

Leave of Absence

Tuesday, October 6, 1992

SENATE

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The Senate met at 1.30 p.m.

PRAYERS

[MR. PRESIDENT *in the Chair*]

LEAVE OF ABSENCE

Mr. President: Hon. Senators, I have granted leave to Sen. Surendranath Capildeo to be absent from sittings of the Senate during the period September 30 to October 9, 1992, and to Sen. Carol Merritt to continue to be absent from sittings of the Senate for a further period of 14 days with effect from October 1, 1992. I have also granted leave to Sen. Diana Mahabir-Wyatt to be absent from today's sitting of the Senate.

SENATOR'S APPOINTMENT

Mr. President: Hon. Senators, I have been advised that His Excellency the President has appointed Mr. Verne Wallace Richards to be a temporary Senator during the absence from the Senate of Sen. Surendranath Capildeo with effect from October 5, 1992.

OATH OF ALLEGIANCE

Sen. Verne Wallace Richards took and subscribed the Oath of Allegiance as required by law.

PAPERS LAID

1. Report of the Auditor General on the Accounts of Trinidad and Tobago Free Zones Company Limited for the year ended December 31, 1991. [*The Minister of Planning and Development (Hon. Lenny Saith)*]
2. Annual Report of the Law Commission for the period October 1, 1989 to September, 30, 1990. [*Hon. L. Saith*]

ORAL ANSWERS TO QUESTIONS

Private Security Firms

4. **Sen. Wade Mark** asked the Minister of National Security:

Could the Minister of National Security:

- (a) Indicate the total number of registered private security firms in Trinidad and Tobago at the end of August, 1992?

- (b) State the criteria used by the Government in determining the registration of private security firms in Trinidad and Tobago?
- (c) State the total number of security guards employed by private security firms, both precepted and non-precepted at the end of August, 1992?

The Minister of National Security (Sen. The Hon. Russell Huggins): Mr. President, the records of the Ministry of National Security indicate that between August 1972—when the first application was approved—and August 1992, fifty private security firms have been authorized by the Minister to operate as protective service agencies, within the meaning of the Supplemental Police Act.

Under the provisions pertaining to protective service agencies in the Supplemental Police Act, Chap. 15:02, there are no guidelines which the Minister may follow in deciding whether to approve an agency. However, the Minister is guided by the recommendations of the Commissioner of Police who employs the following criteria in determining the suitability of companies for registration as protective service agencies in Trinidad and Tobago:

- (i) the company must be registered in accordance with the Companies Ordinance, Chap. 31:01;
- (ii) the company's objectives, its directorate, their antecedents and citizenship;
- (iii) the level of expertise in security management;
- (iv) the solvency of the company.

There are 4,000 guards employed by private security firms in the country at the end of August, 1992. Of that number, 1,600 are precepted, and 2,400 are non-precepted. This figure does not include approximately another 2,000 precepted persons employed by statutory bodies, in-house security (private companies' domestic needs) and other governmental agencies and ministries; and 2,000 non-precepted persons employed by private security companies that have not been approved by the Minister of National Security.

There is no provision in the Supplemental Police Act that requires any person wanting to set up a private security company to obtain the permission of the Minister of National Security once the employees will not be precepted. The Government, mindful of the need to regularize the operations of private security companies, agreed on July 16, 1992 that the Attorney General and Minister of

Legal Affairs take steps to prepare draft legislation, independent of the Supplemental Police Act, to provide for the better control and regulation of private security agencies and the members thereof.

Sen. W. Mark: Mr. President, could the hon. Minister state whether, in Trinidad and Tobago today there are a number of private security firms that are now operating illegally, and could he give us an appreciation of the number of those agencies, at this time?

Hon. R. Huggins: Mr. President, it appears as though the hon. Senator did not listen to my answer carefully. I said there are no provisions in the Supplemental Police Act requiring approval by the Minister of National Security for persons who may wish to establish private security agencies when it is their intention that they do not have precepted employees. Once they require to have precepted employees, they must get the approval of the Minister of National Security.

Sen. W. Mark: Could the Minister of National Security indicate whether he is aware of the number of such firms that are operating in Trinidad and Tobago with guards that are not precepted? He has indicated that between the period 1972 and 1992, only 50 security firms have registered legally with the Ministry of National Security. I am just seeking your indulgence on this matter.

1.40 p.m.

Hon. R. Huggins: Mr. President, since there was no requirement for permission of the Minister of National Security for one to set up a private security agency, once one does not require precepted guards, I do not know where my friend expects me to get that information.

Mr. President: I think the Minister is right. You will have to ask a question within the cognizance of the Minister. What the Minister is saying is that firms can operate without the approval of the Minister.

Sen. W. Mark: Mr. President, even though firms are operating outside the ambit of his portfolio, we need to have records of these things. Could the Minister of National Security, as the person in charge of our national security, state whether he is aware of the number of illegal firms operating in Trinidad and Tobago? And that is a very straightforward question.

Hon. R. Huggins: If my friend would make that a separate question, I would inquire and answer him most appropriately.

**Security Firms
(Government Legislation)**

5. Sen. Wade Mark asked the hon. Minister of National Security:

Could the Minister of National Security state whether the Government intends to introduce legislation to govern the activities of private security firms in Trinidad and Tobago?

The Minister of National Security (Sen. The Hon. Russell Huggins): Mr. President, on July 16, 1992, Cabinet agreed that the Attorney General and Minister of Legal Affairs should cause to be prepared draft legislation, independent of the Supplemental Police Act, to provide for the better control and regulation of private security agencies and the members thereof; the main features of the legislation to include:

1. The establishment of the body to administer and effectively regulate the operations of the private security industry;
2. The introduction of a licensing requirement for private security agencies as well as registration of security guards;
3. The imposition of sanctions for failure to adhere to the aforementioned requirements;
4. Compliance with the requirements of certain standards of qualifications and training of security guards;
5. The issue of firearms to private security agencies and security guards;
6. The introduction of a code of conduct to govern the behaviour of security guards.

Drafting of the the legislation is proceeding apace and the draft bill will be tabled in Parliament before the end of 1992.

**Security Guards
(Minimum Wages)**

6. Sen. Wade Mark asked the hon. Minister of Labour and Co-operatives:

Could the hon. Minister of Labour and Co-operatives state what steps are being taken by the Minimum Wages Board to issue minimum wages guidelines and other conditions of service in respect of security guards employed by private security firms in Trinidad and Tobago?

If the answer is in the affirmative, could the Minister outline a timetable for the introduction of such legislation?

The Parliamentary Secretary in the Ministry of Agriculture, Land and Marine Resources (Sen. Stanford Callender): Mr. President, on February 14, 1991 the then Minister of Labour, Employment and Manpower Resources formally referred to the Minimum Wages Board, an independent Board, for its attention, this matter of the fixing of minimum wages and terms and conditions of service of persons employed in the private security industry in Trinidad and Tobago.

Since then, the board has met with the interested parties such as the Security Management Association of Trinidad and Tobago and the Estate Police Association and has secured information pertaining to, inter alia, subsisting wages and the terms and conditions of service of persons employed in the private security industry of Trinidad and Tobago. Evaluation of this and other relevant information is being undertaken by the board with a view to establishing guidelines relating to wages and other terms and conditions of service with regard to the security guards employed by private security firms.

The Minister of Labour and Co-operatives has communicated with the Minimum Wages Board and has asked it to expedite the exercise. It is therefore, expected that the board will shortly be submitting its recommendations in this regard to the Minister of Labour and Co-operatives.

Sen. W. Mark: Mr. President, could the Parliamentary Secretary, indicate to us whether the National Training Centre was in fact, consulted on the matter referred to, and if not why not?

Secondly, having regard to the nature and the scale of exploitation of private security guards in the country at this time, why has it taken so long—since it was some time in 1991—to bring into effect minimum wages for those private security guards in Trinidad and Tobago?

Sen. Callender. Mr. President, the Minimum Wages Board is an independent board. I believe it would go about its matters independently.

Sen. W. Mark: Mr. President, I am asking whether, the National Trade Union Centre—in your response you said a number of organizations were invited to comment—which is the umbrella body representing labour, was invited and if it was not invited, why?

Sen. Callender: Mr. President, I replied based on the information required and as I said, the board is an independent board. I am not in a position to say why the National Training Union Center was not invited.

Mr. President: Hon. Senators, the next question stands in the name of Senator Diana Mahabir-Wyatt who has asked to be excused from today's sitting.

Cynthia Riley-Hayes

The following question stood on the Order Paper in the name of Sen. Diana Mahabir-Wyatt.

- 11.** Would the Prime Minister kindly indicate when steps will be taken to implement the recommendations of the Ombudsman in his Special Report No. 1 of 1992, laid in the Senate on March 31, 1992, in connection with the injustice suffered by Mrs. Cynthia Riley-Hayes?

Question, by leave, deferred.

**CUSTOMS (CARIBBEAN COMMON MARKET)
(ORIGIN OF GOODS) (VALIDATION) BILL**

Order for second reading read.

The Minister of Industry, Trade and Tourism (Sen. The Hon. Brian Kuei Tung): Mr. President, I beg to move,

That a Bill to provide for the validation of acts and things purported to be done under or in pursuance of the Customs (Caribbean Common market) (Origin of Goods) Regulations, 1981 be now read a second time.

Mr. President, in introducing this bill I wish to remind this honourable Senate that the present Government which came into office earlier this year, understands clearly the mandate which was given to it and has set itself an objective of putting our economy on a clear and sustainable path of economic growth.

We of the Government see our objectives as trying to achieve what can be described as an efficient economy in which efficiencies are achieved in both the public and the private sectors. We understood the commitment that was given to us by the previous administration to have the negative list removed but, within the context of the removal of that list we understood that act in itself would also assist us in achieving the efficient economy that we seek. An efficient economy requires that the private sector, which has before only been given a local domestic market, needs the nudge to face outward and to seek to assist us in achieving this efficient economy by means of export-led growth.

Furthermore, it is well known that the Government must tackle the difficult job of trying to gain efficiency in the public sector. It was to this end that Sen Gordon Draper was been mandated to seek out these deficiencies.

The bill before us is intended to demonstrate to the public sector that we are serious about public sector reform and more importantly, we plan to assist them in achieving this and efficiencies as well. Today, we have a bill before us that seeks to validate certain actions and practices which the Customs and Excise Division have engaged in with respect to items under two specific customs classifications, known as Ex.48:15 and Ex.73:13. These are two headings of the Customs (Caribbean Common Market) (Origin of Goods) Regulations 1981. With respect to heading Ex 73:13 this concerns galvanized sheets less than 3 mm thick, whilst tariff heading Ex 48:15 covers toilet tissues, hand towels, paper napkins and facial tissues.

1.50 p.m.

When the new origin system was introduced on June 1, 1981 the qualifying condition for galvanized sheets was that such sheets were to be made from production arising from uncoated materials, and this qualification was applicable to the more developed countries (MDCs). Such items which were produced in the less developed countries qualified under the value added rule. Over the years since then several Caricom member states have been producing galvanized corrugated steel sheets, but the Common Market Rules of Origin really only applied to Trinidad and Tobago which was the only member state that had a plant, which met the basic qualifications for treatment of the production process, which started from imported uncoated steel sheets.

However, this plant has since been closed. The plants in the other Caricom member states were what was described as corrugating only operations which used coated steel sheets in coil form as the raw material input. The Jamaica plant used a zinc or galvanize coating operation and produced flat sheets which have proved to be unsuitable for the other plants in the region, and which as I said before, other plants were merely corrugating only operations. There has also been a shift towards the use of steel sheets with a zinc or aluminium alloy coating material. This has proved to be more attractive, as it appears to be more weather and corrosion resistant. Except for this difference, the production process is the same as for galvanized steel sheets.

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The Caricom Council of Trade Ministers have considered that both producers, namely galvanized corrugated steel sheets and zinc aluminium alloy coated sheets should be given the same treatment under the rules of origin, but meanwhile a special and temporary derogation was afforded to St. Vincent from the qualifying requirement of the production of galvanized corrugated steel sheets, from uncoated steel sheets. This derogation has expired since March 1989 to be exact.

As explained in the notes to the bill, the question of rules of origin for galvanized sheets was discussed at three meetings of the Council of Meetings of Caricom; firstly, at its 28th meeting in 1986; its 32nd meeting in 1988 and at another special meeting which was called by council in August 1988.

At this last meeting the Council of Ministers decided to grant extensions for galvanized sheets from October 1, 1988 for St. Vincent and from June 1, 1988 for all the other lesser developed countries. It was at the next meeting of council that it was agreed that both the more developed countries and the lesser developed countries be treated equally under the origin rules for galvanized and other coated steel sheets.

As I said earlier, with respect to the other tariff heading Ex 48:15 which deals with paper napkins, tissue and hand towels, the rules of origin also became a similar problem. Council of Ministers considered the inadequate supply of jumbo rolls within the Caricom region and agreed to extend the qualifying conditions which required these products to be made from materials which come under tariff heading Ex 47:01 that is from mechanical wood pulp and Ex 47:02 from chemical wood pulp.

These extensions apply to the more developed countries from July 1, 1988 and to the lesser developed countries from July 1, 1990. An appropriate amendment to the 1981 Customs (Caribbean Common Market) (Origin of Goods) Regulations was made in order to incorporate the decisions of council. The requisite legal notice was not published to deal with the decisions taken by council for galvanized sheets which affected the more developed countries after June 1, 1981, and the lesser developed countries after June 1, 1985.

Similarly, with respect to the decision of council for tissues, hand towels and napkins, no action was taken through legal notice. This legal notice which was supposed to be made should have given effect to the more developed countries after August 1, 1986, and to the lesser developed countries after August 1, 1987. Subsequently and since that time, the Customs and Excise Department has been

acting on the basis of the regulations existing since the last amendments were published. This measure before us is intended to be an appropriate one necessary to validate the actions which the Customs and Excise Division have already taken. To summarize, therefore, the measure of validation covers the following periods.

With respect to heading Ex 73:13 which covers galvanized sheets less than 3 mm thick, it is intended to cover the periods June 1, 1981 for the more developed countries, and from June 1, 1985 for the lesser developed countries. With respect to Ex 48:15 which covers tissues, towels and napkins, it is intended to cover for the more developed countries, from August 1, 1986, and for the lesser developed countries, August 1, 1987.

Mr. President, you will recognize from what I have said that the Customs and Excise Division needs the measure of protection which this bill affords to ensure that their acts protect them from any subsequent action. According to clause 2 this will deem their actions:

"...to have been lawfully and validly done or omitted to be done and no legal proceedings or other action of any kind shall be entertained in respect of or in consequence of such acts and things."

Mr. President, this is a fairly straightforward bill, I beg to move.

Question proposed.

Sen. Muntaz Hosein: Mr. President, it seems that we are moving from simplicity to straightforwardness. The Minister tells us that it is a very simple, straightforward bill and with experience over the last nine months, whenever any Government Minister tells you something is simple and straightforward, watch out. There is more than meets the eye. Therefore, Mr. President, you will understand why we must examine this bill a little bit more than this simple straightforward approach that the Minister is suggesting.

2.00 p.m.

On more than three occasions in this honourable House we have had to draw to the attention of our friends on the other side that they continue to bring legislation after the fact. It is again my task of bringing to their attention that after the horse has bolted we are again attempting to shut the barn door. And I must ask, "When will it end?" Perhaps, the Minister of Planning will join us in debating this motion and inform us whether this is the last of such bills that will come to this Parliament for rubber stamping. I think it is important that we be made aware

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of this—if he knows what his legislative programme is and if he can tell us—because any bill that comes so long after the fact is bad legislation.

I do appreciate that in respect of some of the bills brought before the House by this Government, these Ministers perhaps did not have anything to do with them because some of them go back to their predecessors. However, since this Government is taking the kudos for what happened before, I think it must also accept blame in the same way. *[Interruption]* I do know that some Ministers are termed that. I do not want to name them, but since the cap fits, they can draw the string.

If we look at the Explanatory Note to the bill, the purpose of the bill is to validate the acts purported to be done by the Customs and Excise Division relating to the implementation of certain rules of origin criteria under the Customs (Caribbean Common Market) (Origin of Goods) Regulations, 1981. I want you to note, Mr. President—1981.

The Second Schedule to the Regulations provide for the conditions under which goods qualify to be treated as of Caricom origin and the dates on which those conditions came into effect. The Minister is telling us that in the case of Ex. 73:13, it should have gone into effect in 1988 and 1989; and in the case of Ex. 48:05, 1986 and 1987 by the MDCs and the LDCs. I wonder whether the Minister could inform the House of how much revenue we lost during that period as a result of this faux pas on the part of Customs. I am sure that he would have had an idea as to how much money we lost in revenue. Perhaps he can tell us if there is any way we can recover the lost revenue. It would be instructive for us to ask who authorized Customs to take the action they took. Perhaps the Minister would like to make this information available to us in his reply.

This Explanatory Note goes on to talk about the regulations not being amended to reflect the decisions of the Council of Ministers, but the Customs and Excise Division acted as though the amendments had been made. I am a little worried about that. They acted as though the amendments had been made, so one wonders what informs the Customs to act. There must be some procedure and perhaps the Minister will tell us what that procedure is, and if there is one, why it was not followed. This bill, therefore, seeks to validate the acts of the Customs Division in that regard.

It brings us to what we read in the newspaper recently, that the Comptroller of Customs was sent on leave. The Minister might want to tell us whether this matter

was part of what caused the Comptroller to be sent on leave. I hope the Minister will also be able to tell us what is the present position of the matter with the Comptroller of Customs.

Since we are on the question of efficiency which the Minister alluded to—he mentioned the reorganization and rationalization of the public service—perhaps he will tell us whether the previous Comptroller of Customs was also investigated. If so, is there a report and can he make that report available to the Parliament? I have no quarrel with the Government with regard to putting its house in order; I have no quarrel with trying to put efficiency in the public service; I have no problem with trying to make Customs efficient, to free it of the perception that there are many irregularities going on: I have no problem with that. What I have a problem with is when there is a perception that the Government is looking for scapegoats. I believe it is the duty of the Minister to make that very clear. If this is not so, then he should say so and give reasons so that the public would be aware that this is not what is taking place. You will find that we on this side of the House will give support to any measure brought by the Government for the good and welfare of the country, and that includes the Customs Division.

2.10 p.m.

The Minister also alluded to economic growth, and I was wondering why he would do such a thing. While I have no doubt in my mind that it is perhaps one of the things this Government wants to do to bring economic growth to the country, I am puzzled by the action the Government is taking. We are seeing that economic growth is a mirage under the conditions that this Government is putting this country through.

The Minister also referred to the removal of the negative list which is tied in with economic growth. Tied in with that is the question of trade liberalization. This whole question must be looked at, especially since the Minister made it part of his presentation. The last bulletin from the Central Bank, and I quote from the *Express* of September 10, 1992, page 3: "T&T's economy on a slide". Perhaps the Minister has not read this:

"Contraction of the economy in the second quarter of this year has nullified gains in the first three months.

In its June 1992 *Quarterly Economic Bulletin*, the Central Bank estimated a 1.9 per cent decline in real gross domestic produce (GDP) during the second

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quarter, reflecting declines in real GDP in both the petroleum (-1.3) and non-petroleum (-2.2) sectors.

The Central Bank said: 'By the end of June, therefore, the growth achieved in the first quarter had been nullified, so that real output of the economy for the first six months of the year was 1.0 per cent lower than the first six months of 1991.'

Perhaps the Minister would want to be informed of the conditions and also the road on which we are heading vis-a-vis trade liberalization. It is one that is full of pitfalls and at the moment our manufacturing sector is stumbling.

As a matter of fact, I hope that Sen. Rahael will join the debate today and say some of the things he has been saying off the record vis-a-vis trade liberalization because he, too, is manufacturer. My understanding is that he is feeling the pinch like everybody else.

Mr. President, trade liberalization in Trinidad and Tobago, as it is being put to us, is going to cause major social problems in this country. It will cause mammoth dislocation; it will make the Caricom Treaty a nullity because Caricom has been put together to provide better goods and employment for the people of the Caribbean.

With trade liberalization creeping into the Caricom area, not only Trinidad and Tobago, we are going to see a nullification of all the goals that Caricom stands for. It puzzles me, Sir, that the Minister of Trade will have us believe that trade liberalization is the answer to our problems, especially since he is unable to give to this honourable Senate one single country in the world that has really liberalized trade and is showing signs of progress or has progressed in the past.

The truth is, there is no country in the world that has truly liberalized trade. It puzzles me that a small country like ours, without many natural resources, is being asked by our Minister and by extension the World Bank, the IMF and so forth, to liberalize trade. It pains me, Mr. President, that we do not have a minister who can go out to bat, so to speak, for this country, for the manufacturing sector of this country in a forceful and meaningful way and come back, having won that battle for us. It seems to me to be a little beyond the competence of the present Minister of Trade so to do.

Therefore, in the interest of providing a better life for our country, in the interest of providing jobs for the citizens of this country, it is imperative that the

present Minister should step down and allow someone else who can do the job better to do it.

The Caricom region and the rules in Caricom work only for some people; for some countries it works and for others it does not. There are countless problems in the workings of Caricom. Notwithstanding decisions taken by the Council of Ministers that all countries should withdraw all licensing arrangements with regard to salesmen, we still have Antigua charging \$500 annually for Caricom sales people. Our country seems to be doing very little to correct that problem. Perhaps the Minister is doing things behind the scenes that I am not aware of and he will let us know what he is doing.

Antigua, is a classic case in Caricom. Any of the flouting of the Rules of Origin and problems in Caricom can be traced directly to Antigua. That country seems to be getting away with this all the time. It puzzles me. I remember when our present Minister of Finance was the Minister of Trade, in those days—that is quite a few years ago—we were fighting this issue and somehow we were never able to get anything done where Antigua was concerned and I wanted to know why. I see the same thing happening again.

Mr. President, you will recall in another debate, I brought to the attention of this Senate that refrigerators were coming into this country relabelled from the same Antigua base and the Minister was supposed to be investigating this. Perhaps our Minister in his reply, will tell us whether the investigations are completed and what the findings are. This is a very serious charge.

This is not the only charge that involves Antigua. Antigua has been found guilty of relabelling garments since the early 1980s. They relabelled panties, jeans; you name it; they have been doing it so blatantly that they did not even change the colour of the thread on their machines to match the thread with which the garment is sewn. If there was a white garment sewn with white thread, the label would be put on in black or blue. They did not care. They did that with impunity.

We are seeing that all others are following the rules and again it goes back to Antigua. In 90 per cent of the cases of the flouting of the rules of Caricom, you are sure to find that Antigua is at the back of it. I wonder whether this Minister is doing anything about this. If so, what? If he can tell us in his reply what he has done with regard to the matter of the refrigerators—I know that is a contentious problem for him—notwithstanding the fact that it is close to his heart.

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We have a problem with regard to the treatment of Caricom goods and extra-regional goods. Mr. President, if you were coming through Piarco and had a suitcase full of extra-regional goods, it would be easier to pass through than if you had a suitcase full of Caricom goods. For some unexplained reason, there seems to be much pressure being exerted on people who are bringing in goods from within the region and I do not understand why that kind of pressure is being exerted. I have had complaints from people who are in the trade who have been coming in with Caricom goods and they tell me that they have had no end of problems.

Generally speaking, when people are bringing in goods from third world countries, they are asked to pay a little duty and they pass through. We all know some of them do not even pay any duty and they go through. There is a reason for that. I do not want to rehash that, because we have done that so many times in this Senate. In the case of Caricom goods, people are told they must go and get customs documents made out; the goods must be left behind and that sort of thing.

It seems to me that there is some kind of difficulty and I do not know whether it is orchestrated. I cannot see why it should be. Maybe it is just one of those things that are happening. But I think the Minister ought to look into this because, after all, we are part of this trading bloc called Caricom. I should have hoped that if there is any facility to be had, it should be given to Caricom goods and, therefore, we should do what we can.

I do not know if the relabelling of goods in Antigua had something do with Customs being a little bit more careful and exerting more pressure on the people importing from there, or the relabelling of the refrigerators might have caused that. I do not know. Perhaps the Minister can inform me what he intends to do about this.

We have to make life easier for our Caricom neighbours and we want reciprocal treatment when we go to Caricom countries to sell or to do business of any kind. We want to be treated differently from people and goods coming from outside the region because it happens in every trading bloc. Life is much easier for the people within the trading bloc.

It brings into question, the relevance of remaining in Caricom. I know there is a movement now to have Trinidad and Tobago become closer to Barbados and Guyana. I do not have any problem with that, because that is not a new idea. The TTMA had given that idea to the then Minister of Trade, Mr. Mottley, because we

were frustrated, as he was, with the pace at which Caricom was going. The pace was extremely slow and there was always somebody wanting some concession and not wanting to go on with the reforms and getting Caricom moving.

It was thought prudent therefore, to go with Barbados because at that time, Barbados was the only other country that was observing the Rules of Origin and conditions of Caricom. We felt that, perhaps, if Trinidad and Tobago was to nudge the movement forward by having a bilateral treaty, then the others would fall in line, because Trinidad and Tobago is the best market and the Barbadians at that time—and I believe they still do that—were able to see eye to eye with us on that.

This is not a new idea, and since Guyana is being spoken about, too, to nudge Caricom, I have no problem with that. Caricom needs perhaps more than nudging at this point. I am sure the Minister will give this consideration.

We have to look at the relevance of the smallness of that market. We debated another bill before and we were speaking about the size of the market. The Caricom market is just about five million people, which is very small in terms of the world market. So much has been said about NAFTA. Since the world is being put into trading blocs, those who are not into one of those trading blocs are likely to lose out. What would happen, if we are not part of a major trading bloc, is that we would be fighting the entire world. I do not think that we can survive under these conditions.

I think the Government would have no problem getting into one of these major trading blocs and since NAFTA is the closest trading bloc to us, it seems the natural way to go. In 1991 our political leader, the hon. Basdeo Panday, made that suggestion and although some people on the other side scoffed at it—and that is because their vision was a little blurred—I am happy to see that the vision is clearer. We were speaking about the size of markets and the free movement of capital, labour and goods. We feel that is the way to go.

If we can get into that bigger market, whether we go in with Caricom, which, of course, is the best way to go, we would have more clout. And perhaps we can get them to go. But I do not think we should waste too much time waiting on Caricom, because somehow I feel that the wait is going to be very long, for we have been waiting and waiting on them for the longest time to even accept the rules which were agreed to. Up to today the rules are being flouted and no action at all from Caricom.

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It would seem to me that we have to go beyond Caricom and NAFTA looks like the correct way to go. If today we are hearing the Minister of Finance speak about NAFTA—he has made many references to it—we will find a detailed study of NAFTA to be necessary, and I recommend to the Minister that this matter should be brought to Parliament for debate. Trade liberalization has never been brought to the Senate as a matter to be debated. It has always been a side issue.

We need to discuss NAFTA. We need to speak about trade in its entirety and we need to know where we are going because, as far as we on this side of the Senate are concerned, we can see no good reason for liberalizing the agricultural or garment sectors. All over the world, there is a garment sector. In the poorest country somebody is pedalling some machine and making some form of clothing. Agriculture is the same thing; wherever you go somebody is trying to plant food. A nation that cannot feed and clothe itself is indeed troubled.

If we do not try to feed and clothe ourselves, what would happen if these industries and sectors of the economy disappeared from the scene? If they disappeared from the scene, we would be at the mercy of outside sources. If you were to be buying food from the United States or Europe, and there is a problem with drought, disease or war, it is you to catch, because they are not going to sell you in preference to their own people. You are going to be faced with a shortage of food.

This is a dangerous road to go, especially when you consider that the agricultural sector and the garment industry employ a tremendous number of people and, in most cases, these people are difficult to retrain. If the agricultural sector were to disappear from this country, you cannot take those workers and retrain them in the field of computers or anything like that. It is very difficult, because that is the way of life of these people. Most people who go into agriculture do not have the benefit of secondary education; retraining is going to be extremely difficult.

So, too, the case of the garment workers. Garment workers, in the main, are 95 per cent women. They come from the drop-out society, if you want to put it that way. These workers generally are made up of people who did not do very well at school and so on and find themselves having to make a living through making garments. They will have difficulty in getting into any other sector of the economy. Retraining would be very difficult here.

I think that the Minister should be very careful and rethink this whole issue of trade liberalization. It is quite instructive to see some of the advertisements today in the newspapers and on television. One of the allies of this Government and of previous governments is Trinidad and Tobago's manufacturing sector. Today, they have gone on a campaign of trying to get support from the national community in their fight against liberalizing trade in its entirety. When this happens, one has got to see why this is happening. This is not the Opposition trying to go against what Government is doing; these are independent people. What they are saying, is that their livelihood is going to be taken away from them and many people are going to lose jobs and so forth.

Mr. President, the Minister owes it to the national community to make a case to show how he will provide the jobs that are likely to be lost when trade liberalization really starts to bite in Trinidad and Tobago. I think that is very important, because if he is now asking us, Mr. President, to go from one stage to another and he has, on numerous occasions accepted that there will be many lost jobs, displacement and so forth, but he has not made a case to show that we are going to have displacement for a period of, say, two to three years and we are likely to lose 10,000 or 20,000 jobs, whatever figure you want to use.

I am sure that the Minister's advisers will tell him the likelihood of the number of jobs that will be lost. He has a duty to say, "We are going to lose these jobs, but we are going to create "X" number of jobs over the next three, four or five years and these are the industries that are going to employ these people." Unless he can do that, he has a very weak case and cannot, therefore, convince the manufacturers.

Mr. President, we do not really have a policy in this country as to which industries we intend to keep and which we intend to leave by the wayside. That is very important because, in the business community, we cannot do things today for today. People must plan; they must know farther down the road whether it is three, five or ten years, that this is the direction that will be taken.

If it is that the Government does not wish to have industry A, B or C, spell it out; let the people be aware, so that the investors in this country do not simply have to hope that this industry is going to rise, that it is only a bad patch, it is only a period of a year or two years. Spell it out so that we can forget about planting food: "We are not going to plant food any more because the Government does not want to have an agricultural sector in Trinidad and Tobago.

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If down the road they intend to expand steel, for example, the investor will say: "Okay, if that is the case then I can plan and get into the steel industry" or whatever industry the Government has in mind to put on the national agenda. That is very important because the rules of the game must be known to all and sundry. It must not be privileged information to be given to special people so that they can prepare themselves and the rest of the community will not be privy to that kind of information.

I am not saying that this is what is happening, but it is very likely that this would be the case. If we are to take the track record of the previous Government, then it is very likely that this is what is going to happen. But I do not want to condemn this Government because of that. I am simply saying, let us not leave things to chance. Do not allow people to think, "Well, okay, they may be going in that direction". We should decide and spell it out so that all of us understand the name of the game and we can plan for it.

I hope the Minister has taken note of the questions which I have asked for explanation on, because I expect in his reply that he will give these answers. If he does not, you can be sure, if I am here, I will certainly be asking them again. I hope he will not give me the onerous task of having to ask these questions over and over.

I am very happy that I can make a contribution to the debate on this bill and I feel that if the Minister could tell this honourable Senate that this is the last time we shall have a bill with retroactive effect coming before us if he could tell us what surrounds this bill in terms of dollars and cents and why Customs was allowed to continue in this manner without proper authorization and whether authorization came mistakenly, we would all be grateful. We need to have that explained. You simply do not come and say, "Look, this has happened; we want you to validate it." They have to give us good reasons why this has happened. So that we and the community understands that Members opposite are doing their duty. We hope that will be the case.

Thank you very much.

Sen. Rev. Daniel Teelucksingh: Mr. President, it must be a source of concern to us that it took over a decade before this Bill was brought to Parliament.

Today's exercise, in my view, is purely cosmetic. Who would have noticed this bill even if it was not considered by this honourable Senate today?

Furthermore, since 1981, so much has transpired in the matter of activities within the Caribbean Common Market.

Mr. President, permit me to make reference to a few observations which I consider significant for our partnership and participation in the Caribbean Common Market, since this is at least the partial context of the bill before us.

2.40 p.m.

Mr. President, it was most depressing for me to read a feature article in the *Trinidad Express* newspaper of October 1, 1992 which said:

"The World Bank is pressing (pressing) for a lower Caricom common external tariff, a move that is pressuring Caricom countries (pressuring)..."

those two words "pressing" and "pressuring"—the operative words

"seeking financing from that institution."

The article further continues:

"...the World Bank is insisting (that the CET) should be in the zero to 20 per cent range instead of the current zero to 45 per cent."

Sir, Jamaica seems to have surrendered and would agree to such proposals—I dare say demands—while it is only a matter of time before other territories are brought to their knees. This is, I consider, another glaring example of the contemptuous approach of the multilateral lending agencies towards developing countries such as are found in the Caribbean; a demonstration, of the disregard by such agencies for our efforts at self-determination. Barbados, in attempting to secure financial support from the IMF, World Bank, IADB grouping, has been advised to consider the lowering of the CET.

The World Bank and kindred institutions are pursuing a nefarious policy of coercion and unrelenting pressure to ensure the perpetual servitude of financially weaker nations of the world to make sure that we all will be in Shakespeare's words, "bound in shallows and in miseries" all our lives.

It is apparent that the assistance rendered to developing countries has very many strings attached. We fail to see the underlying philosophy, whose objective is economic and political destabilization. And we wait eagerly. We have been waiting for the longest while for a united Caricom response rather than a weakened territorial reply. I sometimes feel, that Caricom is devoid of the Caribbean

determination, initiative and will-power that washed our shores during the era of independence and Caribbean nationhood.

Mr. President, to further illustrate my observation concerning the lacklustre Caribbean initiative, I draw your attention to the proposed use of the Caribbean by France and Japan for the shipment of more than a ton of highly radioactive plutonium. Do these nations really care about human and environmental contamination and possible destruction in the Caribbean in the event of a leak of plutonium, or an accident? No Sir. For them, the Caribbean is disposable.

The statement from our hon. Minister of Foreign Affairs, Mr. Ralph Maraj, that the shipment is unlikely to come within our territorial waters only reflects the sad state of affairs in Caribbean relationships. It reflects the typical isolationist stance of West Indian territories. Our waters are safe, so it does not matter. The ship can pass elsewhere—near to Antigua maybe. But this is not good enough for comfort. I do not like the stance of our Government on this issue. It is not a Caribbean stance. It is too narrow. Here is one issue which requires the united effort of Caribbean Governments to preserve our islands, our people and our marine resources; and together we must express our vociferous opposition to and denunciation of the planned plutonium shipment and seek the support of like-minded nations and agencies.

Today our position is weakened and we are the pathetic victims of outside pressure such as we are feeling from World Bank directives, partly because Caricom is plagued by unconcealed individualism and self-centredness. In the Caribbean we are haunted by distrust and suspicion of one another. In matters such as CET, could we be guided by a Caribbean advantage, rather than a Trinidad and Tobago advantage, or a Jamaica advantage? Instead of every territory fending for itself, is there a Caribbean position? I fear that individual negotiations on many issues will be perilous to the Caribbean integration movement. Many West Indians think that Caribbean co-operation is superficial and unreliable; and many Caricom summits we have been hearing about, have been covered by dense clouds. In the meantime, our lack of cohesiveness is being ruthlessly exploited by our financial overlords, much to our hurt and disadvantage.

What of Trinidad and Tobago's position on the common external tariff? It is reported that the hon. Trade Minister and our country will go along with whatever the majority of the states decide. This is magnanimous. I do not know if it is silly. I think we should have a position anyhow, instead of just going with what all the

other states agreed. We have always demonstrated our willingness to make sacrifices for the Caribbean family. Caricom seems to be Trinidad and Tobago's burden; and I close by making reference to a quotation I have heard—

"And we in Trinidad are Caricom's fool."

Thank you.

Sen. Huggins: Mr. President, I just want to correct one item of my friend's otherwise well written presentation. He said that it took over a decade to lay this piece of legislation. If I may refer the Senator to the Explanatory Note, paragraph 3 thereof, he will see that as a result of meetings held by the Council of Ministers between 1986 and 1988—the last being on September 13, 1988—certain amendments which became necessary were not made. So the amendments could only have been made subsequent to September 13, 1988. It was not possible, before that date, to present anything relative to this matter.

Sen. Rev. Teelucksingh: Thank you for the explanation.

2.50 p.m.

Sen. Wade Mark: Thank you very much, Mr. President. Sir, this particular bill before us seeks to validate certain acts:

"purported to have been done by the Customs and Excise Division relating to the implementation of certain rules of origin...under the Customs (Caribbean Common Market) (Origin of Goods) Regulations, 1981."

Mr. President, whilst the hon. Minister of Trade, Industry and Tourism in his opening contribution made reference to some public service reform programme—I do not know if he was making reference to the Customs and Excise Department in that regard—it is unfortunate that after so many years, as the hon. Minister of National Security pointed out a short while ago, between the period 1986 and 1988 when the decision was taken by the Common Market Council of Ministers to have these goods that were under certain tariff headings deferred—that during that period, under the previous administration, and now almost 10 months under the present administration the Attorney General's Department, or the Ministry of Finance, did not really take up these matters.

The reality is that we have a situation where our good friend Sen. Muntaz Hosein, did ask the hon. Minister to indicate to this honourable Senate what would have been the duties and what was the cost to this country, as a result of the

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duties forgone. I would imagine that in the Government's budgeting exercise—I am just assuming—some of these duties could have formed part of the revenue stream. We do not know. This is why we have been calling for the establishment of a Special Select Committee of Parliament to monitor and police the budget of the Government. If we had such a joint select committee we would probably have been able to discern the kind of oversight that they are now seeking to have validated, years after those acts were committed.

If we may deal with the Customs and Excise Department which apparently in a very mysterious way got some undertaking, from whom, we do not know. It is stated in the Explanatory Note that the Customs and Excise Department merely assumed that the legal notice was put in place and, therefore, they allowed certain goods to enter the country without collecting the relevant duties. I think that requires some explanation from the hon. Minister.

How did this thing happen? By magic? How could the Customs and Excise Department simply assume that everything was in place! I think we really need some explanation on this question, and I hope that the hon. Minister will, in fact, provide us with the explanation in his reply.

The Customs and Excise Division is a source of extreme worry, not only to us, but, I dare say, to the country. I refer to a lead story in the *Trinidad Guardian* dated Monday, September 28, 1992 with the headline "Crackdown on Customs: Gov't probing corruption allegations", in the Customs and Excise Department. I quote a section of this article:

"The decision to challenge Chuckaree..."

that is the man who has been suspended—

"followed no results from probes into corruption in the Customs Department. Government has received reports that certain customs officers were living in sprawling mansions, driving luxury cars, and living high society lifestyles 'on their meagre salaries'."

What is also highlighted in this article is that the *Trinidad Guardian* was informed that corruption was rampant at the ports, where hundreds of millions of dollars in duties do not reach the Treasury.

Mr. President: You mentioned someone's name. Did I hear you say that the person was suspended?

Sen. W. Mark: No. The article states that. I proceed:

"Mr. Chuckaree who has been head of the Customs since 1989, was called in..."

I did not refer to that section. The section I referred to, reads:

"The decision to challenge Chuckaree..."

Mr. President: Did you say...

Sen. W. Mark: He was suspended. It is in the article, I can quote it for you. I did not quote that section, but it is mentioned here:

"Chuckaree, who has been head of Customs since 1989, was called in by John Andrews, Permanent Secretary in the Office of the Prime Minister and also head of the Public Service and given three options: face suspension, contest the action or continue with his leave until his retirement in December. Chuckaree chose the third option."

So, apparently, he has not been suspended. He has gone on forced retirement. *[Interruption]* Yes, I take your correction.

Mr. President, the reason I referred to this particular matter on the Customs and Excise Division is that here it is Trinidad and Tobago has entered into the free trade movement, in which we have abandoned, abolished and demolished our negative list, and we are depending on the Customs and Excise Division to ensure that revenues from duties, as an example, would flow to our national Treasury. We, on this side, are not saying that all customs officers are corrupt but, in fact, we have seen interviews by the head of the Customs and Excise Division in which he is alleging that there are, in fact, corrupt activities taking place in that particular Division.

Mr. President, do you know what is extremely worrying to us on this side? The Minister refers to public service reform in his presentation, yet we have this Division taking unilateral action, and we have an ongoing programme of trade liberalization in our country. From the information we have to date nothing fundamental has taken place at the level of the Customs and Excise Division to ensure that we have proper checks and balances on the importation of goods and services into our country.

So, you have a situation where the ASYCUDA system—I understand it is supposed to start some time shortly. This is the last thing the Minister of Trade,

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Industry and Tourism told the country—in San Fernando, and then it will be brought to Port of Spain. When that system will be put in place we do not know. That system, as we understand it, is very critical to the Customs and Excise Division.

We keep doing things; we keep standing on our heads; we keep allowing the horses to bolt and seeking, subsequently, to close the stable. It happened with trade liberalization. Certain mechanisms, institutions and safeguards were supposed to have been established before Trinidad and Tobago allowed itself to abolish its negative list. To date, the Customs and Excise Division remains virtually, in our view, unattended. It is moving in a very slow and insignificant fashion, and whilst it is fiddling, the country is burning. It is the very Minister of Trade, Industry and Tourism who told the country some months ago that out of every 12 or 13 invoices, almost nine of them are over-stated; there is over-invoicing and under-invoicing, and he was telling the country that more than 60 to 70 per cent of those invoices are over-stated.

3.00 p.m.

Therefore, Trinidad and Tobago is losing millions of dollars, and duties are supposed to constitute a very large portion of our revenue stream. It is a cause of concern to all of us in Trinidad and Tobago. Because when the bottom is dry, the pressures are felt throughout, although in Trinidad and Tobago, we have not had in the last 10 years an equitable distribution of the burdens of adjustment. We have always had the rich getting away scot-free and the poor, lame and weak taking the bulk of the pressures. We do not know if the new PNM will change that but from all indications they seem to be stuck in the mud of the old NAR syndrome, putting the burden of adjustment on the backs of the working people of Trinidad and Tobago.

I spent a little time on this question because I feel it is necessary when we are looking at the question of Customs, the Minister needs to give the country—it is so long; the negative list was abolished on June 30, 1992; we abolished the remaining 60 per cent of the goods that were protected by our negative list. We are into October and going into the end of the year, 1992, and we do not have any assurance from the Minister or from his Government when they are going to put in place the proper mechanisms and safeguards at the level of the Customs and Excise Division to protect the integrity of our country, as far as revenues are concerned, in particular—and that would mean cleaning up the Customs Department. All those corrupt elements that are there have to be cleaned up.

We have no apologies and no patience whatsoever with elements who are utilizing their public positions to rip off and to rape our country's revenues. Corruption as you know, has a very serious price in our country. People are dying, children cannot go to school because there are no school places; parents are demonstrating; unemployment; people are stealing and illegally engaging in acts that are crippling our country. We have no patience with that, and we will have no apologies to make whatsoever in a campaign that would clean up—and I dare say, whenever we have evidence that it is rearing its head in Government we will move with equal vigour against them. So far there is a smattering of evidence, not sufficient to be worried about at this time.

Mr. President, this bill we are debating today is a virtual joke to what is taking place in the world and what is taking place at the level of Caricom. I want to join with Rev. Teelucksingh in looking at this article. The *Express* of Thursday, October 1, 1992 states:

"World Bank pressure from CET."

"Caricom countries seeking financing feel the squeeze."

Mr. President, this is exactly what happened to our dear hon. Minister. I cannot understand why he—and he could not have been speaking for the Government of Trinidad and Tobago; maybe he was speaking in his own private capacity. But to go and tell the entire Caribbean that "it does not matter what the majority say, even if they say 20 per cent, we would go along with them"; that cannot be the Government's position. When we have a manufacturing sector, in spite of its limitations, weaknesses and deficiencies which employs 40,000 persons, I cannot see any Minister in his right mind proposing to a region that we would go along with whatever figure they agree on. Trinidad and Tobago is supposed to be playing a leadership role in the Caricom. We do not follow. We have to lead as far as it is practically possible, and leadership demands some kind of vision, understanding of our reality. I cannot understand how this hon. Minister could tell the whole world that if Caricom countries are going to 20 per cent we would go with that too—whatever the majority say. But maybe, it is part of the sickness.

What is happening is that this Government is now being taken over, monopolized by the Algico clique: Valley, Kuei Tung and another one who was just appointed mayor, a union buster. He busted a union called CWU when he was the man in charge of Algico. He was appointed Mayor of Port of Spain. It is a clique which is running the PNM now. They used to say Lenny Saith was the man,

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the "South Mafia". That has been changed now. It is the Algico clique: Valley and the group of them. Maybe that has to do with his training. He is so private-enterprise oriented that he does not understand he is now dealing with the people's business and dealing with the people's business, you must have different criteria and approach. You cannot just go about business as usual. That is not the approach at all.

Do you know what is sad about this whole thing? It took the Caricom region some five years to hammer out a common external tariff and without that tariff coming fully into force or effect, we are now seeking, through external pressures, to have that tariff reduced. And they want to do that within three or four months. So it took us five years to hammer out what the level of tariff would be, and in less than five months we want to reduce it. To what? All kind of speculation. I heard it being said 35 per cent, some people say 50 per cent, some say 25 per cent. I just hope the Government has the wisdom to understand that it has an interest to protect in Trinidad and Tobago. It has 40,000 jobs to protect and multiply that by five—200,000 people who are going to be directly and indirectly affected by the kind of decision the Government takes at the Hilton Hotel on October, 28. This Government will bear full responsibility for whatever action is taken at that meeting, and which could result in the dislocation of people as far as employment is concerned.

We have a problem with any government that is being transformed into puppetry by external agencies. That is why when we talk about national unity and a government of national unity in this land, people get a bit upset, but a weak and minority government in this country cannot deal effectively with these international agencies. When you have weak men in charge, what do you expect? That is what the Minister of Trade, Industry and Tourism, demonstrated; a kind of spinelessness. We have to stand firm. We cannot allow anybody to take us as toys and do us what they want.

The only Prime Minister in the Caribbean under severe pressure, to indicate to the whole region that look, this is what the World Bank is seeking to extract from us, is Mr. Erskine Sandiford. He was under severe pressure in Barbados. He mentioned the IMF and the World Bank on the one hand, and he is also negotiating with the Inter-American Development Bank. So his country is under pressure and he comes to the entire country and region and tells them: Gentlemen, ladies, my brothers and sisters, this is what the World Bank are seeking to get out of us. They

want us to reduce the common external tariff from 45 per cent to 0—20 per cent or 0—50 per cent. He came out and told the whole region this.

3.10 p.m.

I think that the Prime Minister of Barbados, Mr. Sandiford, should be complimented. He is under pressure but he is standing up. We have a Government here that is under pressure, but it is not demonstrating the kind of guts and courage that are necessary for them to inspire and motivate the population. It is just going along with everything. Everything is just a short and simple bill, and straightforward. Nothing is serious at all with the Government. It is a weak regime that we have.

What is happening to us is that these external agencies are using our financial difficulties to really bring us to our knees. They are bringing our Caricom countries to their knees. Caricom is being nakedly manipulated by the World Bank. The Minister of Industry, Trade and Tourism must not become party to this manipulation. This is what he is demonstrating. We could never support a Minister of Industry, Trade and Tourism who demonstrates weakness and does not have what is called the testicular fortitude to stand up and fight for the rights of the people and this country. If he continues that way, we shall call for his resignation and let them get someone to replace him, before he sells out this country. We are not going to be party to that kind of madness which is taking place.

I am saying that Caricom leaders ought to rally behind the Prime Minister of Barbados, Mr. Sandiford. Where is this nation's caring Prime Minister? We have not heard from him for a long time. Why does he not speak out on this question? The United States of America is trying to force us into an arrangement which threatens the very existence of Caricom. The Government has not said a single word on this matter. Separate and apart from the weak, feeble and totally submissive stance adopted by the Minister of Industry, Trade and Tourism, we have seen and heard nothing.

I believe that the Prime Minister of our country should follow in the footsteps of Mr. Sandiford and come out and tell the World Bank, the IMF and the IADB where to get off, because if he does not do that, what is going to happen? Things are taking place in the world at such a pace that it is almost unsteady. We in the region must take our future seriously.

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What could explain the fact that the Prime Minister of Jamaica, Mr. P. J. Patterson is having public meetings throughout Jamaica seeking to encourage Jamaicans who voted against federation, to understand the importance of closer Caribbean integration? He is coming to Trinidad on October 28 with a mandate from the Jamaicans. On this same date, in Jamaica, there will be a large scale debate in Parliament, on this report called *Time For Action*.

When the Prime Minister of this country goes to Hilton Hotel on October 28 to chair the Caricom meeting, on whose behalf will he be speaking? There are no discussions in Parliament, and we are talking about the future of Caricom. We should have a joint sitting of Parliament to debate this question, so that if you are going to Caricom with a petition, it would reflect the wishes of the people and not simply of the PNM. *[Interruption]* We might have a referendum at the end of the day.

What I am simply saying is that we are talking about the future of Caricom. Two major items will be on the agenda on October 28. One is to reduce the CET. As my colleague said, the Jamaicans have given up. They have no manufacturing sector, so they do not care. They could join NAFTA tomorrow. They do not care if it comes down to 20 per cent or zero; it does not matter. The only country in the region which still has a strong manufacturing base with all its deficiencies, limitations and weaknesses is Trinidad and Tobago. We must have an interest in our business. If we do not have it who is going to have it for us? The Americans? Do you think the Americans are interested in us?

I am simply saying that we need to take our business seriously. I am very hurt, saddened and disturbed that our hon. Prime Minister has not seen it fit to call a joint sitting of Parliament to discuss and debate this very important report.

Sen. Kuarsingh: On a point of order. Mr. President, I seek your guidance as to the relevance of this matter to the bill before us. Could you please guide me?

Mr. President: Are you saying that he is irrelevant?

Sen. Kuarsingh: Yes, Mr. President, I am saying that. I seek your support and protection from this continuous battering on an irrelevant matter.

Mr. President: We have allowed a lot of liberty on the question of Caricom and the question of the Customs. I believe the Senator is only trying to go into another aspect of the problems which can arise from Caricom and the stand we should take on it. It is not easy to cut off a division line.

You have to give the Senator a little leeway sometimes. He is probably going a little too deeply into it. I do not believe that the Constitution or the Standing Orders provide for a joint sitting of both Houses of Parliament on such a matter.

Sen. W. Mark: Then, separate sittings.

The essential principle I am advancing is that we are appointees, but we make up part of the national Parliament. I think that all representatives, appointed, as well as elected, ought to have an input in that particular final statement which the Prime Minister will be making on behalf of Trinidad and Tobago on October 28.

3.20 p.m.

We are dealing with Caricom and we cannot escape our responsibility to understand and appreciate exactly what is taking place at this time. I do not know when the Heads of Government will take the final decision to reduce the CET, for they are going to reduce it. They are under extreme pressure to do so. I do not know what is going to be the final rate, but there is no doubt that it will be reduced. I understand from different views being expressed that there is some tentative agreement to bring it down to 35 per cent. I just want to warn the Minister of Industry that if they intend to move one inch they must be able to understand, analyze and assess the cost of that in term of jobs in Trinidad and Tobago.

As far as we on this side are concerned, we say that trade liberalization, in principle, is something that the whole world could live with, but there must be reciprocity on a broad scale, taking into account people's interests. You cannot tell me to pull down my walls and your walls are up. The whole world is shifting inexorably towards more protectionism. That is the manifestation of the world today—more managed trade. What is also taking place today is the emergence of massive, mega trading blocs, therefore, we have, as a region, to be very conscious of what is taking place out there.

What should be our strategy? We do not know because we are not privy to information and, Mr. President, if I may tell you, there have been three major cycles in what is called the industrial revolution. One started, in Europe; the second one was in the United States; the third one is going to be in Japan—in fact, it has started already. The centre of activity, as far as trade is concerned, is shifting to the Far East and this period is information and communication systems. That is the third cycle of the industrial revolution that we are faced with. We in Caricom

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have to ask ourselves whether our leaders are prepared; whether they have prepared the populations of the region to deal with that issue.

What are the strategic plans? There is NAFTA on stream—ratification is awaited but, in principle, there is agreement—USA, Canada, Mexico. They say Chile is on the way because it is a fast track thing. There is also fortress Europe in which, most of these Caricom countries which produce bananas are in trouble. They are going to Europe on their knees begging for preferential treatment—they want it to remain. But we in the region find ourselves in a dilemma, because once you link up with America and Canada, as developed countries, that will trigger clause 25 of the Lomé Convention and would mean that they now have access to our markets. In other words, we are in a dilemma in Caricom.

We are in deep trouble and are not getting any real leadership in the region. What do we have? Indecisiveness, laxity, complacency, no seriousness and all the problems that any poor developing country would have. We have to manage structural adjustment, we have to manage a massive foreign debt; we have to deal with privatization, deregulation and liberalization. All these things are taking place at a time when the world is moving in a particular direction, so we in the region are being marginalized every day and being left behind. Instead of the governments in the region taking their responsibility seriously, they are buckling and kneeling under the pressure of those international forces. I am not saying that those international forces are not serious forces, but we have to put our house in order. As Sen. Muntaz Hosein said, we have to house, clothe and feed our people. Those are serious responsibilities that we have not lived up to in the Caricom region.

Mr. President, I am saying that we are faced with some very, very serious problems and I cannot escape from informing you and the House that this new trading bloc that has been formed is going to pose an extremely serious threat to the future of this region called Caricom.

I do not know what we are waiting on to bring Cuba into Caricom. Cuba has about 11 million people. It has a very serious market; I think we ought to embrace Cuba as a Caricom country so that we can expand. Everybody is after self-interest. The Americans will go with anybody once it is in their interest. We have to look after ours and find markets; we have to look for technology and trading partners and wherever we can find them—South to South dialogue, South to South trading—we must find them because it is in our interest to do so.

The environment in which we live today is extremely disturbing and I think that, the Minister, who does not speak very long when he introduces bills, must give us an appreciation of what is taking place in Caricom. He has come here with a bill for us to validate acts committed by the Customs Department over a period of years; he seeks our endorsement but he gives us no information. We want to know what is taking place with Caricom. We also want to know what are some of the strategic plans of Caricom. If he cannot give us that information now, he should tell us when he is going to reconvene Parliament so that we can debate *Time for Action* and make our input, because we have our views on strategic and tactical objectives that we should be working towards achieving and we would be prepared to share them with the other side.

This is why we always speak about national unity. We have to advance our country together. That is the only way we can move forward. We have ideas which we would share with the Government and the country so that we can all move forward together.

Trinidad and Tobago over the years, has had access to CBI, which is something that could go to the year 2000 and beyond, unless the Americans decide to abrogate the arrangement. We have had Caribcan. The latest one is called the Enterprise for the Americas, which is the whole free trade arrangement, and liberalization and privatization. Those elements were found in CBI earlier. Why is it that after all these years we are unable to establish a manufacturing class that is competitive, efficient and productive? What kind of monitoring has been taking place? We do not have to wait for some international civil servant to come from Washington and tell us in Trinidad and Tobago that we must abolish our negative list to be efficient. Do we have to wait on someone from abroad to tell us that?

3.30 p.m.

If we are doing our homework properly and if the Government—they are always speaking about Korea and the Asian tigers, whether it is Singapore, Taiwan, Malaysia, Hong Kong or Korea, but those countries have what is called an active industrial policy, where the state—you see this financial liberalization course that the Government is on, where it wants to take over the credit union movement and I have to endorse our—but I will come back to that in the budget. Then I will deal with that one.

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Mr. President, the point I am making is that we are going down a particular path without really thinking and looking at these things properly. We ought to have been monitoring, policing and scrutinizing our industrial and manufacturing sectors over the years, but we have wasted the thing, blown it. Instead of having a gradual approach—I do not know whom this Government takes advice from.

There is an UNCTAD report—I do not have it with me—from 1992 which advises all Third World countries to take a gradual approach to import liberalization. It must be done on a gradual, phased-in basis. There must be a certain type of stability in the economy before it can be opened up entirely. But the Government listens to no one other than the IMF and the World Bank. This is a puppet regime. This is a regime that has no guts, no courage. We on this side would tell them exactly where to get off, but we would do it within a national framework. We would bring the PNM to be part of a national government. When we assume power, in 1996, we shall invite the PNM to join us in a government of national unity.

The key point I am raising is that we are largely to be blamed for the state of our affairs. We have many problems outside, we cannot argue that, but how we manage our affairs is extremely important. Do you remember the thing with Davidson Boodhoo, Mr. President? The IMF came in and juggled our figures, manipulated our statistics, and then told us that we have to devalue. They forced George Chambers to devalue in 1985, and they got him out of power in 1986 because the IMF and the Americans always had a grudge against Chambers, the reason being he did not support the invasion of Grenada. The IMF toppled the government here.

Mr. President, the point I am making here is that we need to monitor these things carefully. The world is rules dominated; rules are fixed by organizations like that and then there is what is called power domination on the other hand. So you have the G-7, who fix, manipulate and break the rules and then they have the power to exert pressure if you cannot conform. Mr. President, we are really in a serious crisis.

Mr. President: The speaking time of the hon. Senator has expired.

Motion made, That the hon. Senator's speaking time be extended by 15 minutes. [*Sen. M. Hosein*]

Question put and agreed to.

Sen. Wade Mark: Mr. President, it is on rare occasions that we have the opportunity to debate Caricom. I am happy that we have this bill, although I find it is a bit unfortunate that it should come before us at this particular point seeking to have certain acts validated. As I said, this is really not as important as what is to come and what is happening in the world today and where we are going to be come the year 2000.

I think, Mr. President, that we have to be more serious. I think that we cannot continue to escape our responsibility given the seriousness of our situation in the world today. If Caricom is to survive—and from all implications it might mash up, it might disintegrate. If the majority of Heads of Government come to the Hilton Hotel, all those ECS countries and so forth, who have no problem going down to zero, because they produce nothing, if they come with that collective position, then we could kiss Caricom good-bye and maybe the Manning initiative with Guyana—well, we are not too sure about that one—could probably take effect afterwards.

We on this side, have always advocated that if Caricom does not want to go, let Trinidad and Tobago go. Of course, we have to deal with some hard bargaining. We have to negotiate hard, but we recognize that the world is being transformed into mega trading blocs and if we are not part of that action, then we are going to be marginalized, isolated and eventually become extinct. That is what is going to happen.

If Caricom is limping and they are not serious, we must take the leadership. We are prepared on our side to do that. I do not know if the PNM has the political will to do the same. But we will nudge you along, if you need some pushing, and support you wherever it is necessary, because our interest lies with advancing the quality of life of the people of Trinidad and Tobago, to begin with, and then we will deal with the Caribbean after. We have to deal with our situation first: feed ourselves, clothe ourselves, organize. When we are strong, well organized and so on we shall be able to help others. We have no problem helping Caricom or any other country. We have helped them much in the past; we know this.

We cannot be serious about Caricom and integration when we have one set of rules for one set of countries and another set of rules for another set of countries. We cannot proceed on that basis. We cannot be speaking about free and fair elections in Trinidad and Tobago and at the same time there are all kinds of problems taking place in another place.

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I want to make it absolutely clear that I am not into criticizing or interfering in the internal affairs of any country. However, I want to make it abundantly clear that we cannot as a country and as a region tolerate or condone the kind of situation that is now taking place in a neighbouring country.

The latest report I have is that one of the parties in that country is out front with 63 per cent while the other party, which was in government, has mustered 33 per cent. But there is rioting and there is looting taking place in Guyana now.

Today is a sad day for the Caribbean—that we can be discussing Caricom and its future and speaking about a validation bill and having our Prime Minister speaking about an incremental approach at integration involving three territories, namely Barbados, Guyana, and Trinidad and Tobago, and at this time as we meet in Parliament a sister territory, a sister country is in riot because of all kinds of problems. We want to make it very clear on our side that we do not condone those things at all; we think it is very unfortunate. The region as a whole will have to speak out on that issue at the appropriate time.

I really wanted to bring to the attention of the Senate, our serious concern about what is taking place in that sister territory. We cannot, as I said, allow a situation to develop where we have one set of rules for one set of countries and another set of rules for another set of countries. Things have to be free and fair and who win, win; who lose, lose.

I hope that for us in Trinidad and Tobago we learn our lessons from what is taking place in another country so that when the time comes and we win in Trinidad and Tobago, come 1996, our country would be peaceful and people would take their licks quietly and at least—well I know the PNM; with all due respect to them, I think the PNM has demonstrated in the past that it is a party that can take its licks.

Sen. Ojah-Maharaj: Unlike yours.

Sen. W. Mark: When we take our licks, we take our licks. All I am saying, Mr. President, is that we have lessons to draw from that experience. *[Interruption]*

Mr. President: Order, order!

Sen. W. Mark: We have lessons to learn, because our country as you know, is a multiracial, multireligious, multiclass and a multicultural society and we have a similar kind of arrangement as our sister country which is now in flames. We must learn from the experience as our sister territory to ensure that—we have always had relatively free, fair and democratic elections in Trinidad and Tobago. I

am certain it will continue that way, Mr. President, and I am certain also that in the further, whatever happens, whoever wins or whoever loses, we shall continue to ensure the integrity and stability of our country and not allow people, elements, whoever they may be, to disrupt the peace, tranquillity and harmony of our nation.

It is very unfortunate that in the Caribbean today we have an unfortunate situation—and I am certain that the chairman of Caricom, the hon. Prime Minister, would have to speak out on that particular development, particularly if there is a military intervention. All indications point to a military takeover in that country. The riots and looting are continuing to create havoc, chaos and confusion so that there is an excuse created for the military to intervene and—as in Haiti—overthrow the duly, democratically elected government of a sister territory. We must not be part of that.

I say, whilst I am not dwelling on it too much, I hope that we in this Parliament would learn the appropriate lessons from what is happening there and not allow that situation to ever rear its head in Trinidad and Tobago. Although we know that there are destructive forces in our society seeking to inflame, encourage and promote racial disharmony in our land, we, on our side, are committed to national unity, racial solidarity and a peaceful society based on tranquillity, harmony and co-operation of all our peoples.

Mr. President, I am sorry to diverge for so long, but I thought it was necessary, in my closing remarks, to point out to the Senate that we are not happy, we are dissatisfied and concerned about events that are unfolding in a neighbouring territory and which can have serious consequences for the future stability and integration of the whole Caricom movement. If that country chooses to be internationally isolated by encouraging its military to take power, that is a blot, not only on that country; it would be an indictment against the whole region. We must understand that we have an important role to play in ensuring that there is peace, there is stability, there is harmony in that neighbouring territory.

Thank you very much.

Sen. Verne Richards: Mr. President, it is indeed an honour for me to address this august Chamber this afternoon. It is a signal honour and for that I am deeply grateful and appreciative.

Sir, the hon. Minister of Trade in his address on this bill, stated very casually, to me, that this is a simply bill. Maybe he said that because of the brevity of it; it

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has two clauses. It seems to me that the operative clause, clause 2, cannot achieve the goal as set out in this bill; it seems to me that it cannot validate any act or omission on the part of the Customs Department. I would read clause 2:

“Notwithstanding any rule of law to the contrary, it is declared that all acts and things purported to be done or omitted to be done by the Comptroller of Customs and Excise under the Customs (Caribbean Common Market) (Origin of Goods) Regulations, 1981, with respect to items under Tariff Heading Nos. Ex.48:15 and Ex.73:13 and deemed to have been...”

That, to me should have been “are deemed”.

Mr. President: It is a typographical error. The bill as introduced, the cycostyled bill, has the word “are”.

Sen. Richards: I appreciate that.

Sir, I should like to comment on one aspect of the presentation of the Minister of Trade, which was also commented on by Sen. Wade Mark—may I refer to the article in the *Trinidad Express* of September 28, 1992.

The hon. Minister mentioned in passing reforms in the public service and he was referring to the Customs Department in particular. In the article of the *Trinidad Guardian*, Sen. Mark read out a portion that deals with Mr. Chuckaree, how he was sent on leave. There has been no disclaimer by the Government. But in the context of the reform of the Customs Department and the wider context of public service reform, I would hate to think that is the method that will be adopted to discipline someone, or that is an indication that there will be similar methods used.

In my opinion, and I am sure my colleagues will support me, that is a method that would create fear in public servants, thus paralyzing them and negating any sort of productivity. It is not the proper way to discipline.

I would endorse my friend’s comment that the attitude of the government in its approach to public business is of a casual nature and I hope, as I stated, that that is not the method we are going to institute in public service reform. There must be something participatory so that we could get three, four, five years from all the parties involved. As is stated in another motion, it would be holistic. I hope that that is not only in name.

Thank you, Mr. President.

Sen. Michael Mansoor: Mr. President, I had not intended to intervene in this debate except for the fact that the hon. Minister in piloting this bill repeated and emphasized the main plank of his Government's economic policy, and that is its intent and determination to increase export-led growth. No right-thinking person could really quarrel with that.

I wanted, also, to point out that according to *Exportant*, which is a publication of the Export Development Corporation, the domestic exports for Trinidad and Tobago for the six months ended June 1992, are significantly less than those for the similar period of 1991. I believe it is germane to the comment that the Minister made, that one ask what has happened.

I wish to tell this Senate that although there has been a six per cent decline for \$4.1 billion in 1991, to \$3.9 billion in our exports, it is significant that our total exports for items other than mineral fuels and chemicals, have, in fact, increased. Our total exports of food and live animals, beverages, animal and vegetable oils, manufactured goods, machinery and transported equipment and other miscellaneous items have, in fact, increased.

This is significant, because one has to ask: "Why is it that the main segment, or the most important segment of our economy registered such a significant decline in its exports?" One also has to ask the question: "What counts for the increase in our exports in the other product areas?" I ask the question because it is very disconcerting for the average citizen to have to listen to advertisements by the Trinidad and Tobago Manufacturers' Association that seem to indicate that there is a certain amount of fear and trepidation on the part of manufacturers, both large and small, as to what is going to happen when Caricom meets and when we determine whether we are ready for NAFTA.

It is of concern, because one has to wonder why the consultation that once existed with the manufacturing sector that employs such a large percentage of our population seems to have stopped so that these advertisements have to appear. One gets a very uneasy feeling that all is not well.

I understand the difficulties that the Minister faces in dealing with Caricom trade. The fact of the matter is that it was an uneasy marriage many years ago. We legislated for trade reform—what was seen as trade reform at that time—but we may not have considered the other factors that make or break economic unity, the movement of people, the movement of investment from one country to another. Therefore, it was not surprising that several of the smaller territories succumbed

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to the temptations that had to be put in their way to make special arrangements and to essentially not take on Caricom and not follow the CET regime after it had been negotiated over such a protected period.

One has to wonder why, while there is this feeling of unease on the part of most people, has consultation, in fact, broken down. Why is it necessary for our manufacturers to go public? Is it that they are not being listened to? Is it that something cataclysmic is going to happen to our exports? What is really happening? Or, is it that the Government is unable to say what it intends to do because it does not wish to preempt the meeting that is going to take place at the end of October?

All of this is very disquieting because we cannot escape the fact that our exports for the first six months of 1992 have, in fact, dropped by some six per cent. All the signs of recession are there: Interest rates are higher than ever; we hear stories of people being retrenched; fears that people will be retrenched and one has to ask the question: Is this economic policy working? Is it that we have been put back by the fact that we did not have a budget at the start of September? What is affecting the exports of the petroleum sector? Is it the fall in prices, small as it is, and prices which seem to go up and down every day? Is it the falling production? If it is the falling production, what are we doing to tangibly change that?

I am not going to stand here and criticize the Government or the Minister for a performance of six or seven months, because I am fully aware of the difficulties that he faces. The matter of customs—now that we have removed the negative list, the temptation for all kinds of people to smuggle and indulge in the irregularities that Sen. Mark spoke about is greater than ever.

Customs is a very difficult area to manage and one has to ask the question: Are there other areas and regulations which have or have not been followed which the Minister will have to come and ask Parliament to validate two years from today? It seems to be a disaster area.

My short contribution is intended to elicit from the Minister a response to what is happening with our exports. Is this decline of six per cent significant? What is happening in the petroleum sector? Why is production falling? What is the Government doing about it? Is it the delay in the budget? Everyone knows that these things take a long time to happen. There appears to be a lack of action. Nothing seems to be happening of overwhelming significance.

I ask the question: Has the Government stopped consulting the manufacturers? Why is it that they need to go public now and seek to develop constituencies, if you will? Is something bad going to happen? Has the Minister really assured these major players in the economy that the Government's policy will increase economic growth rather than decrease it?

I suspect that what is happening is that there is a lack of consultation, a lack of trust. People just seem afraid. Small manufacturers, in particular—because the larger manufacturers, one way or the other, will survive; they are strong enough to do so—are the people who are going to be hurt the most. If anybody is going to be hurt, it is the small manufacturer.

I want to ask the Minister to be so kind as to comment on these trade fears and perhaps, more importantly, explain to this honourable Senate why there seems to be this lack of consultation and also what this Government's intent is with respect to the CET and NAFTA, for that matter. Is it that we are going to disregard agreements which were made over a protracted period of some five years, vote 20 per cent or 50 per cent or some other percentage somebody else wants, or are we going to stand firm? What are we going to do?

I suggest that these are significant questions and I should like to ask the Minister to be so kind as to respond, if he can.

Thank you.

The Minister of Planning and Development (Sen. Dr. The Hon. Lenny Saith): Mr. President, I had not intended to speak until I heard Sen. Mansoor. And while I leave most of the questions he asked to the Minister, I think I should make a few comments. But before I do that, Sir, let me take the opportunity to welcome Sen. Richards to the Senate and congratulate him on his maiden contribution.

The last time I saw him was some 11 months ago when he came before our screening committee as a potential candidate. *[Laughter]*

And, Mr. President, I hope it would not be too long before I see Sen. Mark before me.

Sen. W. Mark: You will never see me there.

4.00 p.m.

Hon. L. Saith: But, Mr. President, let me make a few comments. Sen. Mansoor did, allude to the fact that while total exports have gone down, in the

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non-oil sector exports have been increasing. Exports have gone down because of declining production. The problem is one of declining production in the oil sector; and as we have indicated, we have been looking at the tax regime in the oil sector in order to amend it to encourage companies to spend money in exploration, because the only way to deal with declining production is, in fact, to get exploration going.

We have, in fact, agreed upon a new taxation policy for the petroleum sector. It would have been announced in the budget, had it been presented in September. My information is that we will be coming, shortly, to the Parliament with that legislation. I have to indicate, though, that we have communicated with all the oil companies and, in fact, we are beginning to see signs that money has been allocated and work will start on exploration in the oil sector.

On the question of why exports have increased in the non-oil sector, I venture to say that it is because manufacturers, who have accepted the fact that in this new world in which we live we have to become efficient, effective, and be export-oriented, have in fact, been making the necessary changes. What you are seeing, in fact, are the changes taking place.

You see, there is a tendency to talk about trade liberalization and look at it and say that 40,000 people will be out of work; garment manufacturers will go out of business and we will not be able to clothe ourselves—as if we manufacture the cloth. We import the cloth. All we do here is sew it. There was a clear indication of what is happening, and I think Sen. Wade Mark alluded to it when he talked about our local manufacturing with their deficiencies, their faults, and weaknesses. I think he has put his finger on it.

Sen. Hosein: Thank you for giving way, Mr. Minister. I just want to correct something—I do not want it to go on the record that all we do in Trinidad is sew. We design, we cut and sew.

Hon. Senator: You did not say so just now.

Hon. L. Saith: Thank you Mr. President, but I think my point is that if we are talking about clothing ourselves in the sense of being self-sufficient, because we do not want to import, we still have to import the cloth.

The point I was trying to make, Mr. President, is that the manufacturing sector, because of the way it has grown up, has got these deficiencies and weaknesses. If we are to survive in the new world, then we have to make these

manufacturing industries competitive; and that is all that the Government is seeking to do—make them as competitive as possible. I think that—my own sense is—there are enough manufacturers and entrepreneurs in this country, and once they understand the new dynamics, you will, in fact, see a growth of the manufacturing sector and an increase in those 40,000 jobs.

I was pleased to read in the newspaper last week that Thomas Peake, a company that is now manufacturing air-conditioners, 10 years ago was not into manufacturing. When the company started it was to supply the local market. It is now exporting all over the world and has planned production of 260,000 units next year. The local market is not even 10 per cent of that amount.

That is what is happening in the country and that is what we have to look at, because we would not survive—we cannot survive—with a protected market, with protected manufacturers who, by and large, demand large foreign exchange requirements to bring in their raw materials to manufacture. If we cannot earn foreign exchange and become export competitive, where are we going to get the money to keep these protected industries alive? They will go; and I make an appeal to the manufacturers to understand the long-term implications of what we are trying to do, and to understand the country's constraints in terms of foreign exchange and its ability to trade.

We heard talk about the multinationals and multilaterals and some vast conspiracy to bring us to our knees. It is always interesting to listen to Sen. Wade Mark. One is not quite sure of his arguments. At one time I was not sure whether he was saying we should leave Caricom and go into NAFTA, or whether we should leave NAFTA and strengthen Caricom. The point is, we have to trade with the rest of the world; we cannot put up artificial barriers here and expect that other people are going to allow us to come into their markets. Therefore, the whole exercise that you are going through at any given time is to ensure that you are putting yourself in a position where you can trade out there, while at the same time ensuring that you have some sort of arrangement within your country that gives you an equal footing—not to be below, but an equal footing.

We are a small country. I really cannot imagine that somebody is sitting there and saying, "for a market of 100,000 people of a particular Caribbean island, we must destroy the Caribbean". I really find it difficult to believe. What I know, however, is that we are in a situation where we will either learn, given the mega blocs that are coming up, to live in that society or we will just collapse.

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My appeal to the manufacturers is to look at this thing in the long term. The trend is there. Exports are increasing. We heard that with the removal of the negative list, the market would be flooded with foreign goods, and nothing local would sell. Well it was removed since June 30. Has that happened? It has not happened. We are being told, again, we should reduce CET—but that is a decision that has to be taken by Caricom as a group. No country can, if it wants Caricom to survive, unilaterally decide what the CET is going to be. It took five years to negotiate it. Countries are going to negotiate a level of CET that the Caribbean feels comfortable with and that they can live with.

Mr. President, I assure Members of this Senate that we are committed to working with Caricom and committed to ensuring that the position put forward on this issue has the support of Caricom. We do not intend to make any unilateral decision on the matter. Like Sen. Mark, if I may end by saying this, we cherish freedom and fairness in our electoral process. I assure him that we, also, should like the people of Trinidad and Tobago to look at what is happening elsewhere and understand why it is so necessary that we do not allow those who would seek to play the same game—wherever they come from—to survive in this country, because we have something here that is very precious.

Sen. Prof. John Spence: Mr. President, like some speakers before me, I had not intended to speak. Had I realized that we were not going to be debating the bill, but debating Caricom and other matters, I would, perhaps, have prepared for this. Before proceeding, may I welcome the new Senator and congratulate him on his maiden presentation.

I should like to just comment on some of the points raised by the hon. Minister of Planning. He spoke about our looking at the world as it is, and therefore, adapting our own strategies to suit. My problem is that we do not seem to really look at the world as it is. Because we look at it and say that we should move towards free trade without recognizing that, in fact, there are very few countries in the world who adopt that stance in its entirety. Therefore, when we are looking at the world we should look, also, at the other things that those countries do in order to protect themselves in what is supposed to be free trade.

4.10 p.m.

That really, is my problem, and certainly, it applies with great force to the agricultural sector. We certainly in that regard are not on a level playing field, to use the term that is frequently being used with regard to trade. If we are going to

adopt a stance of free trade in this area, then we have, immediately, to do what other countries do with respect to subsidies. Either we subsidize our own agricultural products or we take firm action against those countries that would have us buy their subsidized goods.

Of course, we have a prime example, currently, with respect to the importation of beef. What are we doing allowing in heavily subsidized beef to the detriment of our local production industry? Why have we not invoked—and I would not have mentioned this at this time because I have just submitted two questions to the hon. Minister in this regard—the anti-dumping legislation to address the issue of importation of beef from Ireland, which is heavily subsidized?

Mr. President, as I said, it was not my intention to speak, but I give notice that I will raise these matters to do with trade, and the agricultural sector, on another occasion. The points that I have made now are merely to indicate that the hon. Minister has referred to us “looking at the real world”. Well, we must look at all aspects of the real world and not just those aspects which the World Bank or the IMF would like us to look at.

Thank you.

Sen. Dr. Saith: Mr. President, I merely want to indicate that I am not aware that any of us on this side talked about free trade. We talked about trade reform, and we deliberately called it trade reform, for the point that you have made.

Sen. Dave Nigel Cowie: Mr. President, it is again my privilege to address this honourable Senate, and in this instance to articulate my horror at this innovative mode of legislation, which I can describe as being nothing other than legislation by amnesty.

This is not the first instance in which, what has been described in the seventh recital on page 4 of the printed version of the bill, the Customs and Excise Division has purported to act as a law, virtually, unto itself. One needs only hark back to a decision of the High Court of this country, which had to set that Division right in terms of a rather grave misapprehension which it did entertain up to the early 1980s. It was invested with the prerogative to levy and impose fines on errant importers, as if it were a court of law unto itself.

What has in fact happened in this instance, and quite wisely, one would note, is that the deeming provisions of clause 2 purport to validate and preclude from contention in legal proceedings, any acts or omissions done by the Comptroller of

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Customs and Excise within the ambit of the proposed bill. What is quite clear is that an embarrassing sequence has had to be deployed in which this amendment is being invoked to fill a lacuna, or a breach—if I may describe it as such—in regulations which themselves ought to have been simply the product of a stroke of the pen of the relevant Minister. In the process of the debate on this bill, precious parliamentary time has to be consumed, not only to articulate the several concerns that have been expressed on this side, but also, to assuage the grave embarrassment which no doubt my friends on the other side must feel at this juncture.

This kind of arbitrariness and self-appointed arrogation of prerogative is something that I trust my friend the hon. Minister, Sen. Draper would be ideally poised to address within the ambit of the reorganization of the public service. Because it cannot be acceptable that the division, which prior to the amendment in 1983, to enable the Comptroller of Customs and Excise to inflict fines, lawfully, from that date forward—it cannot be the case that the collection of massive amounts of duty—it must have been the case prior to the discovery of that misapprehension—on the part of the Comptroller, that that kind of excess of authority at a department of state, is to be encouraged.

In my respectful view one can expect little more in a situation in which the very incumbent Government, has disclosed a most remarkable ambivalence. If I may refer, quite briefly, to the extract from the *Trinidad Guardian* to which my colleague, Sen. Mark, referred in his address earlier, it would be clearly noted that there was an official perception arising out of the meagre salary levels receivable by customs officers, which threw, virtually into relief the conspicuous and lavish lifestyles of those suspected of corruption within the division, on the one hand—in other words, meagre salary levels are stated to be, perhaps, one of the underlying considerations that would tend to persuade an errant customs officer to a course of corruption, while, on the other hand, the leader of the incumbent Cabinet makes bold to go on a political platform and make a general statement that one of the principal problems in the public service establishment is that of overpayment.

4.20 p.m.

What exactly are we getting at? Is it that the public service establishment is overpaid or, is it that it is underpaid? Is it that it is both at the same time? In the context of that kind of confusion one can expect little more than that the

departments which function under the ministerial control of certain of my colleagues on the other side, would reflect that kind of schizophrenia which of itself is quite characteristic of the approach on the other side. One need merely to look back at the provisions of the Anti-dumping and Countervailing Duties legislation under which, yet again, the Minister was vested with a rather extreme prerogative to abandon an investigation in circumstances in which he considered it expedient to do so.

Suffice it to say that we are rapidly approaching the day when this august forum will be called upon to debate a bill of two clauses, the first of which would be reflective of the long title, and the second would purport to provide that notwithstanding any rule of law to the contrary, the bill shall henceforth be deemed to be full.

With respect to these mysterious things and acts that have been done, it is a matter of grave discourtesy to this forum that there has been absolutely no further disclosure as to the character of those acts and things that are now to be legitimized. One would at least expect my friends on the other side to be forthright in their embarrassment because certainly, it could not be anything that is so sinister to divulge which would cause the repression of that kind of disclosure or, perhaps it may be further paranoia at work. One wonders.

I conclude my attempt at a contribution on the basis that this kind of approach is not conducive to the formulation of any kind of legislative programme and at the micro level, it is symptomatic of a kind of attitude that does not reflect an appreciation of the principle on the basis of which responsible government can be founded. I thank you for your indulgence.

The Minister of Trade, Industry and Tourism (Sen. The Hon. Brian. Kuei Tung): Thank you very much, Mr. President. I omitted to welcome Sen. Richards, but I must say I am quite pleased I afforded him an opportunity to make his maiden speech.

Sir, a bill that I thought was straightforward was described on the other side as being simple, probably reflecting the quality of the minds of the Members sitting on the other side. It was meant to be straightforward. It was therefore a bit surprising to me that a bill that was intended to merely validate acts that have been done by the Customs and Excise Division, generated so much discussion with respect to our role in Caricom. In particular, it seems to have generated much criticism of me.

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I should like to assure Sen. Wade Mark about my own fortitude, testicular and otherwise. It is unfortunate that I shall not be able to give him a physical demonstration of it, given my own preferences, that is. But, I wish to assure him that my own style of leadership has never been described as violent. I have been associated with a very successful insurance company which today, has produced quite a few leaders; also that leadership is not restricted only to those who with the loudest of voices shout from the tops of roofs—although that seems to be the style adopted by the particular movement from which the Senator comes—but that instead political and business leaders have been of the sober, subtle more successful types.

To set the records straight with respect to the comment which was attributed to me with respect to Caricom and the role Trinidad and Tobago will play in relation to the discussions on the common external tariff, it was in response to a question about whether we would be prepared to go along with the majority if we did not necessarily agree with it. It was in the spirit of seeking Caribbean integration that I said I suspect our government would have no choice but to go along with the majority unless we deliberately intended to opt out of Caricom.

In essence, I would say that we should have no difficulty in going along with the majority if the majority, hopefully, was at least cognizant of our own views with respect to the common external tariff.

Sen. Prof. Spence: Mr. President, my understanding is that Caricom decisions are by consensus; that the fact is, if one disagrees it is a veto. Am I incorrect?

Hon. B. Kuei Tung: Mr. President, if the Senator would allow me, as part of my winding up, I would talk a little of how Caricom actually works based upon my own experience with the organization so far.

If you look at the sequel of events since 1981. In 1981 we had the Caricom Treaty and at that time the Customs Act was modified so that the President was empowered to make by regulations, provisions to determine common market origin so that we could determine the eligibility of goods coming from Caricom markets and the rates of duty that will apply. In essence what has happened here is that two items, particularly the items we have on today—and there were others that were discussed—became the subject of discussion at the Council of Ministers because of the changed circumstances that these two particular items experienced. In particular, I took pains to explain that at one time we were talking about flat

sheets and at another time we were talking about corrugated sheets; at one time we were talking about galvanize and another time were talking about zinc. Because of the different processes being used throughout the region, the Council of Ministers had great difficulty in establishing the rules of origin that should apply, and it took several meetings.

4.30 p.m.

What really transpires at these meetings is that normally there is a group of technocrats from ministries of various member states who meet and try to thresh out the issues at the technical level. Subsequent to that, the Council of Ministers would meet; listen to the recommendations made by the technical group and invariably having threshed them out—and it is not normally a majority vote. We try our best to find a unanimous situation and we work and compromise to ensure that everyone's interest is best served.

Coming out of that, we, being the Council of Ministers, make a recommendation to the Heads of Government, and again there is another level of discussion at the Heads of Government, which ensures that all interests are well served. It is not normally a vote per se. We try as best we can to arrive at a situation which secures everyone's interest.

What happened is that while this process was going on, a very dynamic process at that, it became apparent—and I might add that one of the technocrats who is normally on this work group—usually it is a very senior customs officer, who knows about the discussions which take place even up to the Heads of Government level. And therefore, it may have been that because of a number of things; one is the presence of the customs officer who knows the intent, who knows the discussions which took place at the Council of Ministers level and at Heads of Government level and who would be aware of the decisions that were made.

In this case it was through omission that the requisite public orders were not published. So that in essence, the Customs went along thinking that the orders were in fact made and that the amendments were law. The amendments were law, except as I said, the last part which is the publishing of the order was not done. What transpired is that coming into office, we discovered that the Customs has been doing this and today we are seeking to regularize it. That is the sequel of events. I have no idea as to whether there was any deliberate intent to defraud anyone. I know certainly, that it was in the spirit of accepting goods from Caricom countries that Customs co-operated to the point where one can say they are at fault.

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Instead today, this bill seeks to validate the actions that they have done and really there is no duty that has been forgone. We have allowed the preferred basis to be offered to our Caricom neighbours, again in the spirit of co-operation.

I wish to inform this honourable Senate that the next meeting of the Council of Ministers will actually take place next week. The Council of Ministers will study the recommendations which are being done now by the same technical working group that has been meeting—they have met twice already and will be meeting later this week with respect to studies on the common external tariff.

Sen. Hosein: I wonder whether the Minister would tell us unambiguously what is the Government's position on the CET.

Hon. B. Kuei Tung: At this time, it would be difficult for me to try to preempt the studies that are being done by the work group. What we hope to do is to analyze—I do have a number of preliminary reports which have already been submitted to me with respect to the findings of the working group. At this time our position is not finalized.

I had hoped to address a few of the concerns raised. In particular, it is not the intent of this Government to come here and ask only for rubber stamping. What has happened in this case is that circumstances which had taken place since 1985 and 1986 by the Customs, need to be validated. It is not just a question of bill after the fact. The bill seeks to ensure that all future actions continue to be correct.

The question of consultation with TTMA came up. I have had continuous consultation with TTMA at the executive level with manufacturers who produce on small, medium-sized and large scales and I have understood their concerns. In spite of my best entreaties they have felt that in order to alert, not just the Trinidad and Tobago public, but also the Caricom public of their own fears, they should go public. It is not a course of action that we necessarily condone but there is no way that we are going to take any steps to insist that they do not.

I am quite pleased—and I am not going to get into the question of exports of the non-oil sector—to know that the exports in the non-oil sector have increased. My objective is to try to achieve a diversified and balanced economy; balanced away from oil. That is not to say that we intend to dampen oil exports. On the contrary, we hope to strengthen non-oil exports so that they become a greater share of the total economy.

There is one last point I should like to mention. Sen. Spence raised the question of subsidized Irish beef. It is something which has come to my ministry.

One of the things which are being addressed—what we have discovered, however, is that we fall between the support we should like to give to the local cattle industry, and the fact that they can produce only marginally the amount we need for local use. We are talking about locally reared cattle being able to produce not more than 10 to 15 per cent. We are wondering whether the subsidized Irish beef is in fact endangering the cattle industry in Trinidad and Tobago in the sense that our industry is able to produce 10 per cent.

In essence, we feel that it would be unfair to penalize the consuming public who relies upon imported meat, and that any effort at this time to impose any countervailing duties on this beef would really serve more as a penalty on the consuming public than as a benefit to the local cattle industry. However, we have found a way to commit importers to buying local meat as far as possible before licences are given to them to import foreign meat.

Sen. W. Mark: May I ask a question? Would the hon. Minister indicate to this Senate whether he has a figure as to the amount of duties that this country lost as a result of this faux pas?

Secondly, is the hon. Minister prepared to indicate to this Senate his Government's commitment to bringing this report which has already been laid? Does the Government intend to have a large-scale debate in both Houses, particularly the Senate, on that report having regard to the fact that the Caricom Heads of Government meet on October 28?

Also, can he indicate whether the Government is committed to debating that report before it goes to the Hilton Hotel to the Heads of Government Conference?

Hon. B. Kuei Tung: I thought I indicated that the only faux pas was the question of publishing public notices. The faux pas was not in the application of duties. The Act was already amended to allow, under Caricom Origin Rules, entry to Trinidad and Tobago. The right duties were being collected, if any. What was wrong was that they were acting without the requisite protection of law, that being the law being completed upon the requisite notices being published. So in essence, I am saying that we really have not seen any calculation to be done. It is merely at this time a validation of acts. It is not that we have made a faux pas in the calculation of duties. Instead, the faux pas is the omission of the publication of requisite notices.

The question of the common external tariff is really going to be left upon Cabinet's decision. At this time it would be difficult for me to anticipate whether

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Cabinet will or will not want—as a matter of fact, we are not sure at this time, given the tight time frame, whether the Common External Tariff will be finalized in time for us to bring it before Parliament, and before the Heads of Government.

Sen. W. Mark: I think the Minister has misunderstood my question. I am not dealing with the CET. I am asking whether the Government of Trinidad and Tobago will be prepared to bring before the Parliament for debate the report by the West Indian Commission entitled "Time For Action" before the Prime Minister represents this country at that Heads of Government Conference at the Hilton Hotel on October 28?. I am asking whether the Government of Trinidad and Tobago is prepared to debate that report before he commits this country to any kind of position.

4.40 p.m.

Hon. B. Kuei Tung: Mr. President, suffice it for me to say at this time that I understand that the Prime Minister plans to make an announcement shortly on this.

Sen. Hosein: I had asked about the enquiry regarding the relabelling of fridges. I wonder whether he wants to enlighten us on that. Secondly, whether this matter had anything to do with the removal of the Comptroller of Customs.

Hon. B. Kuei Tung: Mr. President, on any enquiry that is made to my ministry with respect to rules of origin or otherwise in Caricom, generally we take two courses of action. The first one is that we bring it to the attention of the Minister of Trade of the accused country. We would take it to the Caricom Secretariat. This time we are still awaiting some formal word. You see, in the absence of having any proper trade representation in Antigua we really have to rely on their answering to themselves. We would have to indicate to them that we are concerned about the accusations that are being made and we await responses from the Government before we can take any further action. Really, we have no choice but to be shooting in the dark. If we say that we feel that someone is merely assembling or repackaging fridges, in essence, what we are saying is that we are challenging the certificates which are being issued by the exporting country. We have no evidence that it is so. We can do nothing other than to bring it to the attention of the relevant minister that we have this accusation against them. At this time we are just waiting on it.

Sen. Hosein: Allow me, Sir,...

Mr. President: I have spoken already about having a committee-style debate. Every Member who wanted to speak today had his chance. In the Standing Orders there is provision for giving notice of questions. The Minister, I believe, is at liberty to answer what he wants to answer and what he believes is relevant to the bill before the Senate. I really cannot stop it if he wants to give way every time someone rises, but I think it is really getting a little out of hand. I allow you this last interruption.

Sen. Hosein: Thank you, Mr. President. If I remember the matter correctly, the fridges were in Trinidad and therefore could have been examined by whoever was doing the enquiry. Therefore, had his people done that, he would have had the evidence to pursue the matter. I understand by what the Minister is telling me that this was not done.

Hon. B. Kuei Tung: Mr. President, I shall have to use your good offices; I am beginning to feel that I am being pestered and in view of the fact that I have already been described as being spineless, perhaps it is about time that I demonstrated my spine.

I do not understand what the Senator is trying to reach. If a fridge arrives in Trinidad and Tobago that says it was made in Antigua, what am I supposed to do, or what is an examiner supposed to do to determine how it was assembled, how much value was added in Antigua, by looking at it? I really have no idea. Unless we see the actual manufacturing operation—and I have taken pains to demonstrate that in the spirit of co-operation of trying to answer your questions, we really have no basis of having someone in Antigua inspect the manufacturing operation and, therefore, we relied upon the Minister to assist us. Again it is in the spirit of Caricom. He has to understand that in making these enquiries we have to do it very diplomatically. We cannot appear to be challenging things that other governments have issued. The governments have issued certificates of origin of their own and we have to enquire very tactfully.

Mr. President, I beg to move.

Question put and agreed to.

Bill accordingly read a second time.

Bill committed to a committee of the whole Senate.

Senate in committee.

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Clause 1 ordered to stand part of the bill.

Clause 2.

Question proposed, That Clause 2 stand part of the bill.

Mr. President: I should like to bring to the attention of the Committee the point raised by Sen. Richards that in the bill introduced in the Senate, the word, "are" correctly appears, so that in line 7 there is a typographical error and the word "are" will replace "and". It is not an amendment.

Clause 2 ordered to stands part of the bill.

Preamble ordered to stands part of the bill.

Question ut and agreed to, That the bill be reported to the Senate.

Senate resumed.

Bill reported, without amendment; read the third time and passed.

Motion made, That the Senate do now adjourn to Tuesday, October 20, 1992 at 1.30 p.m. [Hon. L. Saith]

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 4.50 p.m.