

## **Cost-Us-More!!!**

*Warehouse chain Cost-U-Less is in line for major concessions when it opens in Barbados in the New Year. But while Minister of Finance Chris Sinckler sees nothing unusual about the concessions, Opposition Leader Owen Arthur is calling them “extraordinary and outrageous” and likely to give the store an unfair advantage over similar businesses in the distributive retail sector.*

*Showing an April 13, 2011 letter from the Ministry of Finance and Economic Affairs which he said he obtained Friday, Arthur said the document, which was copied to the Comptroller of Customs and Commissioner of Inland Revenue among others, listed exemptions from import duty and Value Added Tax (VAT) on the importation of fittings, furniture, fixtures, equipment, construction material and supplies “for use exclusively in connection with the construction, development, sale and operation of the project”.*

*It also listed import duty and VAT exemption on personal and household effects and vehicles of specialist expatriate staff, as well as exemption for 15 years from the payment of withholding tax on dividends and interest to shareholders, financial institutions and individuals making loans to the company.*

**- By Ricky Jordan, Sunday Sun, Barbados**

All across the English speaking Caribbean, there is an ominous movement of sorts, a movement of low frequency rumblings without patterns, without form, not like the rhythms of bumbatuk or soca or the one drop of reggae or mento that we are accustomed to.

The essence of all of these known rhythms is that they link us to a past of chattel servitude where there was little choice for self fulfillment. In time these rhythms. isolated as they were in tenantries and yards and the dancehall, fortified our resolve towards freedom and independence.

Over the last 40 to 50 years, we built indigenous institutions in every sphere, oblivious to the rumblings that were moving across the region. We dismantled the psychological prison of plantation inheritance, killed off the skills we developed to feed and clothe ourselves while we were taught to assemble products that we never used. We set a precedent by bribing investors that our labour was cheap and responsive to training and we told ourselves we could depend on these jobs.

We created more bribes to get investors to develop infrastructure to attract tourists to our region. We gave them incentives because tourism as an import industry brought visitors with blenders to spend in our countries and people were employed to provide services to these guests. We have ignored the fact that much of the revenues for accommodation never ever reaches our shores yet we offer subsidies on everything from shrimp to alcoholic beverages.

*Jean Holder (Chairman of LIAT) made the call amid concerns that come March 2013, American Eagle will cease operations into the region; British Airways will cease operating to San Juan, Puerto Rico, after March 2013 and Virgin Airlines will cease operating its summer programme to Tobago in 2013 unless the government there **pays them one £million**.*

**- By Janet Silvera - Jamaica Gleaner**

So what is causing these rumblings?

- Except for a couple indigenous financial institutions (credit unions and Government owned banks) our banking system is controlled by Canadians.
- Our bauxite industry by the Russians.
- Our sugar industry by the Chinese.
- Our rum industry by the Spanish, French and Italians.
- Our oil by the Americans and British.
- Our telephone systems by the English and Irish.
- Our Cable TV Networks by Canadians and Australians with 99.9% foreign programming.
- Our precious metal industry by Canadians.
- Our electricity by South Korean, Canadians and the British.
- Our airlines by Americans, Canadians and British.
- Our Cruise Industry by Americans, Italians.
- Our Sea Transport Industry by Americans, Canadians, British, Chinese, et al.
- Our Major Tourism infrastructure by Americans, Irish, Spanish, Canadians, and British investors.
- Our paint industry by India (Berger Paints).

- Our retail outlets: el Salvador (Courts), Switzerland (Columbia Emeralds), South Africa (Diamonds International), USA (Price Smart, ESSO, Shell), France (Total, Rubis).
- Our fast food USA (KFC, Burger King, TGI, Subway).
- Our security firms British (GS4).
- Our LOTTO (USA).
- Our infrastructure development by the Chinese.

*In a first-ever Caribbean Tourism Summit held in Europe, Caricom Secretary General Lolita Applewhaite laid out the region's case against the UK's Air Passenger Duty (APD) on outgoing flights and other increases to aviation taxation.*

*"We view the APD as discriminatory against Caribbean destinations and Caribbean people living in the United Kingdom seeking to travel to the region," Applewhaite said in her address to Summit delegates in Brussels, Belgium yesterday.*

*Applewhaite said that she viewed aviation taxes as a tax on the development of the region, due to the significance of tourism to Caribbean economies and the fact that aviation is the only practical way for Europeans to access these markets.*

*- By Stewart Miller - the Nassau Guardian*

It seems to me that what we do is to bribe investors to come to the region to produce things or services that we can sell to the world. Better yet, it is Bajans who should be getting the incentives to produce these things and services. None of the incentives allegedly being given to Cost-U-Less are going to benefit us. If it is that you want to reduce the cost of living, give the incentives to the existing indigenous retailers. Did the previous government give incentives to Price Smart or to Neville Rowe and Julie-N?

Let me draw your attention to Starbucks in the UK.

*The Seattle-based group, with a market capitalization of \$40 billion, is the second-largest restaurant or cafe chain globally after McDonald's. Accounts filed by its UK subsidiary show that since it opened in the UK in 1998 the company has racked up over 3 billion pounds (\$4.8 billion) in coffee sales, and opened 735 outlets but paid only 8.6 million pounds in income taxes, largely due because the taxman disallowed some deductions.*

*Over the past three years, Starbucks has reported no profit, and paid no income tax, on sales of 1.2 billion pounds in the UK. McDonald's, by comparison, had a tax bill of over 80 million pounds on 3.6 billion pounds of UK sales. Kentucky Fried Chicken, part of Yum Brands Inc., the no. 3 global restaurant or*

cafe chain by market capitalization, incurred *taxes* of 36 million pounds on 1.1 billion pounds in UK sales, according to the accounts of their UK units.

- Tom Bergin, Reuters

Starbucks was able to achieve this legally because of TAX AVOIDANCE, a service provided by Barbados (and many Caribbean states) in its Financial Services Act. Will the Barbados Government after giving these incentives ever be able to generate any income from this corporation which presumably will be registered elsewhere, meanwhile adding nothing to enhance the Barbados economy except to suck us dry like a soucouyan?

Who did the research on this business? Who is benefiting from this deal? What does Mr Brewster (Supercentre & Big B's), Mr Bynoe (Carlton & Emerald), Mr Jordan (Jordan's), Mr Griffith (Shop Smart) have to say bout this juk in duh eye and duh pocket?

This like the rest gine Cost-us-more!

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