

HANSARD

PROCEEDINGS AND DEBATES IN THE FIRST SESSION (1961-62)
OF THE FIRST SENATE OF TRINIDAD AND TOBAGO, WEST INDIES
CONSTITUTED UNDER THE TRINIDAD AND TOBAGO (CONSTITUTION)
ORDER IN COUNCIL, 1961.

12th Sitting

Monday, 23rd July, 1962

THE SENATE

The Honourable Senate met at 10.00 a.m.

PRAYERS

MR. PRESIDENT, Hon. J. Hamilton Maurice, *in the Chair*

PRESENT:

SENATOR DONALD PIERRE	..	..	..	Minister of Education.
.. G. A. RICHARDS	..	..	..	Attorney General.
.. W. J. ALEXANDER	..	..	..	Minister without Portfolio.
.. V. M. CRICLOW	..	..	..	Parliamentary Secretary to the Premier.
.. JAGANSINGH	..	..	..
.. A. K. SABGA-ABOUD	..	..	..
.. T. SHEARS	..	..	..
.. N. SIMONETTE	..	..	..
.. C. A. TULL	..	..	..
.. R. J. WILLIAMS	..	..	..
.. R. LANGE, O.B.E.	..	..	..
.. J. F. F. ROJAS	..	..	..
.. J. B. STOLLMAYER	..	..	..
.. B. O. WALKE, M.B.E.	..	..	..

ABSENT

SENATOR L. E. BECKLES	Vice-President.
.. SIR P. C. HOBSON, KT.	
.. M. T. I. JULIEN	
.. R. M. KIRPALANI	

Leave of Absence

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*Housing Bill***ANNOUNCEMENTS****Leave of Absence**

Mr. President: Members of the Senate, I wish to announce that I have granted leave of absence to Senators Beckles, Kirpalani and Hobson.

I wish also to announce that Mr. J. P. Ottley, Clerk of the Senate, has been appointed to act as Clerk of the House of Representatives in place of Mr. G. R. Latour, who has been granted 147 days vacation leave from the 9th of July, 1962. Consequently, Mr. J. Carter, Clerk Assistant, has been appointed to act as Clerk of the Senate. Mr. A. A. Darlington, acting Second Clerk Assistant, has been appointed to act as Clerk Assistant, and Mr. A. B. Matabar has been appointed to act as Second Clerk Assistant.

BILLS BROUGHT FROM THE HOUSE**Customs (Amendment) Bill**

Bill to amend the Customs Ordinance. — [*The Attorney General.*] Read the First time.

Trinidad and Tobago Society for Rehabilitation of the Disabled Bill

Bill for the Incorporation of the Trinidad and Tobago Society for the Rehabilitation of the Disabled. — [*Senator Olive Walker.*] Read the First time.

HOUSING BILL

Bill to create a National Housing Authority to replace existing statutory

bodies dealing with housing, and to revise, consolidate and extend the laws relating to the encouragement of construction of dwelling-houses, and home ownership and for matters incidental thereto. — [*The Attorney General.*] Read the First time.

The Attorney General: Mr. President, I beg to move under the provision of Standing Order 48.

That the next stage of the Housing Bill be taken forthwith.

The matter is one of some urgency, Mr. President, and while it is regretted that Members of this Senate may not have had as long an opportunity as they would have liked to consider the provisions of this Bill, they will have the opportunity, if the Senate approves of this Motion, to do so in the Committee stage.

The need for passing this Bill now through its stages arises from the fact that Government has given a commitment to certain interests that are actually operating in the Territory, and which propose to expand the area of their operations. That commitment is, that the Bill should become law before a certain date if the financial arrangements in connection with the group are not to break down. For these reasons, I crave the indulgence of this Senate and ask that the Bill be permitted to go through all its remaining stages at this Sitting.

Question put and agreed to.

The Attorney General: Mr. President, I beg to move that the Bill be now read a Second time.

This Bill, Mr. President, is an attempt by Government to tackle with vigour some of the problems surrounding the housing situation which is one of the major social and economic problems facing this Territory—and not only this Territory, but indeed in most countries of the world, housing is a sort of hydra-headed monster which has acquired strength by virtue of the fact of increased pressure of population in urban centres, the imbalance caused by the rise in the cost of living with the effect that a large number of the population in most countries are unable to find adequate housing accommodation of sufficient standard to provide a decent background in which to bring up families and which fall within the scope of their income.

Wherever insufficient housing exists, wherever proper housing accommodation is restricted in the case of certain classes, and wherever housing fails to conform to proper and accepted standards of decency, grave social problems arise. This Government has been very mindful of these problems and is making a determined attempt to tackle them.

This problem is too large to be dealt with at one fell swoop. There are other aspects of the housing problem which the Government cannot attempt to deal with at this stage, but it is certainly one of the major attempts in the history of local legislation to solve a problem that has bedevilled us for many, many years.

In the course of the preparation of this Bill, various studies have been made on certain aspects of the problem, the fields available, investments and finance have

been surveyed, and the Government have had the benefit of the advice and assistance of an authority on housing problems, whose services have been placed at their disposal by the Canadian Government and it is our hope, Mr. President, that this meets with the approval of this Senate.

10.10 a.m.

Now, briefly, the purpose of the Bill is, as its name indicates, to create, in the first place, a National Housing Authority which will be able to exercise overall control of the housing situation, to replace certain existing statutory bodies which deal with housing and allied matters by this National Housing Authority, and to consolidate and extend certain of the laws that relate to the encouragement and construction of dwelling houses and home ownership. If the Bill be examined, it would be observed that it falls into 7 parts, and in addition there is an important Schedule which makes certain amendments to the Income Tax Ordinance in order to provide the incentives that are necessary if capital is to be encouraged to enter this field.

The main purpose of such incentive legislation is to bring in, in co-operation with Government, private capital so that the various details connected with the planning, design, construction and management of housing should not be too mixed up with other Government activities. It is clearly desirable that people who have the necessary know-how, to use a current term, should be interested to take some part in solving this problem and at the same time certain

incentives should be offered to them which would make their activities profitable.

Now, Part I of the Bill establishes the Housing Authority and sets out the scope of its functions and composition. I call your attention particularly to Clause 8 of the Bill which sets out the duties of the Authority. It would be seen that the Authority is charged with the responsibility for causing investigations to be made into the adequacy of existing housing accommodation, to collect information which will lead to the construction and provision of more adequate and improved housing accommodation, and the adoption of overall plans for dealing with housing. The powers of the Authority are set out in Clause 9, and briefly they are as follows:—

Paragraph (a) for example, empowers the Authority to undertake programmes of research in planning and design into the factors involved in the provision of improved housing accommodation and the co-ordination of such projects.

Paragraph (b) authorises it to establish competitions, to secure plans, designs, and specifications, especially in relation to low cost housing.

Paragraph (c) gives it the power to promote training in the construction and design of houses or in land and community planning and the management or operation of these projects.

Paragraph (d) permits it to enter into the construction of housing for experimental purposes.

Paragraph (e) authorises it to acquire land for houses or housing projects.

Paragraph (f) authorises it to sell, lease, exchange or dispose in any way of any real and personal property.

Paragraph (g) empowers it to join with local authorities in establishing or managing housing projects, within the area of operation of such local authorities.

Paragraph (h), which is a quite important one, and which continues some of the provisions of existing legislation, empowers the Authority to make direct loans or to give guarantees for the repayment of mortgages.

Paragraph (i) empowers it to encourage the production or management of low cost component parts and equipment for houses in accordance with certain standardised and accepted designs.

Paragraph (j) is of general application, and

Paragraph (k) authorises the Authority to develop land lay-outs, to enter into the construction of housing projects, to acquire materials or equipment and generally to manage, and repair house properties.

Finally, subsection (2) authorises the Authority to guarantee the sale prices of equipment or component parts of houses.

The proposed Authority under this part of the Act will thus be able to deal with the implementation of Government policy with respect to what I may call the creative aspect of the housing problem, as well as to undertake general managerial responsibility. It is the intention that the Authority will replace the existing Planning and Housing Commission; the Government Housing Loans Board; the Public Housing Loans Board, and to take over the functions of these bodies. It thus places management and the making of loans generally and the guaranteeing of mortgages in the hands of one body.

The Slum Clearance and Housing Ordinance is also amended. The extent of the amendments is set out in the Second Schedule to the Bill, and the purpose of those amendments is to vest in the new Housing Authority the functions that are now exercised by the Planning and Housing Commission.

Part II of the Bill re-enacts and expands the scope of certain existing provisions of the Dwelling Houses Encouragement of Construction Ordinance No. 17 of 1958, so as to provide for increased incentives for the construction of new houses and to facilitate private investment in house mortgages.

Provision is made in this part of the Bill to exempt from Income Tax what are called approved companies, that is to say, companies which conform to certain

conditions and which have entered into special agreements with the Authority to finance by way of mortgage and in other ways the purchase of houses. The exemption applies to all taxes that are based on profits or income from receipt, fees or commission which are received by such companies in the course of their business as approved companies. These exemptions in effect provide a tax holiday for a period of 10 years from the date of the completion of any newly constructed house. These provisions of the Bill are set out in detail in the First Schedule to the Bill which is an amendment to the existing Income Tax Ordinance.

Part III of the Bill provides for the making of direct loans to individuals for the purposes that are set out in Clause 18, (a) — (d) of the Bill. It will be seen that loans can be made for the purpose of acquisition of house and land for use by an individual for a residence for himself and his family; for the acquisition of land and the erection of a house in which he must reside; for the erection on land, which he already owns, of a residence for himself and his family, and in certain circumstances for the improvement or repair of an existing house.

Broadly, those are powers which are now exercised under the Public Housing Loans Board Ordinance and the Government Housing Loans Board Ordinance. Those powers will now be vested in and will be exercised by the Authority. Provision is also made for the making of regulations setting out the conditions under which such loans may be made, and this part of the Bill empowers the

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Authority to carry out all the present activities now authorised by the two Ordinances I have already referred to. These Ordinances are being repealed. It will be seen in Clause 62 that three Ordinances dealing with various aspects of this matter are being repealed as well as certain statutory boards are being dissolved.

10.20 a.m.

Part IV of the Act intends generally to empower the Authority to guarantee, during a period not exceeding thirty years, the rents obtainable from a housing project; that is to say, to guarantee to a housing company that the rents they obtain will not fall below a certain figure to be fixed by the Minister. Where such rents fall below this figure, the Authority may make good such deficits to the company. In other words, it is a sort of insurance scheme for builders of housing projects; and the builder will be required to pay an insurance fee, on a sliding scale, under certain conditions, and those will be seen out in Clause 37, the general terms of the Bill, what is called Rental Guarantee Contract.

Part V of the Bill empowers the Minister of Housing to make loans not exceeding 90 per cent. of the lending value of a low housing project to an approved Housing Company which has entered into a contract with the Minister—a contract which will be subject to the terms and conditions set out in Clause 41 and which terms and conditions must be specified in the contract. It will be observed that a certain degree of control is maintained over the operation of such

companies by virtue of the provisions that are set out in Clause 41.

The Minister may also approve of a Company for the purpose of this part of the Bill, if the Company has by agreement with him limited the amount of dividends that are payable to a shareholder to an amount not exceeding a figure fixed by the Minister. Clause 40 refers to that, Mr. President. And generally, the purpose of this Part of the Bill is to ensure what we all so much desire—that decent, safe and sanitary housing accommodation will be provided for families of low income. Incidentally, what a low income family is, is defined in Clause 2 paragraph (d). That is to say, a family whose total income is sufficient to permit it to rent housing accommodation adequate for its needs at the current rental market in the area in which the family lives.

Part VII of the Bill contains certain general provisions with which I need not detain you here and, finally, there are, as I have stated before, the Schedules—the First Schedule being an amendment to the Income Tax Ordinance, and it sets out the incentives that are offered to approved Housing Companies and to mortgage companies.

The Second Schedule sets out the amendments to the existing Slum Clearance and Housing (Temporary Provisions) Ordinance, No. 2 of 1959. Generally speaking, the effect of that being also to substitute for the Planning and Housing Commission, the Authority. Mr. President, I am sure that Members of this hon. Senate who view with great concern our existing housing problems will give this

Bill their blessing and join with me in the hope that it will go a long way towards solving some of our problems.

It has been said in certain places that the incentives offered in the Bill are confined to capitalists from abroad. This is certainly not true; they are open to any group or any company which has sufficient capital to undertake any of the activities provided for under the Bill. Clearly, there is need to tackle this problem and on a scale which finances of Government or indeed of any Government make impossible, and it is our earnest hope that various finance companies may enter into this field not only with profit to themselves but with the satisfaction of knowing that they are assisting in solving one of our major social problems.

Mr. President, I have the honour to move.

Question proposed.

Senator Walke: Mr. President, Members of this hon. Senate, I wish to congratulate the hon. Minister of Housing on his powerful and progressive Bill which I am sure will prove of great importance to the economy of this country and to the advancement of the general housing situation.

A few months ago, when I spoke on the Budget Speech, I made mention of the shortage of houses and pointed out briefly the social advantages derived from a progressive housing programme. I also referred to the point that, having a house to live in, gives one a certain feeling of confidence, assurance and self-

respect, because a house means a home, and a home normally should encourage love and understanding which we cannot do enough to foster in our community. I am glad therefore, that Government, through this Bill, intends to create a National Housing Authority which should assist in the construction of dwelling houses and house ownership. I feel that it is a very worthy contribution and it is a step in the right direction, because it will naturally stimulate enterprise and encourage industry in the bringing about of better housing conditions. I do not mean to speak at length on this Bill. In fact, I did not have enough time to study it, but, as I made mention of houses earlier in the year, I wish to express my deep satisfaction on what Government proposes to do through this Bill.

Senator Lange: Mr. President, as one who has had a little to do with the housing problem in this Territory as a Member for some years of the Public Housing Loans Board, I can say that it is with tremendous satisfaction that I am pleased to endorse this Act to create a National Authority.

10.30 a.m.

Early in the life of this Senate we had occasion to extend the period of the Rent Restriction Ordinance, and I think at that time views—and very strong views—were expressed regarding the elimination of that Ordinance as quickly as possible, and Senators urged the Government to do something in this direction. I think that we might quite easily say that one should be satisfied, if not surprised, at the rapidity with which Government has come forward with a Bill that obviously

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is intended to cover the very wide field of housing problems that exist in this Territory. The bringing together of three bodies will undoubtedly help to centralise the problems in one place so that they be handled aggressively.

However, in this connection, there is a point which I am sure my hon. Friend the Attorney General could explain. Why the creation of a National Housing Authority, and the definition of the functions of that Authority—and they seem to be very wide—and then later on one finds that the Minister keeps unto himself certain powers? Is this going to mean a divided authority? Possibly there is an explanation which my very unlegal mind cannot grasp, but it does seem to me that, if there is a National Authority, then that is the body that should handle all the matters relating to housing, under, of course, the appropriate Minister.

I should like to say that I cannot see anything in the Bill that means that only certain interests from away will be given the privileges of operating in this Territory. It does not say so, and the only point I would like to make in this connection is that, appropriately I suppose, there is no specific mention of any specific rate of interest, or rate of dividends that will be allowed. But I think Government is well aware that, if they are going to encourage private enterprise, that private enterprise is going to want to have a reasonable return on its money. And one can see that with money being rather fluctuating in values these days that is probably the reason why you have not specified any fixed rate of interest.

A great deal will depend on the regulations that are made under this Act, and in this connection we trust that when these regulations are formulated the public will have sufficient time to see them and to comment thereon.

One point that is not quite clear—but then again I presume the Hon. Attorney General can explain it—and that is, with regard to the amendment of the Income Tax Ordinance. It refers to the Minister, but it does not say whether it is the Minister of Housing or the Minister of Finance, who is in charge of the Inland Revenue Department. That, however, is a minor point which can be cleared up.

With these few comments I would like, as I say, to endorse and fully support this Bill and wish it well; wish the Minister and everybody connected with it all the co-operation they need, not only from the people who need the houses, but also the people who have got the necessary funds or the necessary facilities for providing housing, because undoubtedly that is one of our most important problems to be tackled, especially at this time when we have to stand on our own two feet and, if I may add, live in our own house.

The Attorney General: Mr. President, I should like in the first place to give Senator Lange the categorical assurance that when regulations have been made under this Act—for the moment I am speaking as if it has already been passed—they will be laid before this Senate. Government naturally desires the widest participation and co-operation in so important a social measure, and all

information concerning every aspect of this housing problem will be made available not only to Members of this hon. Senate but to the public.

Senator Lange has himself given the answer to his question as to the reason why certain powers were vested in the Minister. In the first place the Minister is the person who has the responsibility for making regulations. He, under the authority of the Cabinet, will consider various aspects of the problem in drafting those regulations. Furthermore, the regulations will contain large financial implications, and it would certainly not have been appropriate to entrust those things to an Authority which may not understand the far-reaching implications of some of them.

In drafting these regulations, the Minister must confer with the Minister of Finance and, generally speaking, act under the general policy directions of the Cabinet.

The Authority, while it will be free to administer the Housing Act in all its aspects, obviously will be subject to general policy directions from the Minister, because it is desirable that Government should be able to influence the direction and scope of the work of the Authority if the housing problem is to be beaten. And the Senator need have no fear that the Minister's powers will be exercised without full consultation with all parties and interests concerned.

I welcome Senator Walke's expressions of goodwill and her blessing to the Bill, and I assure her that we are equally with

her that it is necessary and essential that this effort to tackle so vast a problem be successful. It will be successful if it receives the support and co-operation of all elements in this community, as I am sure it will, because any weakness, any deficiency in any section of the community reflects equally on us all.

I am sure that the Minister responsible for the administration of the Act will pursue his efforts with untiring energy with a view to providing means whereby this vast problem can finally be solved.

10.40 a.m.

It will be observed that the Bill makes what in my respectful opinion is the proper approach. Rent restriction is controlled by legislation from above, but the approach of this Bill is to remove the fundamental and underlying causes of the problem, and we hope that if those causes are removed various other problems connected with rent restriction will also go with them.

Question put and agreed to.

Bill accordingly read a Second time.

Bill committed to a Committee of the whole Senate.

Senate in Committee.

Attorney General: There are certain amendments to the Bill, Mr. President, which I desire to move and I crave your permission to deal with them when we come to them.

The Bill, I may explain, after it was published for public comment, was sub-

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Documents Laid

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jected to further review by Cabinet in the light of representations made by certain housing companies and by the Chamber of Commerce. In the light of those representations, certain slight amendments have been made. Advantage was also taken of the opportunity to correct certain typographical errors and things of the sort in the Bill, and I shall deal with them when we come to the appropriate sections.

Mr. President, may I make an explanation at this stage? It has just occurred to me that my remarks might have been taken to mean that certain further amendments have to be made to the Bill, which was passed in another place. That is not so. A list of amendments is attached to the Bill and those amendments have been accepted in another place. On consideration, it does not seem to me to be necessary that they be moved individually. The Bill as it comes to this Senate, is in the amended form. I take it that you agree with that, Mr. President.

Mr. President: Except that there are some amendments which we have had with the supplemental Order Paper.

Attorney General: Those are the amendments which have been accepted in the other place. It does not appear to be necessary for me to go through all of them in view of that fact. I take it you agree with that, Mr. President.

Mr. President: Yes.

Question put and agreed to, That the Bill be reported to the Senate.

Senate resumed.

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

11.50 a.m.

DOCUMENTS LAID

The following paper was laid on the Table:—

Report of the Ministry of Health and Housing on the Administration of the Public Loans Board for the year ended 31st December, 1960. — [Parliamentary Secretary to the Premier.]

PETROCHEMICALS INDUSTRY DEVELOPMENT BILL

Order for Second reading read.

The Attorney General (Senator Richards): Mr. President, I beg to move,

That a Bill entitled An Act to provide for the establishment and development of the petrochemicals industry in Trinidad and Tobago and for purposes connected therewith, be now read a Second time.

This, Mr. President, is another example of incentive legislation of which we hear so much nowadays, and which is so vitally necessary to the development of the economy of the Territory. I take it that the principle and practice of incentive legislation has been widely accepted and there is no need to justify it at this stage. It would be known to Members of this Senate that it is practised in almost every country and particularly in developing countries which need outside

capital to stimulate their economic activities. In the Caribbean area, we have had an outstanding example in Puerto Rico which has raised the general standard of living, and the general prosperity of that country to quite a high level in a remarkably short space of time; and, if I may say so with due modesty, in this Territory we have by no means unsuccessfully achieved some quite worthwhile results in that direction, and this Government, particularly, during its term of office, has been able to make a distinct contribution to the improvement of commerce and industry and trade generally by the acceptance and operation of the principles of incentive legislation.

The petrochemicals industry is one of those vast industries which has developed in modern times. It requires tremendous capital investment and a high degree of technical skill and know-how, and it is quite beyond the means, shall we say, of small groups of capitalists to embark on such an industry. It nevertheless has tremendous effects where it can be successfully established. These effects are felt not only directly in the sense of providing higher wages or increased employment opportunities for the people of the Territory where they operate, but they have indirect effects on the economy of the country that are quite beneficial to it. We have considered it necessary that steps should be taken to introduce this measure in order to encourage development of the petrochemicals industry which is related in some ways or in some of its activities to the existing petroleum industry. There are groups of capitalists who are interested in the establishment of this industry, and Government has

thought fit to provide the necessary machinery by which that interest can be effected and demonstrated. Before I deal with the Bill specifically, perhaps I can just state that, basically, it extends some of the provisions of the Aid to Pioneer Industries Ordinance.

11.00 a.m.

Hon. Senators will know that the prime incentives offered under the Aid to Pioneer Industries Ordinance are:

- (a) Exemption from certain customs duties, and
- (b) Exemption from income tax for a certain period.

Where the Governor in Council, and that of course under our existing constitutional arrangements means the Cabinet, is satisfied that it is desirable in the public interest, after considering all the factors, that a certain industry should be established, it may by order declare such an industry to be a pioneer industry and it may declare a product of that industry to be a pioneer product. Any manufacturer who makes application in respect of an industry and a product to have himself declared as a pioneer manufacturer in respect of that industry, therefore, receives the benefit of the Aid to Pioneer Industries Ordinance.

But it has been found in the course of years that the incentives provided under that Ordinance are in some cases insufficient to attract the necessary capital in certain industries, and by a number of other Bills attention is being paid to that aspect of this particular

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economic problem. Not very long ago, the Oil and Greases Ordinance was passed into law, which contains some provisions not dissimilar to those of this Bill. It will be observed on examination of the Bill that it contains generally the same provisions as the Aid to Pioneer Industries Ordinance, but it leaves a larger scope for Government to operate in considering whether a manufacturing order should be made. It will also be observed that it extends some of the benefits of exemptions that are obtained from customs rather more widely than the existing Ordinance does.

It will be noted, for example, under Clause 8, that if the manufacturer is able to establish to the satisfaction of the Comptroller of Customs and Excise that a large variety of articles and materials are intended to be used for the construction, maintenance or expansion of a Pioneer Factory or materials used in connection with the manufacture of a pioneer product—and a general list is set out in the Second Schedule to this Act in which it will be seen that building materials, fixtures, tools, plant, machinery, pipes, pumps, fencing materials, conveyor belts, sea and land transport equipment and other appliances and equipment—if, as I said before, it is established to the satisfaction of the Comptroller of Customs and Excise that these are to be used in connection with a pioneer factory, they are all made free from customs duties. It goes further and provides that if a manufacturer finds it necessary to purchase these things locally, provided he satisfies the Comptroller that the purchase has been necessary, he is entitled to a refund of

the customs duties already paid on those articles. In addition, the tax holiday period has been extended by this Bill from 5 years—as is provided for under the Aid to Pioneer Industries Ordinance—to 10 years.

In addition to extending these incentives, the Bill gives certain other rights to a pioneer industry. For example, it gives it the right, where necessary—and this is an important addition to this sort of legislation (it will be observed in Clause 9)—to the compulsory acquisition of what is called the right of user. It may be necessary in the course of their operations that pioneer industries may require the use of land or water, and provision is made to enable them to obtain such a right where they cannot be obtained by private negotiations. Certain rigid conditions, of course, are required to be filled, and on those conditions being filled, an application may be made to a judge in chambers for a declaration that the right of user ought to be granted. Obviously, the owner of any land affected or the owner of any water rights affected has a right of appeal, and such an appeal will be determined in due course and if eventually the order is made, there is provision for compensation for any injury that may be suffered as a result of the grant of this right. The conditions attached to the payment of compensation are set out in paragraphs (10) and (11) of Clause 9. The procedure dealing with these matters will be subject to certain rules which will be made, under the Judicature Ordinance, and it will be seen from Clause 11 that, where no rules exist, the rules and practice of the Supreme Court will apply.

In the exercise of his right of user, the approved manufacturer or his servant is given certain protection under Clause 12.

Clause 13 deals with the question of permit and licences for the sinking of wells and boreholes. It would be known that these licences and permits are granted by a Board that operates under the Water Works and Water Conservation Ordinance. An approved manufacturer may apply to that Board for a licence, and that Board will consider his application and may or may not grant it on such terms as it thinks fit.

The Bill also leaves certain powers to the Governor in Council to fix maximum prices for products of the particular industry, and it lays down the conditions under which an order may be revoked.

Those, briefly, are the main provisions of this Bill, and I have no doubt that if the Bill is passed into law, people who have indicated an interest will be ready to establish the petrochemicals industry in this Territory.

It is worthy of note that if we look, for example, at the First Schedule to the Bill, there will be seen the descriptions and kinds of petrochemicals which are intended to be controlled. There is, of course, provision for their extension, that is to say, other products as they are discovered, may be added to this First Schedule, but, before an Order can be made, there must be a guarantee that the particular product must be produced in certain prescribed quantities which are set out in the right hand column of the

First Schedule. It will also be observed that many of them are manufactured from natural gas which is found in this Territory, so not only will the establishment of a prosperous petrochemicals industry result in a general improvement, a general extension of employment, but also in the enlarged use of certain of our natural products. I am quite convinced that it can only mean benefit, if in fact we succeed in having a prosperous petrochemicals industry established here.

Mr. President, I commend this Bill for acceptance of the Senate in the confident knowledge that we all have at our hearts the advancement and improvement of conditions in this Territory and are prepared to make every effort to secure the attainment of that end.

I beg to move.

Question proposed.

11.10 a.m.

Senator Rojas: Mr. President, Fellow Senators, this Bill to my mind is a very important one—important in the sense that it is intended to make provision for the development and establishment of the petrochemicals industry in Trinidad and Tobago.

Every encouragement ought to be given to the development of industries here in order to establish the opportunity for fuller employment in the Territory. To that end, I think it wise that we should endeavour to give aid to these pioneer industries for the general good and well-being of the country at large.

Petrochemicals Industry
SENATOR ROJAS

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Development Bill

I have a soft spot for the petroleum industry, with which I have had connections directly for the past twenty-five years. The petroleum industry is the back-bone of the economy of Trinidad and Tobago, and everything possible ought to be done to foster the advancement of that particular industry. We must have a good climate for the industrial development of this industry: we want stability in the industrial and labour relations for the general advancement of this industry—which means the general advancement of our national economy as a whole.

The petrochemicals industry is to be an off-shoot of the petroleum industry (because there are hundreds of by-products from petroleum which could be developed, and which have been developed in other parts of the world) and there is no reason why we ought not to take advantage of this development in the various commodities manufactured from petroleum for the general advancement of the country. As I said before, with the object of providing more avenues for employment in the territory, I am willing to support this Bill for which I hold a soft spot in my mind.

There is, however, one important observation which I want to make, and that is, on page 3, under clause 7, subsection (2), where provisions are made for an extension of the period as in the last Ordinance. Under 7 (2) (c) it is stated that:

“the period during which relief from the payment of customs duty on articles imported into the Territory and during which refund of cus-

toms duties imposed on articles purchased in the Territory will be granted shall be ten years instead of five years as prescribed in section 5 of the Principal Ordinance:

- (d) the tax holiday period shall be ten years instead of five years as prescribed in subsection (1) of section 8 of the Principal Ordinance and shall be in respect of each plant specified in manufacturing order;
- (e) for the purposes of section 10 of the Principal Ordinance the period of thirty days prescribed therein shall be extended to three months.”

Mr. President, I do not know whether the provisions stated here specifically apply to the petrochemicals industry, or whether it is going to be the standard practice in all industries; but we of the Labour Movement, I must say, are very skeptical about industries enjoying such a long period of exemption from taxation, etc.; and we have had, unfortunately, the sad experience of a particular industry in this country which proved very difficult to get along with. Although enjoying pioneer status granted to it by the Government of the day, the company failed, in our view, to honour its obligations to the workers. A Commission of Inquiry had to be set up, and the Government was eventually taken to court by the company. The Government finally won a decision in the Court of Appeal, but yet found itself unable to deal with the company. That company, mark you, enjoyed a ten-year period free from taxation, and exemption from the payment of customs duties.

All things considered, I feel that companies enjoying pioneer status should be given a period of only five years freedom from taxation, and even this should depend upon whether their behaviour is suitable to the community.

11.20 a.m.

It is in that sense that I am making reference to this particular extension from five years to ten years.

I have had dealings with employers in the petroleum industry, and during the past 25 years we have had our rough and tumble days to secure their recognition of the Trade Union Movement, but when once recognition was granted they quickly adjusted themselves and paid the necessary attention to the Trade Union Movement, and have set up and established personnel departments. You will find the most competent personnel departments in this Territory in the oil industry, with capable men, well trained in the field of labour relations, and taking a very scientific approach to problems of labour relations. It is because of their approach to the Trade Union Movement that we have had peace and tranquillity in the oil industry for the past 25 years, despite the fact that here and there every now and then you have had developments, despite the fact that you have had a strike within the past two years. But in the best regulated families you are going to have problems; problems are made to be faced and in the petroleum industry we faced those problems by having Trade Union machinery set up and accepted.

When you have an industry like the Trinidad cement factory which refuses to

accept the modern and advanced principles of establishing personnel departments, and having a personnel officer or a labour relations officer to deal with the Trade Union Movement; when you have an employer who meets with the Trade Union Movement and takes a decision and no sooner the meetings are over they break those decisions; when you have employers who go before a Government-appointed Commission of Inquiry and make themselves strangers to the truth; when you have employers who go before a Board of Inquiry, and despite the fact that, as we had at the last Board of Inquiry, the members of the Board go out of their way to effect a compromise, to get a settlement and an agreement, the employers endeavour to go back on almost all the things they had agreed upon, it is time for us to give some regard to what provisions are being made to give labour some guarantee or some protection, as we have provided protection for the employers in this Bill.

I see here on page 12, section 15, it is stated:—

“Subject to subsection (2), where the approved manufacturer at any time during which a manufacturing order is in force in his case

- (a) ceases to manufacture an approved product in the Territory for a period of upwards of six months, or
- (b) fails to recommence the manufacture of an approved product within a period of three months after receiving notice in writing signed by the Minister requiring him so to do,

SENATOR ROJAS

“the manufacturing order may be revoked.

“Where the approved manufacturer proves to the satisfaction of the Governor that he has ceased to manufacture an approved product or has failed to recommence the manufacture of an approved product within the periods mentioned in paragraphs (a) and (b) respectively of subsection (1) for any of the following reasons.....”

Then a number of reasons are enumerated:

- “(a) An Act of God or the Queen’s enemies;
- (b) fire or explosion resulting from any cause whatsoever;
- (c) natural calamities, strikes or lockouts, restraint of princes or people.”

I will deal with strikes and lockouts. The provisions here are, if because of a strike or lockout the employer is unable to produce within a period upwards of three months, and he satisfies the Governor that he has ceased to manufacture because of that particular reason, then the order to force him to manufacture may be revoked.

I should yet like to see some provision which gives the work-people some measure of protection. It is not sufficient to talk about a strike or lockout alone; perhaps the strike maybe a strike which may be necessary. And may I refer again to Trinidad Cement Ltd. Time and again they have provoked

strikes in that industry. The last strike was for a period of three months. I take it that they satisfied the Governor that the cessation of production was due to a strike over which they had no control.

When employers by their behaviour initiate a strike, make strikes necessary; when employers by their behaviour think it necessary to fight the Trade Union Movement; when employers by their behaviour think it necessary to starve the workers and prolong a strike, or even lock them out for six months or three months, what is the answer?

Where you have an industry in which the labour force is only about 200 odd, and it is very easy to break a strike, what provision have you for the work-people? The employers will always have the upperhand, they will always have the advantage over the work-people who are working at a disadvantage.

When employers use all measures to break strikes, to destroy an organisation; when employers like Trinidad Cement Ltd. establish company unions, within the compound of their organisation, support and finance it; when they use all measures in order to destroy the Trade Union Movement instead, perhaps, of providing the necessary facilities to enable the Trade Union Movement to aspire, rather than making the climate for trade unionism favourable, where they keep antagonising and fighting the Trade Union Movement, what provision are we making for the well being of the work people who are the producers of the wealth of the Territory?

The Bill must be a balanced Bill; you must make provision whereby you can give them a five year period, taxation free, and on the behaviour of these people after five years you consider whether they should have an extension. I will only agree to this ten-year period in this case if I can be assured that every case will be treated on its merits, and it is not going to be a blank cheque for all pioneer industries applying for pioneer status in the country.

The worst type of employer that has ever set foot on the shores of Trinidad and Tobago has been the Trinidad Cement Industry, and if I were a dictator in this country I would send them out—lock, stock and barrel—tomorrow morning. They are unsuitable to be on the shores of this country. They look upon the people here as so much material for exploitation; they look upon the people of this country as though they are slaves and they the slave masters.

These people must change their mentality, they must change their outlook, they must know that it is civilised people that are employed in the industry, and that the work people of this country must be treated with a greater measure of respect. After all, we are citizens of Trinidad and Tobago, and not so much material for exploitation. We may have a slave background, and a slave origin, but it was nothing that was within our control. Today, in this country, we are citizens, and from my experience in dealing with that particular company, the work-people have shown a greater sense of responsibility, a greater sense of honesty, a greater sense of self-respect,

and I have a greater respect for the words of the working people than those who operate as employers in that particular industry.

11.30 a.m.

Mr. President, as I have pointed out, I want to support this Bill—the Petrochemicals Bill—and to give this particular industry seeking pioneer status my full support and co-operation. I should like to see the industry prosper. I would like to see many more industries come into the country, and I would never attempt in any form or fashion to obstruct foreign capital coming in this country or international capital coming in this country to establish industries for the advancement of the country and to provide a measure of full employment. But I would certainly want to see that, when all is said and done, provisions are made to give labour the necessary protection in those industries where there are unscrupulous employers as those we have in the cement industry at the present time.

If the extension of the period of relief from taxation is confined to this Bill and is not a blank cheque for all people approaching the country and asking for pioneer status, then I am at one with the Government. I do not object to the question of the extension for the petrochemicals industry, particularly if they would concentrate on training our local people for key positions or associated positions. I think we might very well, as an incentive, accord them that sort of relief; but I do so with the reservation aforementioned.

The Attorney General: Mr. President, I welcome the contribution of Senator Rojas to this debate and I think perhaps I may be able to give him some reassurance on the points he has raised. I want to assure him in the first place that this Government is as deeply concerned as he is that fair employment practices should operate in this Territory. In fact, if he will look at clause 5 of the Bill, paragraph (2), he will observe that the Government may in any manufacturing order impose conditions to be observed by an approved manufacturer. I assure him that in every order that is made nowadays that is one of the conditions inserted. It is always nowadays subject to the acceptance of fair employment practices. No one regrets more than this Government that there would be manufacturers who would perhaps be tempted to take advantage of certain conditions or to misbehave in some way; but the Government certainly keeps its eye open, as it were, for good employers and for bad employers. In any case, the remedy is always in their hands, because not only on the ground mentioned by Senator Rojas but on other general grounds, an order can be revoked. With respect to the specific points touched upon by him in connection with strikes and lockouts, the effect of that is merely this: if a manufacturer under that particular clause—and that is not the only clause which gives Government the right to terminate an order—if under that particular clause a manufacturer has ceased to manufacture for six months and has received a notice from the Minister and after the expiration of a further three months still has not resumed his manufacture, then it would be for him to satisfy the Governor

that he has had a very good reason for not resuming production; and I assure the Senator that it is not merely his saying so that is the determining factor. All the circumstances will be looked into and examined. He must satisfy the Governor that the reason is a good and sound one. I have no doubt that any elements of this community, the Trade Union Movement no less than any other, can make representations to Government when Government is considering the possibility of determining an order. So I do not think the Senator need have any fears on that point. He has generally commended the Bill, and we too join with him in assessing the value of this industry as being a very useful factor in the economic life of this country. We are with him in expressing the hope that the Bill will make a substantial contribution in the furtherance of the industrial progress of this Territory.

Question put and agreed to.

Bill accordingly read a Second time.

Bill committed to a Committee of the whole Senate.

Senate in Committee.

Question put and agreed to. That the Bill be reported to the Senate.

Senate resumed.

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

11.40 a.m.

LAND ACQUISITION

Senator Alexander: Mr. President, I beg to move,

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That this Senate approve the decision of the Governor to acquire the lands in the Appendix for the public purposes specified.

Mr. President, I do not think it necessary to enter into details with respect to the purpose for which these parcels of land are to be acquired save to inform hon. Senators that, with respect to the first parcel, that this is to be acquired in order finally to regularise a situation which has occurred owing to the actual construction of a water tank on a site near the Guayaguayare Road. This acquisition, then, has become necessary in order that Government could now own the parcel of land upon which this tank has been constructed.

With respect to the second parcel of land, this is necessary for the provision

of an area for the purpose of building aided self-help houses and for a recreation ground. These two things have become quite necessary in this area in Tobago because, as you know, the housing situation is in a very perilous state in some districts in the Islands of Trinidad and Tobago.

Mr. President, I beg to move.

Question put and agreed to.

Motion made and Question proposed, That the Senate do now adjourn to a date to be fixed by the President.—[Senator Pierre.]

Question put and agreed to.

Senate adjourned accordingly.

Adjourned at 11.50 a.m.