

# HOME TAX RELIEF

EDITC

## THE BUDGET

Minister and  
of Finance  
D. Anthony  
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nted in the  
04 budget.

Government is inviting St. Lucians to examine its record on taxation over the last six years, to determine, for themselves, if recent charges of increased taxation by some critics hold validity.

The “supreme tragedy”, remarked Prime Minister Dr. Kenny D. Anthony as he wrapped up the recent Budget debate, is that there are some persons who are so bent on sullyng the Government’s image that their “sole diet is untruth”.

Confident that its record will stand the test of scrutiny, Government has released the full list of taxation measures since it took

office in 1997 – comparing concessions with impositions — so that citizens can decide what is fact and what is fiction.

The charges of increased taxation were apparently triggered by a \$50 a year increase in driver’s license fees that was announced in the budget.

### Revenue for road works

This revenue measure, expected to raise \$1 million this fiscal year, is a small contribution to the massive road works programme the Government is undertaking islandwide. It also will help pay for improved policing of the island’s roads.

*cont’d on page 2*

The annual parliament Appropriations Bill, called the Budget, is an important event on the calendar year.

The budget is a concise statement full of information about the Government’s spending and sources of financing. It was developed after consultation of all the major economic sectors. As a result, it provides insights as to the priorities of the Government’s development thrust.

Considering the nature of the budget and the large number of issues, the media in other countries in the Caribbean spend considerable time providing comprehensive budget debate.

It is unfortunate how the private sector and government organizations encourage their members to continue discussion of these policies before the period following the

Further, with the exception of sector managers, it is an unenviable task to allocate resources to various programmes, very few organized groups monitor the performance of the year, in order to provide recommendations on the budget. After all, any public or private organization is an essential element in the process.

All St. Lucians are immediately following the budget in Parliament. The preparation of the 2003 budget commences, as public are presented with limited deadlines for the submission of data to the Ministry of

Notwithstanding the fact that the private media has been in the budget debate within an oriented programme to understand that it is



**AIR JOB:** Almost anywhere you go nowadays, the clanking of construction equipment is a very familiar sound. That has detected signs of structural stress on the bridge, which has been in use since 1963. As a result of the repairs, the bridge has been closed to traffic.



the incumbent Labour  
office in 1997.

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have annual earnings  
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education and upgrade your skills,  
Government has reduced the repayment  
burden by allowing a substantial portion of  
the interest to be claimed against your  
taxes.

If you decide to buy shares in a publicly  
traded company, there's an annual  
deduction of \$5,000. And if you choose to  
set aside some savings for your retirement  
under an approved plan, you can also make  
a claim against your taxes.

If you save with a credit union, you can  
claim up to \$5,000 a year. If you are a  
pensioner, there's no payment of land and  
house tax for you.

All of these concessions for individuals were  
introduced by the present government. In  
some cases, what existed before has been  
enhanced.

The list has not been exhausted.

"I ask you to determine whether any  
government has given as much as we have  
by way of tax relief in this country over the



**Prime Minister Dr. Kenny Anthony  
announced that Government will reduce  
the excise duty on new vehicles.**

large business. Companies can also make  
a claim for group losses, as well as a  
deduction for new share issues on the  
OECS stock exchange.

There is, too, a tax credit on foreign  
exchange transactions for local companies  
operating in the financial services sector.  
Entertainers no longer pay entertainment  
tax. Taxi operators have benefited from the  
abolition of duty and consumption tax on  
the purchase of new vehicles. And banana

in the state ship pas  
US\$1.50 to US\$6.50  
visitor's driving permit  
the adjustment in the  
(HAT).

Other new taxation r  
environment levy v  
keeping St. Lucia cle  
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on extra-regional run  
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When you compare v  
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revenue it has raised  
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sacrifice is obvious. F  
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"The Government h  
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this economy. It is as  
Dr. Anthony.

"Despite this record,  
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want to suggest that  
ernment. What more  
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Dr. Anthony.

FINANCING THE 03-2004 BUDGET		
WILL BE FINANCED AS FOLLOWS:		
SOURCE	AMT. (\$ MILLION)	%
TIT REVENUE	477.1	55.4
REVENUE	6.5	0.8
	60.7	7.0
	91.0	10.5
BILLS	22.0	2.6
	204.0	23.7
	861.3	100

irrent taxation policy,  
er pay annual motor  
the controversial tele-  
property tax has gone  
years now St Lucians  
n tax on the barrels of  
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Christmas.

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last five years," says Prime Minister  
Anthony, who is Minister for Finance and  
Economic Affairs.

Government has been particularly generous  
with the private sector as it seeks to  
stimulate new business activity, in a bid to  
diversify the economy away from its  
traditional dependence on bananas.

Corporation tax is going down; raw  
materials for manufacturing have been

FISCAL ADJUSTMENT REFORMS	
REDUCTION IN CORPORATE INCOME TAX RATE	
The reduction will take effect as follows:	
INCOME YEARS	PERCENTAGE
2003	1/3%



cial services, the newest sector  
nomy, is recording “steady but

esult of deliberate policy as St.  
consequences of robust but  
elsewhere in the region,” says  
ny D. Anthony, the Minister for  
il Services.

ough approach has helped us to  
d pitfalls that have blackened the  
y other jurisdictions,” he adds –  
e to the so-called blacklisting of  
isdictions by the Paris-based  
Economic Cooperation and

orty eight (848) international  
to date have set up shop in St.  
e than half – 436, to be precise –  
ast year.

are nine international captive  
es, three international trust  
rst private international mutual  
bank so far has received approval  
the several which applied for li-

ant risk that banks present, the  
ervision Unit has been extremely  
h to granting licences,” explains

ishore banking is their possible  
ing. That was the main allegation  
cklisted Caribbean jurisdictions

ore services sector can generate  
for Government, mainly through  
Another significant benefit is well  
ntants, financial managers and  
sionals.



**Bank of Crozier: St. Lucia's lone offshore bank operating from Brazil Street**



## SAVING OUR BAN

Government is renewing an invitation to the parliamentary Opposition to pay a fact-finding visit to the other Windward Islands and Britain, to get the true picture of the major issues facing the banana industry in this present era of global free trade.

Concerned that the Opposition does not have a clear understanding of banana-related issues, judging by the outlandish claims its representatives made during the recent Budget debate, Prime Minister Dr. Kenny D. Anthony says Government will pay for the trip if the Opposition accepts the offer.

“I believe that the Government would be helped, the Opposition would be helped, the farmers would be helped, the country would be helped, if all of us really understand what the issues are and where we are,” Dr. Anthony

Afterwards, the plan is travel to Britain, the n Windwards bananas, f the Windward Islands and Exporting Compa the challenges facing in the UK market.

“There is nothing to I says Dr. Anthony. “V pleads for is an unders of the situation.”

“I believe that this issu our farmers have to be market conditions, wha much room we have still have to make chz and what are these ch



# ERN FACILITIES FOR THIS TRADITION

average St Lucian is best known for, or you'll most likely

ne of the poorest it. Lucia. Or, that persistent heavy rain, or cover from the high occasionally of some villagers.

n and longstanding west coast fishing on, some residents / tell you, that isn't n reality.

any real significant e than two decades 's, Anse-la-Raye had ice where time stood for Canaries, Anse-ge.

another way. Neglect!

re gradually looking years ago with the r Seafood Friday, to led business activity ism, Anse-la-Raye ng a gradual rebirth.

I arcade has gone up replacing crudely built i used to dot the area. nue for the bustling t activity. Most other arket where tourists ally-made souvenirs e back home.



*The Anse-La-Raye waterfront*

Anse-la-Raye has also received a brand new police station during the past year. It's part of an initiative by the incumbent Labour administration to improve police accommodation and raise the quality of policing in communities around the island. The station, on the main road leading into the village, is set for official opening any time soon.

Additional capital projects are coming. Construction of a long-awaited secondary school to accommodate 700 students tops the list. It will end the unenviable distinction of Anse-la-Raye/Canaries being the only

constituency on the island without a secondary school.

A modern drainage system to end the perennial problem of flooding in the low-lying village is also in the works. So too is a new jetty which will improve sea access and further enhance Anse-la-Raye's appeal as a stop-over for locals and tourists on day trips along the west coast.

## Road Improvement Projects

There are also several road improvement projects planned for throughout the constituency over the next year or so. The Venus to Millet road, Bellevedere to Anse-la-Liberte, Anse-la-Raye to Venus, and the Millet to Caico, to name a few.

With the needs of Anse-la-Raye/Canaries receiving such unprecedented attention, Parliamentary Representative, Cyprian Lansiquot, naturally, couldn't conceal his elation as he spoke during the recent debate on the Government's 2003-04 budget.

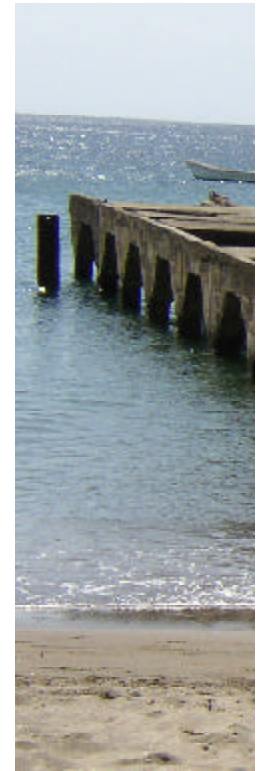
"I am indeed happy to note that allocations have been made for some of the major projects needed in Anse-la-Raye, projects that we have long been craving for and now have been catered for," says Lansiquot.

The ultra-modern school is one of two to be built in the next few years with a \$13.2 million World Bank loan. Being constructed to new standards set by the Ministry of Education, the Anse-la-Raye school — and the other which is earmarked for Gros Islet — will make the Labour Government's goal of universal secondary education a reality by 2006.

**The ultra-m  
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by the Minis  
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Of all the projects co seems to be genera among Anse-la-Raye so. Villagers see the key they've long hope a better future and q

"It is said that the cur says Lansiquot, w secretary in the Minis and Fisheries. "... 1 Raye/Canaries has poverty is because v opportunity to receiv



"Many of our stuc secondary school b costs and unavail schools," Lansiquot p from Anse-la-Raye ar far as Corinth, Babo attend secondary scl

"I am happy that my to put an end to this p he says.

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struction of a new 35  
ace the existing box  
r. Anthony adds.

ties



The new police station: *part of the changing face of Anse-la-Raye.*

The price tag on the new jetty is \$3.5 million. Construction is scheduled to get going towards the end of the current financial year.

The three jetties, along with the modern Soufriere waterfront facility, are essential cogs in an emerging infrastructure which Government hopes will spur a revival of sea-based travel along the picturesque west coast and bring increased tourism benefits to communities along the way.

"Based on scientific surveys that have been done, I think Anse-la-Raye/Canaries is the eco-tourism capital of St Lucia," says Lansiquot, welcoming the hefty investments Government is making in a number of roads leading to eco-tourism sites in the constituency.

## Natural Resources

He notes Anse-la-Raye was considered the best out of 10 sites for creating a national botanical garden. And that Millet is regarded as having the second best rainforest trap in the world after Costa Rica.

"Anse-la-Raye/Canaries has a lot of potential," Lansiquot asserts. "All we need is attention for us to develop the potential which would be in the best interest not simply for Anse-la-Raye/Canaries but for St. Lucia at large."

"My constituency, Anse-la-Raye/Canaries is getting a fair share of the resources and I am proud to stand in this honourable House and say that," Lansiquot acknowledges.



*Hon Cyprian  
Parliamentary  
for Anse-La-F*





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Minister Velon John:  
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## Employee Relations

other landmark piece  
 , seeks to establish  
 nes for regulating the  
 en employers and

key to producing the

Until now, the relationship between  
 employers and employees has been  
 largely unregulated, leading to accusations  
 from time to time mostly by workers of  
 abuse of their fundamental rights.

Government was hoping to have the Labour  
 Code on the statute books much earlier in  
 fulfillment of a key election promise. But  
 employers raised objections to some  
 aspects of the draft after the task force had  
 completed its work, prompting a delay to  
 consider their concerns.



Workers in all sectors and industries will benefit from the implementation of the Code.

John says the Department of Labour  
 recently convened a three-day workshop  
 at which Government and the key  
 stakeholders reviewed the draft "page by  
 page, taking into account the concerns that  
 were raised".

## More Trade Union Representation

St. Lucians are increasingly opting for trade  
 union representation. Over the past year,  
 the Department of Labour conducted 26  
 trade union polls at workplaces to  
 determine if it was the will of the majority  
 to have trade union representation. That  
 was determined in 24 cases and trade  
 union recognition was granted.

The National Workers Union (NWU) is at  
 the forefront of this mobilization, followed  
 by the St. Lucia Civil Service Association  
 (CSA), and the Seamen, Waterfront and

"In times past, trade union recognition was  
 a problematic affair with elements of  
 acrimony and recrimination reinforcing  
 adversarial postures. With this piece of  
 legislation, rationality has been introduced  
 into the system," he adds.

An increase in trade union activity, however,  
 has translated into increased use of the  
 dispute resolution services of the Labour  
 Department. The Department was asked to  
 mediate in 23 union/employer disputes  
 during the past year.

With the downturn in the global economy  
 having an adverse impact on St. Lucia, the  
 Labour Department adopted a pro-active  
 strategy to ensure that resulting workplace  
 pressures did not cause a disruption of the  
 unprecedented spell of industrial peace and  
 stability which the island has enjoyed for  
 the past six years.

As part of the strategy, the Labour  
 Department intensified workplace  
 inspections to identify and resolve any  
 grievances. A total of 362 inspections were  
 conducted last year, up from 80 in the  
 previous year or an increase of 328 per cent.

"The implementation of this strategy was  
 quite effective," says John, "since, from our  
 perspective and with regard to the year in  
 review, it can be characterized as one of  
 industrial peace."

European market again  
 American growers.

In preparation for  
 Government's supp  
 amounting to more th  
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Prime Minister Dr. Ke  
 efficiency is a key obj  
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"We can save the ir  
 Anthony, "but we have

Despite the ups and  
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St. Lucia's econon  
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Dr. Anthony says it's ir  
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"We cannot re-invent t  
 is a disservice to St. L  
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 recreated."

"We must not only ch  
 our thinking, but we m  
 do things," Dr. Anthony  
 time at our disposal."

The Prime Minister's





**Felix Finisterre**  
**Minister for Communications, Works,**  
**Transport and Public Utilities**

**Make-up is in the public transportation planning months!**

**The severe traffic jam in Castries, to the detriment of trailers, to getting drivers to pay their license is moving to the detriment of much of the city prevails.**

**The new Traffic Act introduced in the city, will be based on the coming out of an urban and development plan undertaken by support from the Ministry of Développement.**

"All of us who do business in the city know the kinds of problems that we have," says Minister for Communications, Works, Transport and Public Utilities, Felix Finisterre.

As an example, he points to the severe congestion caused by minibuses which park on some city streets as they await passengers.

### **Construction of Trailer Park**

The resolution of the traffic and transportation issues within Castries is seen as vital to the overall success of a road modernization strategy which Government is implementing.

The traffic management plan envisages the construction of two minibus terminals at both ends of the city. A trailer park also is to be constructed to clear roadsides of trailers which represent a potentially deadly hazard to drivers, especially in the darkness of night.

The new Traffic Act makes provision for the establishment of a Castries Parking Authority. This statutory body will collect fees from vehicle owners who park in designated areas. Revenue from this source, the payment of fines for illegal parking, etc., will go towards paying for the proposed facilities.

"The vision that we have is not to be a burden on the state," says Finisterre, outlining aspects of the proposed traffic management plan during the recent budget debate.

"As you put in your parking meters, your new parking wardens and so on, as you get the fines being paid, the two parking terminals will be an investment by the



**William Peter Boulevard: to be converted into a pedestrian mall**

Castries Parking Authority which shall be self-financing."

Making the William Peter Boulevard a pedestrian mall forms part of the plan. Currently, traffic can travel through the boulevard from both ends.

"As we pedestrianize the Boulevard," Finisterre explains, "we hope to take the buses out of the city centre and put them one at the top, one at the bottom, for buses from the south, for buses from the north."

Finisterre considers the indiscriminate parking of trailer beds by the roadside as "a hazard". That's because they are generally unlit at night and hard to detect because they are at the same height as drivers in most vehicles.

"If for some reason you get a road and you get a street that are going straight into the city," Finisterre says.

He adds: "...There is a place where all trailers shall be parked for a small fee. We hope all those trailer beds that are parked shall be a thing of the past."

### **Alternative Road**

Developing a network of roads, especially in the north, is one way Government is improving the main roads in the city. One example is the new road leading from Bois de la Rivière to the headquarters of the Ministry of Construction, through the Rivière main road.

Of course, the overall goal is improving the main roads in the city with the proposed project. This project is expected to be completed sometime this year.

By June when a new monitoring system is in place, it will be a lot easier for the police to know who is on the road. Besides the Ministry of Works, Transport and Public Utilities, customs, police and





and enable them to  
with so-called “pirates”  
ste against legitimate

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rs),” says Finisterre.  
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#### of Mini-buses

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e-month amnesty  
he end of September.  
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**Minibuses awaiting passengers: two minibus terminals are to be built**

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g as five years — are  
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vehicles which are on the road have paid for their licences,” says  
Finisterre.

Taking minibus drivers into the classroom to educate them about  
proper road use is another aspect of the traffic management  
plan. Courses will be offered in small business management,  
customer care, road usage, basic civics, etc.

s year, it is hoped that  
brought to this House  
n find some way and  
an ensure that those

Government plans to pursue this initiative in association with the  
various minibus route associations. The initiative is intended to  
complement what the Insurance Council is already doing.

St. Lucia’s public bus system is entirely priv  
Government is unhappy with some major  
service, especially on weekends when pec  
around.

“The poor and unreliable service with no kin  
on that exists right now is not acceptable,”  
want to get to the hospital say from Babor  
there is no bus running.”

“We must begin to think of ways to modern  
the Transport Minister adds. “It is critical for  
development.”

## FISHERIES COMPLEX FOR SOUFRE



**READY FOR**  
The new Sc  
Landing Fa  
expected to  
operation so  
Soufriere is  
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This will lead  
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