happening now! This is current; right now, after the Minister came into this Parliament in the budget debate and carried on about how he will provide all the necessary funds for the team to go to St. Kitts.

Mr. Speaker, what possible benefit to football in Trinidad and Tobago could be derived from the Minister of Sport saying, “No money for the Trinidad and Tobago Football Federation until the interim President calls elections”? What possible benefit? How do you think the footballers feel when they go out on the field of play in their red, white and black that the Prime Minister spoke about a little while ago—how do they feel when they do not know who is paying their hotel bill? They see this battle going on between the Minister of Sport, the Trinidad and Tobago Football Federation and All Sport Promotions. How do you think, psychologically, this is affecting our players, Mr. Speaker?

I have brought this Motion because I am begging the Minister to stop this public dispute over football. It is not doing any good to the footballers of Trinidad and Tobago. [*Desk thumping*] Enough is enough! Because, Mr. Speaker, there is so much contradictory information in the system. The Minister is saying that All Sport Promotions provided no accounts; All Sport is saying they did. The Minister is saying they received no documents; All Sport is saying they provided the documents. The Minister is saying that money is missing; All Sport is saying they accounted for all the funds. It is just going back and forth, back and forth, achieving nothing. Because who is to say what the facts are?

The Minister has not produced any audited report to tell us whether somebody has misappropriated funds. It is all in the realm of allegations. It is all a set of nonsense, Mr. Speaker. This is something that should be settled behind closed doors, in a room somewhere between these two groups of individuals, Mr. Speaker, but it is not helping our footballers.

You have situations where the Permanent Secretary in the Ministry of Sport, who I know quite well and I think is a very decent individual, being accused of sending an email to say that the reason the Ministry is not funding the football team is because of the abysmal performance of the team. You have the Minister of National Security being accused—and the Minister of Sport has admitted it—of writing a letter saying that not one cent should be given to the Trinidad and

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Tobago Football Federation by the Government of Trinidad and Tobago until the federation complies with his demands that a particular individual be nominated for presidency of the Caribbean Football Union.

What is going on in this country? It is happening in every single sport, Mr. Speaker, these unseemly battles between the Minister of Sport and various sporting organizations, and what happens is that it comes to the last minute—the situation was, the team was about to leave on the same day that the Leader of the Opposition was making his contribution, and only then—because it becomes a public issue and because the Government is getting a lot of negative publicity because of the way it is treating football—that is when the Minister decides, reluctantly, or venomously, he is going to release some funding to the football team. Even that was an empty promise. The funding never materialized.

It happened with the cricket team. On the eve of departure of the Trinidad and Tobago cricket team to the T-20, the Minister decides he is going to provide the funding. It is happening in all the sporting disciplines, Mr. Speaker, and I am calling on the Minister—it was fine when you were a radio talk show host, Mr. Speaker, through you. All that noisy, boisterous behaviour, all the quarrelling, shouting and fighting with people, that was fine when you were a radio talk show host, but you are a Minister now, and you have to understand that this unseemly behaviour—Mr. Speaker, through you—is having a deep psychological adverse effect on our young sportsmen and sportswomen, Mr. Speaker. [*Desk thumping*] What is going on? Every single day, press conference—

Hon. Member: “But they winning gold.”

Mr. C. Imbert: Yes. It has nothing to do with—

Hon. Member: “Bovell win five golds.”

Mr. C. Imbert: In Olympics, yes. That is true—nothing to do with the Minister of Sport; nothing to do with him or his Government. The only reason our athletes or our sporting teams are having any success at all on the world stage is because of their natural talent, Mr. Speaker. It has nothing to do with them—absolutely nothing to do with them. [*Interruption*] Yes, okay. If you think that is not so—

Let us look at what happened with the—Mr. Speaker, how much more minutes do I have?

Mr. Speaker: You have just about five more minutes.

Mr. C. Imbert: Thank you very much.

Mr. Speaker, these are the facts with respect to the 2014 World Cup fiasco: Trinidad and Tobago's failure to advance to the next round of the World Cup 2014 had nothing to do with the Trinidad and Tobago Football Federation but rather with the former FIFA Vice-President who ensured that Trinidad and Tobago did not play a single game for 10 months prior to the qualifying rounds.

All the other teams in the competition playing matches—all of them—but our national team did not play a match prior to the qualifying rounds for 10 months, Mr. Speaker. That is what went on. That is the support that the Minister of Sport and this Government gave to our national team. You are sending them into competition, and for 10 months you have the team inactive.

They played one game against India just before the qualifier; you expect them to win? I mean, common sense will tell you that a team that has been inactive for almost a year is going to be at a severe disadvantage when it goes into a major international sporting competition.

Mr. Speaker, the Minister of Sport is supporting all of this—he is supporting all of this. There is some vendetta that the former Vice-President of FIFA has against the people in TFFF, and the Minister of Sport is aiding and abetting in this vendetta, Mr. Speaker, and it is having a deleterious and adverse effect on sport in this country.

Football is being starved of money. Football is the majority sport in this country. The majority of young people in this country participate in football like no other sport, and you have the Trinidad and Tobago football teams being starved of funds, and yet you could spend \$36 million on something called “Hoop for Life”—\$36 million, Mr. Speaker! You cannot give 36 cents to our national football teams and you cannot promote the playing of football leagues throughout Trinidad and Tobago.

Something is wrong with this Government, Mr. Speaker. Something is wrong with this Government. Look at what happened to our national cricket team. The national cricket team was going off to the champions league—no money for them because there is a big dispute between the Minister of Sport and the management of our cricket team. On the eve of their departure the Minister says, “All right, I will give them money”. We got knocked out of the competition. What do you expect when this is the pattern of the Government—this punishment and this reign of terror against various national sporting organizations in this country, Mr. Speaker? It is a reign of terror!

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How do you think the cricketers feel? How do you think the footballers feel when they see the people who are charged with management of their sporting administration is in a battle with the Minister in every single sport, Mr. Speaker? In athletics, the Minister is having a huge battle with Ephraim Serrette from the Trinidad and Tobago Amateur Athletic Federation. “Not a cent for athletics in Trinidad until they do what I say. Not a cent for cricket until they do what I say. Not a cent for football until they do what I say.”

I am not getting into details because I was not there; I have not seen the accounts; I “doh” know who give which accounts to which accounts. What I do know is that in this particular matter, All Sport’s story is consistent. They say they delivered the documents in January of 2012; they say they got no response from the Ministry for almost a year. That is their story. They are consistent with their story, and the Minister keeps changing his story. First, he says he got something for five million; then he got something for 11 million. Then he says they did not tell him All Sport Promotions was involved; then you hear that he endorsed Anthony Harford; then you hear he did not know Anthony Harford was involved with All Sport.

I mean, he is spinning around like a top, Mr. Speaker, but I am not going to get into that.

Mr. Speaker: You have 50 seconds.

Mr. C. Imbert: Thank you.

I am not going to get into that. I am just appealing to the Minister. This confrontational and aggressive style that the Minister has, it is having a severe, adverse, psychological effect on our young sportsmen and sportswomen, and I am appealing to the Minister, stop your confrontational style and try and properly support the development of sport in this country.

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

The Minister of Sport (Hon. Anil Roberts): Thank you, Mr. Speaker. I never thought I would reach the day when I will have to stand here and listen to the Member for Diego Martin North/East talk about what makes athletes perform. I know he is an expert in everything. However, not being a debater—it is not my top skill—my main skill and my passion is in coaching, having coached the first ever black woman to make an Olympic final, an Olympic bronze medallist; two Pan Am gold; two Pan Am silver; one world record.

This is what I do, coaching. So debating is not—I am not as good. This is about my sixth best skill but, however, debating is the forte of the Member for Diego Martin North/East. In fact, on many occasions I have stated how brilliant he is at debating; how he researches so well, and you see, he gets a lot of practice with these Motions and so on. But, unfortunately, just like every great athlete, you sometimes know when it is time to retire when you start slipping because, as a debater, clearly, the Member for Diego Martin North/East is not at his best. So it would be a bit of an unfair advantage now, as I take advantage of him, because starting off with the Motion itself, Mr. Speaker—the Motion that says: The adverse consequences of the delay in providing appropriate funding for the national football teams and the public dispute between the Ministry of Sport and All Sport Promotions.

Let me just say first and foremost, the Motion is of no substance because the Ministry of Sport has no relationship whatsoever with All Sport Promotions. What happened, the Trinidad and Tobago Football Federation is an autonomous body, just like all NGBs. They handle their own business: they employ people; they handle their crews; their coaches; their suppliers. They are autonomous. Now, the Ministry of Sport recognized Mr. Anthony Harford as the chairman of the authorization committee. Now, what was this authorization committee? There were some problems with the TTFE. First and foremost, as we came into Government, the general secretary of the TTFE, Mr. Richard Groden, presented this document to the Ministry of Sport.

8.20 p.m.

This was presented in January of 2011 for the World Cup qualification and it asked for an amount of \$25.8 million. A cursory analysis of this document showed that it was very much overstated and in many instances absolutely ludicrous. For example, it stated that the assistant coach, Mr. Ross Russell, was getting \$120,000 a month. When we did an investigation, we saw that he was actually being paid \$10,000 a month. So, each month it was exaggerated by \$110,000. So, we could not operate under this way.

Secondly, a few months later the TTFE became insolvent and there was a judgment against them, so they became insolvent and we did not know, as a Government, as a Ministry, how much money they owed. Therefore, it became necessary to create—in order to move football forward and to ensure that the footballers get their funding—a mechanism that could be trustworthy, accountable, transparent in the vision and implementation of all policy of the

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People's Partnership. Mr. Anthony Harford, at that time, was put forward along with other members and he was recommended as the chairman. The Ministry, the Permanent Secretary, had no problem, because Mr. Harford had a great track record and so on and his committee, so the authorization committee was formed.

Now, that is where the problems started. So, as we notice here, and it is with great—you know, sometimes the Member for Diego Martin North/East—I am not saying that he does it on purpose but he misleads this House on so many occasions. This issue has been brought into the public domain by Mr. Harford for about six weeks. Since September 10, he has been talking on every form of the media. The only time the Minister of Sport spoke was when the Member for Diego Martin West got up in this House during his budget debate and attacked—*[Interruption]* Mr. Speaker, please.

Mr. Speaker: Just a minute. Member for Diego Martin Central, Member for Point Fortin and Member for Diego Martin North/East, I would like to appeal to three of you in particular to allow the Minister of Sport to speak in some degree of silence. Please continue, hon. Member.

Hon. A. Roberts: Thank you Mr. Speaker, could I have injury time, please.

Mr. Speaker: Yes.

Hon. A. Roberts: Thank you. Now, in this case—he is still going on—and I would like the population to follow, the TFFF, through this authorization committee chaired by Mr. Harford, presented budgets and was now in charge of all funding for all football in Trinidad and Tobago, whether it be senior team, World Cup, Under-17, Under-23 men's, women's, girls' and so on. So, all money was pumped through the authorization committee to the footballers.

Now, the problem arose when, on March 17, the Permanent Secretary had to write Mr. Harford to ask about some reconciliation of some accounts and ask, based on the Under 17 and Under 23, to provide bills, invoices and receipts. He did this and then that account was closed. Then, the original accounts in the discussion here, the World Cup 2011, the statement of accounts was presented. It was presented on January 16. Now, once accounts are presented to the Ministry, it goes through the normal procedures, the accounting staff and then the Permanent Secretary will say: "Okay, these things look good." But there is one problem, every Ministry, at the end of the financial year, is audited by the Auditor General. You go, there is an entry meeting and an exit meeting.

On the exit meeting, which was around September, there were some issues and questions asked by the Auditor General of the Republic of Trinidad and

Tobago, the Auditor General's Department, not the Minister. The Minister had nothing to do with this. It is the Auditor General, and the Auditor General, in this document here, asked and queried many things. Some of them were the nature of the payments that could not be ascertained for the management fees of All Sport Promotions and also that the expense of the All Sport Promotions should have been to the TTFE who hired them and not to the Ministry.

There were also questions about a payment of \$992,900 that was given to Mr. Harford in order to be given to the manager, Mr. David Mohammed and the goalkeeper coach, Mr. Michael Maurice, and the rest of the staff. These people have not been paid up to now. So, this question to Mr. Harford from the Auditor General's Department—not from the Minister—is: “Where de money gone?” because this money was specifically to pay certain people, manager David Mohammed, Michael Maurice, coach. They have not been paid up to now but the money was given. This is the document by the Auditor General, not the Minister.

There was also another question about \$936,250 as All Sport fees. There is also a critical element asked by the Auditor General's Department. There is a category in that \$11 million, of \$1.4 million payment to TTFE expenses. The Auditor General has asked Mr. Harford to bring the bills, invoices and receipts for all of these things.

Now, Mr. Harford claimed, in a letter to the Permanent Secretary on September 19, that he had, and I quote:

The receipt of accounts which provide full details of expenditure along with invoices, bills and receipts.

Mr. Harford claimed, at that time, that he had given all the bills, invoices and receipts. But today's *Newsday*, here it is, Mr. Harford is admitting that he met with the Auditor General's Department and right now he is trying to gather, along with Bruce Aanensen, another man who spoke. What is he trying to gather? Bills, invoices and receipts.

You see, in this Government no matter who you are, whether you are a doubles vendor, or someone receiving the grants, whether differently abled or pension or any scholarships, you have to be accountable. Accountability is for everybody, from the smallest man to the biggest man, whether you lime with the Member for Diego Martin North/East in Queen's Park Oval with Bruce Aanensen or Mr. Tony Harford, accountability is for everybody and this seems to be a problem. I do not understand what the Member for Diego Martin North/East is saying.

Now, furthermore, the Member for Diego Martin North/East says that—so, Mr. Tony Harford claimed that he had given bills, receipts and invoices. He has not, and this is the whole issue. It is not personal, it is not emotional, it is just simply, “account for the people money, please” and I am glad to read that he is going to bring the bills, invoices and receipts.

Furthermore, this issue brought up by the Member for North/East, he claims that the Minister of National Security wrote the Minister of Sport and funding stopped for football. Okay, very good. The Minister of National Security did write the Minister and gave his opinion, just like you could give me your opinion, the Member for Diego Martin West. Every citizen in this country has a right to provide any Minister with information and give an opinion. It is then up to the Minister to assess the information and move to suit. So, the claim by the Member for Diego Martin North/East, ladies and gentlemen, is that the Minister of National Security instructed the Minister in April to stop funding.

Now, the problem is in this email here written by Mr. Anthony Harford to two of the Prime Minister’s top advisors, Mr. Shem Baldeosingh and Mr. Dave Tancoo, on September 10, 2012, it tells a different story. Because, let me, first of all, state, the Member for Diego Martin West claimed that the letter was April 20 or 24 from Minister Warner. Mr. Anthony Harford claims, when writing Mr. Shem Baldeosingh and Mr. Dave Tancoo:

Out of a sense of concern—says Mr. Harford—I am sending this note to advise of an impending action that will not redound to the good of the image of the Government. As I have repeatedly indicated, the Ministry of Sport has not given a cent to football since March this year.

Well, let us see what the Ministry of Sport gave to football since March this year. March 01, 2012, TTF \$992,900 for staff fees; March 03, \$1 million for the Under-23 Men’s football team; April 17, \$1.5 million to cover football to Panama, Florida, Guatemala, Under-17 Girls; April 04, \$440,543; April 11, \$387,636; April 23, \$667,559; June 11, \$42,614; September 11, \$351,920. Mr. Speaker, funding has never stopped for football. Funding has continued and will continue as it always has. The players reached St. Kitts because the Ministry paid the tickets.

This, now, goes on—[*Interruption*] Mr. Speaker, please. Injury time, please. In this email, now this is very instructive, this e-mail by Mr. Harford is not now in October, this email to the Prime Minister’s advisors, hear what he said:

Gentlemen, we owe providers of small services—this is September 10—like bus drivers, caterers, team managers, coaches, doctors, clinics and support staff.

He got the money for support staff. "Where de money gone?"

Some people have gone out of business. My company is now owed \$600,000. His company is not owed anything. His company paid himself. Himself, the chairman of the authorization committee, paid himself \$935,250. He continued:

The TTFE plans to make all of the above public next week. Threatening on September 10, the Prime Minister's advisors.

The TTFE plans to make it public next week. This would be another PR blow to the Government, which we cannot afford.

This is Tony Harford.

I can also tell you with certainty that a letter written to Minister Roberts by Minister Warner asking him not to give a cent to football will be part of that press conference.

September 10, Tony Harford writing to the Prime Minister's advisors threatening them, when all that was necessary was "account for the people money please." You got money, Government money, bring the bills, bring the invoices, bring the receipts.

He continued:

The letter written to Minister Roberts by Minister Warner, asking him not to give a cent to football will be part of that press conference. It will be proved that not a cent was given after that letter was sent.

Mr. Speaker, I repeat, the letter was April 20.

Here is what occurred after April 20. On April 23, \$667,000. So, after Minister Warner's letter, money flow, \$667,559. Also, on June 11, after Minister Warner's letter, \$42,614; September 11, after Minister Warner's letter, \$351,920.

Mr. Speaker, let me just tell the Member for Diego Martin North/East that in this Government, whether you are a small man, poor man, rich man, man who feel "dem" in bank, man who lime together, all must be accountable, because since this Government has come on, we came on the shoulders of Geddes Granger. We came here on the backs of people who believe in equality, transparency and accountability and I would let the Member for Diego Martin North/East know all must account because since 1970, "Massa Day Done".

Mr. Imbert: What about the footballers?

**Downstream Energy Projects
(Commencement of)**

Mr. Colm Imbert (*Diego Martin North/East*): Thank you, Mr. Speaker. I can say with certainty that this Minister will answer the question. Footballers “eating Crix and drinking water and you talking this set ah stupidity”. Sorry , Mr. Speaker.

Mr. Roberts: What is really going on here?

Mr. C. Imbert: Let us deal now with the second Motion. Suffering in St. Kitts! Today—[*Interruption*]

Mr. Roberts: “Yuh lying.”

Mr. Speaker: Could you withdraw that?

Mr. Roberts: Withdrawn, Sir.

Mr. C. Imbert: Thank you, Mr. Speaker.

Miss Cox: There are mad people here boy.

Miss Mc Donald: “Yuh cyah tell me tuh hush?”

Mr. Speaker: Member for Port of Spain South.

Mr. C. Imbert: Mr. Speaker, “ah go” need some injury time here, you know. Thank you. [*Interruption*] “Yuh” mean start. When I looked at this particular Motion, which deals with the drastic reduction in oil production, the adverse economic consequences of that problem and the delay in the commencement of certain downstream energy projects, I began to wonder: what is the problem?

8.35 p.m.

I took a good look at the Minister’s contribution in the other place, where the Minister spoke about certain projects and sought to give us reasons why projects announced by the former Minister of Finance in the previous budget address with respect to downstream energy had failed to materialize, and I wondered what is the problem. Why is it that we heard that we were going to have all sorts of investments in energy? I am reading now from the budget statement of the former Minister of Finance in 2011, and this is the section on energy, page 14, of that budget statement.

“The Government anticipates that in 2012, some US \$2.5 billion would be spent in the energy sector on ongoing and new projects.”—additionally—“petrochemical companies will add another US \$1.4 billion in the new downstream projects in 2012.”

So that is this year, when all of that was supposed to happen.

“Firstly, the AUM 2 project which will produce melamine. This facility has an estimated capital cost of US \$1.9 billion...will create more than 3,000 jobs during the construction period and 450 permanent jobs on completion.”

This is Minister Dookeran speaking just a year ago.

“Secondly, there is the CariSal Project. Government in conjunction with the US firm CariSal will construct”—this is a positive statement—“a plant to produce calcium chloride, caustic soda and other related products for the domestic market, as well as markets in the Caribbean...

...the CariSal”—plant would—“begin in 2012, at an estimated cost of US \$430 million with the potential to create more than 200 jobs during construction and operation.

...as we look to the period 2012—2015...we see the prospects of developing a number of new projects in the energy sector... These projects are:

- Reliance Bitumen Upgrader project;
- Methanol to Polypropylene...
- Methanol to Acetic Acid...”

Maleic Anhydride project:

- “● Melamine derivatives project.”

So the former Minister of Finance announced with great fanfare, in the last budget statement, that we would have the AUM project, we would have the CariSal project, and then later on we will have Reliance and methanol to polypropylene, and so on, and so on, and so on. None of these projects have come to fruition. None, and I wonder why? I looked at what the Minister said. What did he have to say about these projects? Let us look at specific statements made about the specific projects. I have the Minister’s *Hansard* with me, Mr. Speaker, and let me deal first as he dealt with the AUM project, I believe.

The AUM 2 project, Madam Vice-President—he was speaking in the Senate—is a project that was proposed by Methanol Holdings Trinidad and Tobago Limited. That project was given the green light by the Government in February 2011.

I guess that is why the Minister came later on in 2011 and indicated that it would start in 2012. The Minister of Energy and Energy Affairs is now admitting, almost

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two years have passed, there is a shareholders' dispute and the project was basically on the starting block. He talks about a judgment and then says, well, when that court matter is finished the AUM project would go ahead. So, that is the reason given for no AUM project, shareholders' dispute.

Let us come now to SABIC. SABIC/Sinopec project negotiations are being delayed as SABIC sought an independent assessment of national gas reserves in Trinidad and Tobago, and they have another round of meetings in November 2012. Then he says:

So, SABIC projects stuck because SABIC wants to find out whether we have natural gas or not. The CariSal project has been hampered by issues with financing, particularly from the Inter-American Development Bank and we are working with everybody to try and fix that.

Reliance. The Reliance project has proposed a new model which they would use heavy oil from Trinidad and Tobago as opposed to bitumen from Colombia. We are currently assessing that model—and you know his colleagues thumped the desk.

He is announcing that projects that were supposed to have started in 2012 have failed to materialize and his colleagues [*Member thump the desk*] thumped the desk. That is why I wonder what world they are living in, Mr. Speaker, and that is why, today—[*Interruption*] No, no offence. It is a little distracting—when I heard all this talk about us coming off the FATF grey list and then I heard the Minister trumpet with sound, I would not say fury, we are on no list. Well, you are definitely on a list and I will now inform the national community what list this Government is on, because all this talk about coming off the list, the FAFT list, that they put us on in September 2010—

Mr. Speaker, this is a Government that celebrates mediocrity. They put us on a list two years ago. It took two years to come off the list and we must applaud them for that. Celebration of mediocrity, but let me tell you what list Trinidad and Tobago is on.

In 2010, Trinidad and Tobago was on the Corruption Perception Index list, and Trinidad and Tobago was at number 73 on that list. Italy was at 67, Brazil was at 69, Greece was at 78, Trinidad and Tobago was at 73, and our Corruption Perception Index rating was 3.6, where 10 is the highest score, zero is the lowest score and anytime you are below five you have a problem. December 2010, under this administration, we were at 73. Let me tell you what list we are on now.

The Corruption Perception Index for the year ending 2011 was published a short—

Mr. Speaker: Member, if you could link that—

Mr. C. Imbert: I will link it. I will, Mr. Speaker.

Mr. Speaker:—to those [*Inaudible*] declining oil production.

Mr. C. Imbert: Mr. Speaker, I will most certainly link it. I am coming there. Trinidad and Tobago is now dropped 18 points on the Corruption Perception Index, and on the 2011 list we are now at 91 with Liberia, Albania, Serbia and Bulgaria. That is the list that Trinidad and Tobago is on—No. 91 on the Corruption Perception Index list, now at 3.2. The lowest possible ever.

Mr. Speaker, I will link it because, you see, this Motion has two components. Firstly, oil production has dropped from 100,000 barrels a day in May 2010—
[*Interruption*]

Dr. Rowley: [*Inaudible*]

Mr. C. Imbert: Precisely—it is now at 80,000 barrels a day. That is a 20,000 barrel a day drop in oil production, Mr. Speaker. Do you know how much money that is? That is \$3 billion per year in direct revenues from oil that this country has lost. Three billion dollars every year, and the contribution to GDP is about \$10 billion. So we have lost about \$10 billion of our GDP because of the failure of this administration to stop the decline in oil production in this country. We have lost 20,000 barrels. We are losing \$3 billion a year in direct revenues to the Government and \$10 billion in GDP.

So, if that is what is happening in the oil sector, we have to look at what is happening in downstream petrochemicals, and that is why I brought up the AUM plant, the CariSal plant, the Reliance plant, the SABIC—but who wants to invest in a country, Mr. Speaker, which is No. 91 on the Corruption Perception Index?
[*Desk thumping*] All this talk about off the FATF list that you put us on, we are now No. 91 and let me repeat, with Serbia, Bulgaria, Liberia, Bosnia and Albania. That is where you have put Trinidad and Tobago. [*Desk thumping*] That is the list you put “we” on.

So, Mr. Speaker, I doubt any foreign investor will want to invest in this country when they see that kind of listing for Trinidad and Tobago—No. 91. So, let us go to the issue at hand.

Hon. Member: Finally!

Mr. C. Imbert: No, let us go to the issue at hand. Mr. Speaker, how many more minutes do I have?

Mr. Speaker: You have until 8.49.

Mr. C. Imbert: Oh, plenty time. So, Mr. Speaker, let us go now directly to the issue at hand. I will read now an article written by Mr. David Renwick, and all of us who know Mr. Renwick—the Minister knows him. I know him—very knowledgeable person; knows a lot about energy in this country. I see he gives the Minister a lot of publicity.

Hon. Member: Praise.

Mr. C. Imbert: Not always the best, but he gives him a lot of publicity. So we have an article here from March 21, 2012, “Double whammy for energy production” and this is what Renwick says:

“Trinidad and Tobago’s plummeting crude oil production situation is not just alarming.

It is terrifying.

Latest data available to me shows the country’s liquids production to have been 84,988 b/d in December, 2011.”

Well we are lower than that now, Mr. Speaker. I actually downloaded the latest figures available from the Ministry of Energy and Energy Affairs, and for August 2012 we had 81,776. So we dropped from the 84,988 in December 2011 to 81,776 in August 2012. So we are going down, down, down, but let us deal with what Mr. Renwick is saying in March 2012:

“Thirty-four years ago, Trinidad and Tobago was producing an average of 229,589 b/d per day.”

And the problem is—he says that 84,000 barrels:

“...is a disaster, depriving us of hundreds of millions of dollars in Gross Domestic Product.”

I have actually worked it out at \$3 billion per annum. If we could recover that 20,000 barrels of oil per day that we have lost in the two and half years that they have been in office, we would get back \$3 billion a year in revenue. He makes the point:

“That 84,988 b/d is not all crude oil; in fact, 16,520 b/d of it is what is known as condensate...”

What has happened in Trinidad and Tobago, and the Minister has spoken about it, is that the production of condensate in Trinidad and Tobago has virtually collapsed within the last 12 months.

Now, I sincerely hope the Minister is not going to come and make a set of excuses and tell us that BP had to shut down their platform, and that they have maintenance work. “Ah tired hear that, Mr. Speaker.” I am tired of that. I am a citizen of this country; I have looked at our oil production decreasing; I have heard Ministers come and Ministers go, talk about all kind of investments in the energy sector and they have failed to materialize. We are in a situation now where our oil production is lower than it was in 1960. We have the lowest level for 50 years, and there are all sorts of things that can be done.

Mr. Speaker, we could increase the farm-out programme to the private sector, we could look at private sector involvement in Trinmar, but “de fraid to do dat” because they do not want to have a proper dialogue with the trade unions. “Dey fraid.” They do not want to have proper dialogue with the trade unions. “Dey fraid.” Sure! We could deal with enhanced oil recovery systems by using carbon dioxide, and the Minister is familiar with all of these things, but we are just twiddling our thumbs. We are just spinning around in one place. We are losing billions and billions of dollars in revenue, and foreign investors are failing to invest in Trinidad and Tobago.

I know the Minister is not going to behave like the Member for D’Abadie/O’Meara. He is not like him at all. So I expect to hear some proper technical information, I expect to hear something scientific, and I am sitting down now to be educated by the Minister of Energy and Energy Affairs. I want to know what is being done in this country to deal with our terrible oil production situation, and the fact that companies are not investing in the downstream energy sector.

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

The Minister of Energy and Energy Affairs (Sen. The Hon. Kevin Ramnarine): Thank you very much, Mr. Speaker. Mr. Speaker, 15 minutes is a very short period of time to deal with what I want to deal with, so I will get straight into the meat of the matter.

First of all, I will deal with an issue which I planned to deal with last, which is the issue of the investments in the downstream sector—since you dealt with that first.

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Mr. Speaker, the Member quoted from my *Hansard* and, of course, *Hansard* is a true reflection of what I said on Monday, and I just wanted to add to what he said because what he read in the *Hansard* there constituted what would have been my reply in this Motion.

Dr. Rowley: Eh!

Sen. The Hon. K. Ramnarine: The same thing I said on Monday, I would not be much different from what I would say today. [*Crosstalk*]

Mr. Speaker—I hope I get some injury time—I will—[*Crosstalk*]

Mr. Speaker: Could you address the Chair?

8.50 p.m.

Sen. The Hon. K. Ramnarine: Mr. Speaker, with regard to the development of downstream energy projects announced in the 2012 budget, the following should be noted: the last downstream energy project under the previous Government started in 2006 and that was the AUM1 project. That project was developed since 2002/2003 and was a private sector initiated project. It is a fact that the endless list of downstream projects initiated by the previous administration were mired in controversy and issues which resulted in no projects, with the exception of the AUM2 project. I have gone through every budget speech made by the previous administration and on 34 occasions, they mentioned downstream projects and the only one that materialized was the AUM2 project.

I will just give an example. In 2009, Mr. Speaker, Karen Nunez-Tesheira, Minister of Finance, CariSal project mentioned in 2009, Alutrint, gas to polypropylene, maleic anhydride, methanol to power—[*Loss of audio signal*]

Mr. Speaker: Hon. Minister, please. I would not want you to give a reply and it is not into the *Hansard* and something definitely is wrong with the system as we speak.

Hon. Member: Come in the back. [*Senator moves to the backbench*]

Mr. Speaker: If you—yes.

Sen. The Hon. K. Ramnarine: Mr. Speaker, I hope that I will get the appropriate compensation.

Mr. Speaker: Yes, continue.

Sen. The Hon. K. Ramnarine: So, Mr. Speaker, the context is that as compared to 10 years ago, there has been a difficulty in getting downstream

projects started in Trinidad and Tobago, not today but over the last decade. As I said, the one project that the previous administration was able to start and finish was the AUM1 project. Domestic gas prices for new projects are significantly higher than they were 10 years ago due to higher lifting costs by upstream companies. I think Members opposite and on this side know that. There is the added dynamic of the impact of shale gas on gas prices in North America. This has positioned North America as a competitive location for energy projects, so we now have to compete with North America for investment.

Thirdly, community consultation and involvement is now a critical step in the development of these projects. We do not wish to repeat, Mr. Speaker, the mistakes as occurred with the residents of La Brea and Point Lisas south for the Alutrint and Essar projects. I will now give a brief update again on the projects. The methanol to polypropylene and methanol to acetic acid projects which is the SABIC/Sinopec project, as the Member had said from by quoting from my *Hansard* from the budget debate. SABIC has requested an independent assessment of national natural gas reserves for Trinidad and Tobago. That evaluation was completed in August 2012 and another round of meetings is scheduled in November.

With regard to the AUM2, the Member, again, quoted me from the budget debate—the AUM2 is a project proposed by Methanol Holdings Trinidad Limited. The shareholders of that company are Clico, 56 per cent, and 44 per cent Consolidated Energy Limited which is three German companies: Proman, Helm and Ferrostaal. Those shareholders, of course, are in arbitration and the judgment is pending with regard to that arbitration and that has cast a shadow over that project. The CariSal project has been hampered by issues with financing particularly from the Inter-American Development Bank, and we are working with all parties to see how Government and the NGC can facilitate that project.

The Reliance Upgrader project: Reliance has proposed a new model using the heavy oil from Trinidad and Tobago as opposed to the original concept of feedstock, bitumen feedstock from Colombia. The Government is also in discussions, as we always are, with other prospective investors for other petrochemical projects. These projects will shortly be presented to the standing committee on energy. So, Mr. Speaker, that answers the latter part of the Member's Motion.

The first part of his Motion had to deal with the decline in oil production—something which is, of course, a concern. Oil production in Trinidad and Tobago, national oil production, has been in decline since 2006, and has declined every

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year since. At present, oil production inclusive of condensate is 83,400 barrels of oil per day. The decline in oil production in the last two years in particular was driven by a significant decrease in condensate production from BP. Between January 2011/December 2011, condensate production fell by approximately 13,600 barrels of oil per day, for which BP accounted for 9,300 of those barrels.

The main reasons for this decline are:

1. The maintenance work being conducted by BP leading to the sequenced shutdown of platforms;
2. An increase in dry-gas production, meaning that we are producing more biogenic gas instead of thermogenic gas—which is dry gas.

Hon. Member: Explain that! Explain that to them.

Sen. The Hon. K. Ramnarine: Biogenic gas is dry gas hence less liquids, hence less condensate.

3. The maturing of existing natural gas fields and a concomitant lowering of natural condensate yield.

But, Mr. Speaker, this is the second time the Member has caused me to come to the Lower House to deal with this issue. I thought I would give a—[*Interruption*]

Mr. Imbert: It will not be the last!

Sen. The Hon. K. Ramnarine:—a bit different answer this time. Last time, I was very technical and to the point.

Mr. Samuel: He did not understand. [*Laughter*]

Sen. The Hon. K. Ramnarine: Mr. Speaker, in the budget debate just concluded, I was told by one Opposition Senator that we had no energy policy and that they had an energy policy, and that that energy policy of the PNM led to Point Lisas, LNG and AUM1 and so on. That betrayed, Mr. Speaker, the truth about the so-called energy policy. It has always been focused on natural gas. In fact, now that I think about it, I have never once heard Prof. Ken Julien speaking about oil production; it has always been a focus on national gas. Nothing is wrong with that focus and it has benefited this country, but it has come at the expense of the oil industry. The Member for Fyzabad, his entire constituency sits on the foreign reserve for [*Inaudible*].

Hon. Member: He is an oil man! [*Laughter*]

Sen. The Hon. K. Ramnarine: The period 2002—2010, there was little or no emphasis on oil production. In that period, Petrotrin, the country’s national oil company, focused on its refinery projects which were the Gasoline Optimization Programme, the GOP, and the gas-to-liquids projects. Collectively, those projects have cost Petrotrin TT \$14billion.

Hon. Members: “Oh lawd!”

Sen. The Hon. K. Ramnarine: One has been referred to arbitration and may further expose Petrotrin to liability. The others suffered from significant cost overruns and schedule slippage as a result of what they called a cost reimbursable contract being awarded to Bechtel.

Mr. Speaker, there was an almost total neglect of Trinmar under the previous administration. Trinmar was left to decay and rot and literally fall—[*Senator holds up document*]

Mr. Speaker: Give the Senator the chance to show the graph.

Sen. The Hon. K. Ramnarine: Mr. Speaker, I repeat, Trinmar was left to decay, rot and to literally fall into the Gulf of Paria. People were talking about an energy cliff so I went and I decided to find the energy cliff.

Hon. Member: Let us see it.

Sen. The Hon. K. Ramnarine: This is the production of the country’s most valuable oil and oil-producing asset, Trinmar, and you could see the cliff. The cliff was between the years 2004—2010 when production in Trinmar collapsed.

Hon. Member: Oh my goodness! Wow!

Sen. The Hon. K. Ramnarine: Trinmar in 2004, as the graph would show, was producing—[*Interruption*]

Mr. Speaker: All right, yes, I think we have seen it. [*Laughter*]

Sen. The Hon. K. Ramnarine:—35,000 barrels of oil per day, and by 2010, that had collapsed to 22,000 barrels of oil per day.

Mr. Speaker, we have rescued Trinmar from destruction. [*Desk thumping*] I am pleased to announce that the new licence for Trinmar will soon be taken to Cabinet. It replaces the 30-year lease that was signed in 1982. Mr. Speaker, 21 wells have been drilled in Trinmar between 2011 and 2012 and there was a discovery of oil in what is called Cluster 6. That is, of course, the now Jubilee find. It represents the first major discovery by Petrotrin in over a decade. [*Desk*

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thumping] Mr. Speaker, Petrotrin has been refocused on oil and gas production and that is the strategic focus of the company. [*Crosstalk*] Well, the investments take time to materialize into production.

Mr. Imbert: “Or!”

Sen. The Hon. K. Ramnarine: What are the reasons for Trinmar’s decline?

1. Little or no investments from 2004—2010 as emphasis was placed on the GTL and GOP projects;
2. The shut in of platforms in Trinmar in fiscal year 2007. Our colleague from Pointe-a-Pierre would know that;
3. A three-year drilling hiatus in Trinmar from 2008; In fact, no drilling was done in 2008 and 2009. Absolutely none! [*Crosstalk*] 2008 and 2009—
[*Interruption*]

Mr. Speaker: Can you focus on the Speaker and forget—[*Inaudible*]

Sen. The Hon. K. Ramnarine:

4. National production decline made more apparent by absence of drilling;
5. Infrastructure and asset reliability issues, particularly as many of Trinmar’s facilities are over 50 years old;
6. Very important, capacity constraints in particular pipelines, limited offshore processing of crude, and limited gas lift facility, because, Mr. Speaker, the majority of Trinmar’s production is a function of what they call gas lift and that is a function of compressor reliability.

Mr. Speaker, overall the major growth initiatives and projects as we move forward include:

1. We have completed the largest 3D seismic on land in the history of Trinidad and Tobago; [*Desk thumping*]
2. In Trinmar, a full year of drilling is to be undertaken with a quicker turnaround time in bringing new wells into production;
3. Most importantly, the south west and west Soldado Re-Development Project which involves drilling new wells and reactivation of inactive wells, with first oil from reactivations from the first quarter of this fiscal year, that is this quarter;
4. The development of the Jubilee Field, that is the Cluster 6 area, in fiscal 2013;

5. Acquisition of new 3D seismic survey, 3D seismic data in Trinmar;
6. Accelerated work-over programmes on land and Trinmar with an additional work-over rig being engaged in Trinmar.
7. Asset integrity programmes;
8. De-bottlenecking of gas distribution systems, particularly in Trinmar, to improve gas injection against gas lift which lifts the oil out of the ground.

Mr. Speaker, in 2013, this fiscal year, Petrotrin will spend TT \$1.7 billion on Trinmar, and in total will spend \$2.5 billion on its overall exploration and production portfolio. Mr. Speaker, \$2.5 billion is still less than the \$3 billion that was spent on the gas-to-liquids project.

In the *Review of the Economy*—Mr. Speaker, how much more time do I have?

Mr. Speaker: You have just two minutes and about 50 seconds.

Sen. The Hon. K. Ramnarine: In the *Review of the Economy* for 2012, one would have observed that the energy services sector, a very important aspect of the wider energy sector, grew by 34 per cent, something which escapes many Members opposite. That growth is a function of activity and not output. We are witnessing unprecedented levels of activity in the upstream sector.

Today, there are six rigs working offshore: two working for BP, one working for Niko, one working in Trinmar and two working for Bayfield and a seventh rig, the Diamond Ocean Lexington, is expected by the end of the year to work for Centrica and BG. That will bring our offshore rig count to seven. I have never seen it that high. That is why the service sector has recorded 34 per cent growth in 2012. It is an unprecedented level of activity aimed at increasing oil and gas production. That is offshore and I will say that the activity level is the same on land. In total, in fiscal 2013, 19 exploration wells will be drilled. [*Desk thumping*] That is unprecedented.

Companies, Mr. Speaker—and I put them on the record for *Hansard*—like Range Resources operating in Morne Diablo and Quinam, Territorial, Trinity, Ten Degrees North are all preparing for massive drilling campaigns as we breathe new life back into land production.

Mr. Speaker, with the limited time that I have, I do not have time to touch on all issues that we have before us. I would close by saying that we expect that the

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year 2012 is the turning point for the energy sector especially as it relates to oil production, and all efforts are being taken and nothing is being spared to ensure that we reverse the trend which started in 2006. I thank you very much. [*Desk thumping*]

Question put and agreed to.

House adjourned accordingly.

Adjourned at 9.05 p.m.