

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION OF 1976 – 81

HOUSE OF ASSEMBLY

Tuesday, 23rd November, 1976

Pursuant to the adjournment, the House of Assembly met at 12.15 p.m. o'clock.

PRESENT

His Honour W. C. B. HINDS, (Speaker); His Honour E. E. ALLEYNE, LL.M., (Deputy Speaker); Mr. R. St.C. WEEKES, J.P.; Hon. L. S. CRAIG, (Minister of Labour, Welfare, Youth Affairs and Sport); Hon. J. M. G. M. ADAMS, M.A., (Prime Minister and Minister of Finance and Planning); Hon. F. G. SMITH, Q.C., S.C., B.A., (Leader of the Opposition); Hon. H. deB. FORDE, S.C., M.A., LL.B., (Attorney General and Minister of External Affairs); Mr. L. E. SANDIFORD, M.A.; Mr. E. E. GREAVES, B.A., Ed.M.; Hon. Miss B. A. MILLER, (Minister of Health and National Insurance); Hon. L. B. BRATHWAITE, (Minister of Communications and Works); Mr. J. G. ODLE, (Chairman of Committees); Mr. M. C. C. WARD; Hon. H. B. ST. JOHN, (Deputy Prime Minister, Minister of Caribbean Affairs, External Trade, Industry and Tourism and Leader of the House); Mr. V. L. JOHNSON, B.A., M.A.; Mr. B. M. TAITT, M.A.; Hon. L. R. TULL, M.A., (Minister of Education and Community Development); Mr. DeL. O. BRADSHAW; Mr. L. L. SISNETT and Dr. R. L. CHELTENHAM, M.Sc., (Econ.).

Prayers were read.

ANNOUNCEMENTS BY HIS HONOUR THE SPEAKER

CONFIRMATION OF MINUTES

Mr. SPEAKER: The Minutes of Tuesday, 16th November, 1976 are before you for confirmation. If there are no objections, they will be confirmed. (*Pause*).

The Minutes are duly confirmed.

STATEMENTS OF ACCOUNT

Mr. SPEAKER: I have to report that I have received from the Auditor General the Report of the results of the examination of the Accounts of the Island for the year ended 31st March, 1974, together with two sets of the relevant Statements of Accounts.

MATTER OF PRIVILEGE RAISED BY HON. F. G. SMITH

Hon. F. G. SMITH: Mr. Speaker, I rise to raise a matter of privilege as Leader of the Opposition. I see sitting behind me on this side two persons in the well of this House. I would have expected to be treated at least with the simple ordinary courtesy of being informed that at today's sitting television cameras with strange men would be in the well of the House. I am not against the Prime Minister doing it at all, but what I think is that he owes it to me or to the people that the Opposition represents to have informed them beforehand that he has some reason why television cameras are in this House, and I think it is rank discourtesy, to say the least, that I as Leader of Her Majesty's Loyal Opposition should come in here and find the cameras and neither the Prime Minister, the Leader of the House or anybody has the courtesy to say "Mr. Leader of the Opposition, you cat, you dog, we want to do so and so..." and I think it is rank discourtesy and I want to register my protest.

Mr. SPEAKER: The point made by the Leader of the Opposition is well taken. The cameras are here after permission had been given by the Chair. It does not encroach upon the rights or privileges of the hon. member who just sat down.

Hon. J. M. G. M. ADAMS: Mr. Speaker, if I may just add to that. As far as I know the Caribbean Broadcasting Corporation wrote to Your Honour and asked if they could make a

recording of certain parts of the proceedings of the House today, not the Prime Minister or the Leader of the House, and if I may very respectfully say so, perhaps Your Honour could institute some machinery by which requests on the part of the media are communicated to the Leader of the Opposition. I cannot conceive, and I speak as Minister responsible for broadcasting, that it would be right for the CBC to write to the Leader of the Opposition to ask him if he minds the cameras coming into Parliament. It was not the Hon. Leader of the House nor myself who wrote, and if I can throw out a suggestion, perhaps the Clerk of the House could be instructed in future to let the Leader of the Opposition know when such requests are made.

Mr. SPEAKER: With due respect, Mr. Prime Minister, I think I have already ruled on the matter.

Hon. J. M. G. M. ADAMS: Thank you, Sir, I did not mean to reflect on the rules.

GOVERNMENT NOTICES

Hon. J. M. G. M. ADAMS: Mr. Speaker, I beg to give notice of a Resolution to authorise the borrowing by the issue of Treasury Bills of further sums not exceeding \$30 million.

On behalf of the Minister of Caribbean Affairs, External Trade, Industry and Tourism, I beg to give notice of a Resolution to amend the note to Item 2 — Convention Centre under Capital Head 117 — Ministry of Tourism, Information and Public Relations.

On behalf of the Minister of Agriculture, Food and Consumer Affairs, I beg to give notice of a Resolution to approve the Sugar Industry (Rehabilitation, Price Stabilization and Labour Welfare) Order, 1976.

STATEMENTS BY MINISTERS

Hon. J. M. G. M. ADAMS: Mr. Speaker, a little less than three months ago a new Government took office in Barbados after 15 years of rule by the Democratic Labour Party. This new Government, of the Barbados Labour Party, found a very different situation in the public finances of this Island than that which existed at the time of the last change of regime in 1961. Then, despite claims that the Treasury was empty, there was a financial situation healthy enough to permit a crash programme for emergency employment for a few months. A great harbour had just been completed, and was to prove true every claim made for it that, with

the rebuilt Seawell Airport, as it then was, Barbados would be given a launching pad for an economic takeoff. At that time, under the Barbados Labour Party regime, the cost of living was rising by very little, only a few points annually, compared with a rise of almost 161 points or more than 113% in the years 1972 — 1976. The actual record is 127% in the last five years of Democratic Labour Party rule, 1971 — 1976, a rise much greater than that of any of our trading partners or associates. In many cases indeed the rise has been spectacularly more.

The strains occasioned by this failure to hold down the cost of living have had intense repercussions on the finances of the Government. The wage increases called for by the public sector in consequence of the fall of the purchasing power of their salaries were granted without any serious thought of reduction of wastage, and the former Government moved into the most unhealthy financial position where there was a regular and recurring deficit on its current account while of course it had to continue to borrow to fulfil a programme of capital works for the island.

This is perhaps not the time for a full analysis of all the problems of Government finance facing us, Mr. Speaker, but hon. members may be assured that at an early time next year, as soon as the 1976 figures can be compiled and collated, an economic statement will be laid in the House. This is in pursuance of our policy of open Government and of giving the people all information possible and appropriate on which judgments can be made and opinions formed. There will also be an early budget and members of the public, like hon. members, are, in my opinion, well aware that the crisis left us by the lords of misrule of the Democratic Labour Party will require stern measures for its solution.

Sufficient, then, to say at this time that when the new Government took over half-way through the financial year 1976–77 there was already a deficit on current account — in other words, the recurrent expenses of Government, and comprising principally salaries and wages — of \$8.4 million.

12.25 p.m.

When the new Government took over half-way through the whole financial year, there was a projected deficit of \$38 million on current account alone. At the end of August \$18.6 million had also been spent on capital works, and the overall projections for the entire Government budget for 1976–77 were for a deficit of no less than \$93 million. At the practical level of day to

day finance we found that, with an overdraft limit at the Central Bank of \$18 million, as set by Parliament, the Government's actual overdraft stood at \$14.7 million on the evening of September 2, the last day the Democratic Labour Party was in power. There were further payable orders outstanding — effectively this means uncashed cheques — of a total of \$5.4 million. By September 27 the overdraft had gone slightly over the \$18 million limit, with more than \$6 million in payable orders still outstanding. This meant that what is known as ways and means advances would have reached over \$24 million and contravened the Central Bank's limits set by Parliament as I mentioned. The Treasury was therefore forced to halt payments because it had no more money. Remedial measures were taken and by next day payments could be met; a few days later instalments of tax began to come in and assist in restoring the position. The latest figures I have for November 18, on that day the Government overdraft stood at \$1.6 million, but this will, inevitably, rise, and the cash flow and overall financial position still give cause for the greatest concern.

Faced with these facts, Mr. Speaker, the House will understand that the Government considers that it has a full scale ongoing financial crisis on its hands. This has been confirmed by a team sent down by the International Monetary Fund which completed its work week before last and indicated that, by the judicious use of measures now being worked on by the Ministry of Finance and Planning's own working party, the problems can be met by 1976–77, but that there would continue to be serious problems and, perhaps, more serious problems in 1977–78. These are now being analysed and their extent will be seen when the Draft Estimates are presented to the House next March. The solutions at which we aim and in which we have confidence will be seen when the Budget is presented shortly thereafter.

In the meantime there will have to be steps taken by the House to implement whatever measures are found appropriate in the circumstances. The most immediate of these will relate to public borrowing. To get us out of the mess we have inherited, it will be necessary to reintroduce a Bill further to increase the limits of borrowing under the Public Loan Act. This was originally brought down to the House by the former Government in the midst of its profligate spending at Election time, and although we have been able to hold it off for the months we have been in office, it will be returned to Parliament before the end of the year. Also, I have already today given notice of a Resolution to increase the

present limits on the issue of Treasury Bills so as to provide the means of easing the cash flow position of Government and incidentally of easing some of the problems of excess cash balances now in the commercial banking system.

Mr. Speaker, the question may be asked, What is the Government doing now to take the position in hand, apart from adopting, however sorrowfully, the borrowing intentions of the previous regime? The question may also be asked of how does the abolition of the 5% sales tax relate to the general situation, and how does the Government intend to maintain its imperative of providing employment in the shaky conditions bequeathed by the Democratic Labour Party? The answers are to be found in the formulas of better management and improving confidence.

As far as the tax is concerned, the IMF team agrees with generally observed facts that Barbados is already a very highly taxed country — the most highly taxed developing country in this hemisphere. The financial problems facing us are such, indeed, that, whatever solution is chosen, *taxation cannot fill the gaps alone*. The working party found that the effect of abolition of the 5% sales tax on immediate public financing would be merely marginal, and thus agreed with the planners of the Barbados Labour Party that the tax could go. And it went because of the favourable effect it would create on public confidence, and the reflation effect it could have on retail sales and the encouragement it could give to business decisions about employment.

For a long time the numbers of people employed in the commercial sector has been falling. We believe that this trend must be turned back, and we have expressed this view directly to individual traders and businessmen. We have also pursued it indirectly by the relaxation of licensing restrictions as well as the removal of the sales tax. To date, the results have been encouraging. In the largest retail sales establishments, mainly in Broad Street and Swan Street, sales have increased sharply over corresponding periods in 1975, with one shop showing percentage increases between its different departments going from 30% up to 170%. A number of shops have taken on thirty or more extra staff, and one very large department store has employed over sixtyfive new workers to reach a record employment level.

Improved conditions in the tourist industry, despite the publicity given to recent unfortunate events, have led to a 60% increase in tourist sales in a principal tourist outlet with a staff increase of 26 now being projected. One leading

commercial bank has informed my office that recent response to offers of Barbados Development Bank bonds and debentures has been "excellent". This Bank is also taking on new staff. Another Bank, whose head office is in the U.S.A., has had more applications mortgages in the 2 months since this Government has been in power than in the whole of the rest of the year. And in the field of mortgage finance for home construction, which leads immediately to new employment in the building industry, the largest of the commercial banks has given my Ministry the assurance that it is working towards the introduction of ninety percent home mortgages at all levels, with the only hold up now being insurance coverage for the increased funds being lent. This bank has also submitted a memorandum to my Ministry on our Party's proposals for increasing Barbados' tax-haven facilities, and it is among a number of financial institutions which have indicated willingness to co-operate and assist in this area.

12.35 p.m.

I think, Mr. Speaker, that this brief outline I have given indicates a restoration of confidence in the management of the economy and an upturn in business conditions which we can reasonably hope will mean not only expansion in the private sector in the next few months but some relief to the public sector over the next financial year. Time will, we think, indicate that we are right in aiming to redirect public expenditure away from direct subsidy of short-term casual employment into the provision of permanent jobs and so avoid the distortions which a few desperate measures at election time introduced into public spending. We are certainly satisfied that overall employment has increased since we took office.

However, Mr. Speaker, public confidence can never be completely restored in the Governmental process unless the new Government takes a decisive stand against what the public regards, and I regard, as the financial malpractices of the past. In my analysis of the financial position of the Government, I omitted to mention what are known as the contingent liabilities. These are represented by Government's liability by way of guarantee or otherwise for the debts of certain institutions and companies, wholly or partly government owned. The failures of such enterprises as the Barbados Marketing Corporation, International Seafoods, Carib West Airways, and Bath Plantation Ltd., can involve the Government in paying out sums of over \$20 million. Twenty million dollars, Mr. Speaker, and add nearly another \$2 million for the purchase of

the *North Point* and we have an equation of financial disgrace.

To illustrate my unhappiness, to pitch it no higher, I will have to start from the beginning, Mr. Speaker. Like other DLP run institutions, the Barbados Marketing Corporation began to lose money from the start of its operations; it was plagued with dishonesty — one DLP Senator who was Chairman was shown to have appropriated \$10,000 and was forced to resign. After a time, although funds had not yet been provided by Parliament, the habit grew up under which the Ministry of Finance gave an assurance to the BMC's banks that funds would be provided to liquidate overdrafts up to certain amounts. Acting on these the BMC set its feet on the path to an overdraft now standing at \$2.1 million, having succeeded by a rare combination of bad direction, bad management and what has recently been shown to be plain, ordinary stealing, for which staff has been dismissed, to lose over \$7 million on sales of \$45 million over a period of years. The BMC's total liabilities, despite repeated "refinancing", now stand at 3.5 million.

The next in point of time of the present contingent liabilities is International Seafoods Ltd. This started as a venture to refloat the shrimp industry in Barbados. A Mr. Kiffin Simpson, a Mr. Billy Fergusson, and others wanted to start a \$5 million business but had only \$250,000. Notwithstanding unanimous advice that what is called the "debt-equity ratio" was too great — in other words that the promoters were putting up too little money of their own for what they wanted to borrow from the bank — the Government gave International Seafoods a guarantee of \$5 million of the taxpayers' money and the company went full steam ahead. By 1976 it was \$12 million in debt and the Government decided to cry halt. Although Mr. Simpson and Mr. Fergusson had presided over the collapse of the taxpayers' investment, through the guarantee, a Government headed by the Hon. Member for St. John (Mr. E. W. Barrow) bought in their shares at the par value of one dollar each, as if they were still worth something in the light of the company's virtual bankruptcy.

Mr. Simpson was paid no less than \$110,000 in the last days before the electorate threw out the old regime and it is as well that he cashed the cheque in time. The Government and its agencies now own International Seafoods in full, and have responsibility for all its debts, including \$1 million advanced from the Sugar Levy Fund in ISL's dying days. Messrs. Simpson and Fergusson have back their money, without any

responsibility for the debts over whose incurrals they presided. There are more details, Mr. Speaker, but as will appear later, there are reasons for withholding further examination in this medium.

At least in the case of International Seafoods the approval of Parliament was obtained for the guarantee. However, we were not told in here, as the Cabinet was told, that every rule of proper financing was being broken by the proposal and that no bank would touch the deal unless backed by the Government; I therefore think that there was some excuse for the Members of Parliament who supported the Resolution of guarantee. Nonetheless International Seafoods Ltd., is \$12 million in debt.

Subsequent to the International Seafoods operation, the Government made the taxpayers liable for yet another guarantee, this time to a group of persons promoting a company to develop Bath Plantation in the constituency of St. John, and this time without reference to Parliament. The promoters also found themselves with too little money to operate their plans, which were condemned by all the financial institutions that they approached as again having too great a debt — equity ratio in other words they had too little cash for what they wanted to do.

According to one of their representatives who has since made an extensive statement to officials of my Ministry, he approached one Sir Lionel Luckhoo at a party around a Christmas time and Sir Lionel offered to "help to find finance." Whether it was he that eventually found it I do not know, but he got \$150,000 in shares free and became managing director of the new company. When the finance was found it came in the shape of a directive from the then Minister of Finance, at that time the Honourable Member for St. John, to the Barbados Development Bank to guarantee a bank loan. The Cabinet Paper on which authority to issue the directive was given was written, not by an official as is customary, but by the Minister personally. Despite the directive, some officials of the Bank did all they could to avoid giving the guarantee even seeking legal advice as to whether the Minister could in law so direct and I would like to commend them for the courageous nature of their action. However, the advice they sought was given by the then Attorney General, Mr. George Moe, and proved no barrier to the Minister's wishes.

After the Banks Chairman, Mr. Leon Bernstein, had voted once, he then gave his casting vote in favour of the Minister's instructions, and the Bank authorised the

guarantee. This now led to the taxpayers having to find \$3 million, as the venture has totally failed. It also led to the Barbados Development Bank being hamstrung for funds, since overseas development agencies refused to put money into it while the Bath Plantation deal remained on its books.

12.45 p.m.

This our new Government has dealt with by compulsorily acquiring all the lands at Bath and we hope that very soon the Barbados Development Bank will again be able to take its place as a viable financial institution, and be able to receive funds from such organisations as the Inter American Development Bank.

One detail of the Bath arrangement that has remained unexplained is how in the middle of the company's collapse an instruction was given to Bath Plantation Ltd., by the then Minister of Finance that \$100,000 worth of Sir Lionel Luckhoo's shares were to be handed over to the Development Bank. I have as yet obtained no satisfactory explanation of how the hon. member for St. John could deal with Sir Lionel's shares as if they were his own, and perhaps another tribunal will in due course enlighten me, especially since the shares were transferred seemingly without reference to Sir Lionel.

The next incident in the sorry financial tangle relates to the purchase of the ship "North Point". Buried in the estimates of expenditure for 1975-76 is an item in the capital vote for the Ministry of Finance Head 109 Item 6 "Purchase of Assets — \$5,500,000". The note to the item states this to be a vote for the purchase of assets, including equity shares in various projects, among which is numbered the Cement Plant. Acting under this head the Government bought a ship, a United States LST, "landing ship tank" for US\$52,000. It then agreed with a company controlled by a Dr. Gerry Bull, to recondition the vessel and turn it into a commercial ship with a certificate of seaworthiness. A fixed price of US\$390,000 was agreed and to this Dr. Bull and the honourable member for St. John affixed their signatures. That was in October, 1975. On December 29, 1975, Dr. Bull sent a memorandum to the honourable member, then Prime Minister, indicating that the vessel was not really suitable and would require more money to make it seaworthy and conform to US safety regulations. The amount of US\$200,000 was mentioned. The memorandum was placed in a "Secret" file, but what was not placed on any file now available to the Government was any record of any reply by the former Prime Minister. It was therefore with some astonishment that shortly after taking office

I was presented with a further bill for US\$124,000 plus from Dr. Bull's company. I refused to authorise its payment, and after further applications a letter was produced with the signature "Errol W. Barrow" dated December 31, 1975, purporting to be from the former Prime Minister and apparently authorising further payments in the name of the Government of Barbados for further repairs to "North Point" notwithstanding the previous fixed price contract. Although Dr. Bull's organisation yesterday made an offer to the Government to purchase the "North Point" on terms which will effectively reimburse the Government for all its expenditure, I consider that even their repentance leaves a number of unanswered questions in this matter.

I also think that an even more recent arrangement, namely that in which the Government bought a majority interest in Carib West Airways, leaves unanswered questions. Unlike the Bath Plantation deal, in which the former Prime Minister, the hon. member for St. John himself prepared a Cabinet Paper, Carib West Airways was bought following a decision by the Cabinet dated 29th January, 1976, without any previous Paper at all, as a result of the Prime Minister orally informing the Cabinet of what he called

"the background of the air cargo company called Carib West Airways and of the unfavourable financial outcome of the operations of the company, consequent upon which it had been reformed."

He also expressed the view that the new Company's more recent operations had been more successful than hitherto, and there was now an opportunity for the Government to participate in it and to obtain additional markets for its operations. The former Prime Minister further stated that the General Manager of the Barbados Development Bank had recommended that the Government should seek to acquire 51% of the Company's share capital, amounting to \$520,000, either directly or through the Bank. To this the Manager of the Barbados Development Bank has replied in writing to my Ministry that he has no record of any such recommendation nor any recollection of making it. The only document recommending Carib West Airways to the Government that extensive search has been able to discover in the files of Government is a manuscript letter dated some time earlier apparently from one of the Company's directors beginning "Dear Skipper: How are you doing". This letter outlines the writer's problems with Carib West and states - "We need the support of the Government. I know you don't believe in our

Government owning an airline, but think as to how you can help us, please," and later goes on "I am sure our Shrimp Industry under its new structure will prosper. Can Carib West not be another Government participated Company?" The letter continues "Skipper you can take this for what it is worth, but in order for me to feel safe and have a future in a successful Carib West, I suggest that if the Government took 60% of this company and the other 40% be taken by Barbadians". The letter ends "I cannot leave Carib West, and God knows how I try to make it go, but I need help." It is signed "Your kid brother, COLIN (El Toro Jr.)".

So apparently were financial decisions taken by the Democratic Labour Party. Carib West has not prospered, Mr. Speaker, since its takeover by the Government and by last February it was seeking further finance from a commercial bank. On February 24 at this Bank's request a letter was sent to it signed "Errol W. Barrow, Minister of Finance" purporting to be a guarantee by the Government of an advance to Carib West of \$350,000. This was again done, for \$500,000, on June 2.

My Ministry cannot find, nor can I recollect, any record of Parliamentary approval for these transactions, and their validity is open to serious questioning. Indeed, the documents are apparently regarded by the Bank as "Letters of comfort" and not as binding guarantees, although they have been acted on. Since entering office I have absolutely refused to sign a similar document for \$750,000 for the Bank and Carib West and I give the House an undertaking never to act without its approval in matters of this kind.

In any case the affairs of Carib West have given rise to very serious concern. Meetings of the company's board of directors have been summoned, since I have taken office, without proper notice, to be held not even in Barbados but in Miami. An analysis of the company's operations carried out last month by the Chief Accountant of the Ministry of Finance reveal an apparent loss, as measured by the overdraft, suffered between March 8 and August 31 this year of \$475,627. The company's financial statements however show an actual loss of much less and there is an unexplained discrepancy of \$247,715.

12.55 p.m.

Requests to the company to explain how its overdraft has gone from \$68,000 to \$538,000 when the books show a loss of only \$228,000 have not so far been answered. I think that all of us would like to hear some explanation of what

has happened to the \$247,000 if the Government is to add half million in settling an overdraft to the half million it has already this year paid in cash for its shares.

Mr. Speaker, this is not a Government of recrimination, but we would be failing in our duty to the people if we let these examples of financial infelicity go unexplored and unexplained. The Cabinet has accordingly decided to appoint a Commission of Enquiry to examine these and other financial practices of the late Government, including all purchases of property, all guarantees and all commercial operations. The Commission will investigate the network of expenditures and liabilities not authorised or properly overseen by Parliament and will make recommendations for future control. It will have power to summon ex-Ministers and call them to account on all matters within its terms of reference. It can be expected to begin its work early in the new year and will be in addition to the Commission appointed to enquire into the affairs of the National Housing Corporation, which latter composition will shortly be announced. The main Commission's report will of course be published.

Mr. Speaker, it is only in this way that we feel that the voice of conscience and decency can be heard. It is the only way to ensure good government for the future.

GOVERNMENT BUSINESS

Hon. J. M. G. M. ADAMS: I beg to move that Order No. 1 be the first Order of Government Business.

Hon. H. deB. FORDE: I beg to second that.

The question was put and resolved in the affirmative without division.

COMMITTEE OF SUPPLY

On the motion of Hon. J. M. G. M. ADAMS, seconded by Hon. H. deB. FORDE, Mr. SPEAKER left the Chair and the House went into Committee of Supply. Mr. ODLE took the Chair.

SUPPLEMENTARY ESTIMATES 1976-77

NO. 23

Hon. J. M. G. M. ADAMS: Mr. Chairman, this is a Resolution really in continuance of earlier Resolutions relating to increase of salaries

in the public service, and the arguments relating to it have all been adduced.

I would move that the Resolution do now pass.

Hon. F. G. SMITH: Mr. Speaker, I shall not be very long, but as I say, last week there was a Resolution in this Hon. House on the North Point and the Opposition did not come into the House after lunch. If the Prime Minister was going to make this long detailed statement — and I will tell him, we welcome the Commission of Enquiry, not only as a lawyer, I welcome it as an ex-Minister — I welcome the investigation of the infelicities of Government because, as you say, it will clear the air once and for all of everything that you have said in your speech. What I am saying is rather than bringing down a Resolution by the hon. member for St. Michael North East last week, ostensibly on the ground that he is an ex-seaman, he could have done the same thing today, so why do we have to come into the House next Tuesday to hear on two different Tuesdays a debate on the North Point? We felt that any matter of the Resolution could be dealt with, because the member for St. Michael North East can only deal with the North Point, he is no expert engineer, he can only deal with it if the Prime Minister passes him the file or leaks him information. The file according to the Prime Minister, is in his office, so why does he give the member for North East and put him in an embarrassing position of talking about the North Point when, according to the Prime Minister, the entire transaction, suitability, everything about the North Point is in the possession of the Prime Minister who can deal with it adequately. He has started out today, because I want everything to be clear, I am not running away from anything.

The Prime Minister, I think, owes it to the country to set up a Commission of Enquiry, because you have been talking about corruption for so long now, 1971, 1966, and I am so tired of hearing it that I want it settled once and for all so that the political life of the country can go on and the people can have confidence both in the financial and in the political life of the country. You owe it to the country to set up a Commission of independent, able persons — not yard fowls — high court judges, people who can distinguish evidence false from true, so speaking as Leader of the Opposition, I want to assure the Hon. Prime Minister that we welcome the Commission of Enquiry. I am sorry it was not before December. Do not let him think that because he has brought in the television cameras — you see, the Prime Minister is so clever, I told

them he has one of the best brains in this country and they would not listen to me — but the Prime Minister knows clearly that CBC can broadcast what he says in here and he is covered by privilege. He is a lawyer too — I hear he was not too bad, reports filtering back to me at the Bar now say he was not too bad.

1.05 p.m.

He is a lawyer, too. I heard he was not bad. Reports filtering back to me at the Bar say he was not too bad. He is clever. He brought the camera in here to repeat what he says, because if he went on CBC and said some of the things he said, at this stage, he might make himself liable to an action for libel. I told them that he has a good brain, and they would not listen to me. He is nobody's fool; he is a political animal. If they underrate him they will learn. I have learnt that a long time ago. All I want to say is that the Opposition is not opposing this Resolution. I only want to explain that the absence of the Opposition from the *North Point* debate is not because we were running away. If there is something with the purchase of the *North Point*, then the public has a right to know, and the Prime Minister could have done exactly the same thing rather than cluttering up the Order Paper with a Resolution by a back bencher, without any disrespect to him, who would not know one thing about the *North Point* except, like me, seeing it in the harbour at anchor shifting with the tide.

Mr. SISNETT: Mr. Chairman, with due respect to the Leader of the Opposition and his limited knowledge about ships, I realise I was a seafarer, but it was not that aspect of seafaring that I spoke about regarding the *North Point*. I am concerned, as a Barbadian and as a citizen, about where the taxpayers' money is going. It is unfair to spend \$1,000 of the taxpayers' money every week maintaining and financing a ship like the *North Point* which serves no purpose at all for the people of this country. That is my main reason for bringing the Resolution. If the ship was bought for Barbados, it should work and not be tied up in the Port, perhaps, holding a berth and preventing a passenger landing here from getting into the Port of Bridgetown. Mr. Chairman, my main concern is that the ship is no use. If there were some malpractices where the taxpayers' money was misspent, then the people of this country should know about the matter.

Hon. H. deB. FORDE: Mr. Chairman, this Resolution, probably, provides the hon. member for St. Michael South Central with an

opportunity to recover from the shock which I saw on his face when, for the first time, he heard of some of the infelicities which were, probably, unknown to him even as a member of the Cabinet. I really rise only to underscore what the hon. member for St. Michael North East has said. I think it is unfair for an hon. member to talk about one hon. member cluttering up an Order Paper with a Resolution. Every hon. member in this House has the right to bring before this House any legitimate public business. Obviously, if, particularly, a new member, such as the hon. member for St. Michael North East, feels it as part of his public duty as a Parliamentarian to bring a Resolution about the *North Point* before this House, then it should be given the due consideration which it deserves.

In my submission to this Committee, the fact that he did not use the Supplementary Estimates, or any other Resolution, as an occasion to speak on this matter does not really count in the debate. The Opposition had a clear duty to be here. The hon. member for St. Michael South Central is not a complete fool. When he sees a situation like this, he willingly jumps to excuse his Party's absence in the House. I would have thought that he would have given a better explanation as to why the Opposition were not here to have had finished their own Resolution which they raised by asking a question on the Throne Speech. Why were they not here to listen to the replies to things that they asked about various issues? Why were they not here to deal with the Resolution that affected their administration? Instead I must read the replies half-faintedly given in the Sunday press nowadays, Sir — half-faintedly and illogically set out — whereas I would have wished to engage the hon. members across the table in this House anytime in debate on any of the issues, including any issue concerning the Port. It is for this reason that I intervened in this debate.

I should not like the hon. member to think that he can get away with that sort of statement. I am glad that they welcome the commission, Sir. I hope that all of the people who may have any overseas dealings will not claim that things are outside of the jurisdiction, and that they will let us have a look at any holdings that they may have in Nassau, for instance, or any companies that they shelter behind. One of the things on which I may have to advise this House in future is that we will have to lift corporate veils from trust corporations in order to prevent any future allegations concerning any hon. members. I am giving every hon. member the benefit of the doubt, but I think we are going to have to extend legislation to lift the corporate veil. The

hon. member and myself have the same aim in view. We wish to stop this type of allegation in public life, but, until that is lifted, I am appealing to all hon. members to bring all of the documents and let us know who hold shares, whether there be legal people in whose names they are, let us know the true beneficial owners and that sort of thing. I am sure the hon. member will urge on anybody in public life to make a true disclosure in this respect.

Hon. J. M. G. M. ADAMS: If there is no other hon. member who wishes to speak, Sir, I will reply very briefly. As far as the *North Point* is concerned, I am very sorry that the Leader of the Opposition has been disappointed in his wish to debate it under this Supplementary Resolution. As I recall it, the *North Point* Resolution was put down, perhaps, six or seven weeks ago, and we have never been able to reach it because the Leader of the Opposition and all of his members spoke on his own Resolution relating to the Throne Speech. Nobody on this side is responsible for taking so long to reach a particular item of Private Members' Business. I would have thought that if you go to the trouble to put down a Resolution about the Throne Speech and you support it in speech, you would come into the House in the afternoon when it was going to be discussed. I suppose it is in the principle that attack is the best form of defence that the Leader of the Opposition absented himself from Private Members' Business in the House last Tuesday afternoon and other members, with the exception of the hon. member for St. Lucy, poor fellow, who came in here trembling and making sure that the big guns did not fire at his head when he was all alone on the Opposition benches, like a lost lamb looking for its leader. (*Asides*).

Now, the hon. member for St. Lucy from his seat has made a comment which I was going to repeat. He repeated what was said in here in the lobbies by Mr. Frank Walcott who, whatever you may say about Frank, he was a man with respect for Parliament, and I believe had and has a very sound belief in financial propriety in Government. I believe so of him, and I recall that, when the cheques for Mr. Sydney Alleyne were being distributed and shown in here relating to George Moe and Cameron Tudor, Frank Walcott got up and said: "I am clean. They cannot show any cheques for me." Well, apparently, the representatives of the Barbados Workers' Union are generally clean. Indeed, I must say, as far as information available to us indicates, this is perfectly well justified. I am absolutely sure that the hon. member for St. Lucy will not find himself involved in any

infelicity relating to *North Point*, Cement Plant, Barbados Lumber Company and none of them.

The hon. member, however, for St. Michael South Central, the Leader of the Opposition, must not try to use the Government as any tool in his war with the hon. member for St. John. I can take the remark of the hon. member saying that he welcomes a Commission of Inquiry to mean nothing more or less but that he wants to see the hon. member for St. John pilloried.
1.15 p.m.

Hon. F. G. SMITH: I do not want anyone to interpret for me. I am intelligent enough and old enough. What I want to say on a point of elucidation is that why I welcome the Commission of Enquiry is that it should have a salutary and cathartic effect on the political life of Barbados. I am not trying to lock up anybody. I want the truth to come out so that the public of Barbados would know the truth. If somebody gets daubed, it can be my sister, my brother, my cousin. I know that I cannot get daubed. I know that; but whoever has not been straight in the official dealings with the taxpayers' money, let it come out. I am not aiming at anybody. That is why I welcome the Commission. I want to make my position quite clear because we are hearing about corruption. Let us have a good exposure of everything that has happened during the regime of the Democratic Labour Party. That is what I want. I do not have anything to hide.

Hon. J. M. G. M. ADAMS: The hon. member has elucidated, and I admire his loyal-like elucidation. However, he can be of good cheer concerning the hon. member for St. John who cannot take away his seat in Parliament. He cannot take away his Q.C. You do not have to be frightened for him. You are Leader of the Opposition, and not he. (*Asides*). I am glad that the hon. member does not feel that he is in a position where he would have to be frightened of any Commission of Enquiry. All of us can be men in here.

There are certain responses that you make automatically when you have no argument. When information is given in this House about a conspiracy, immediately you see that there is no prosecution in Barbados; so right away you say that there was no evidence. That is the automatic response. Whether it is true or not this is the response that you make.

That response has been made in similar circumstances for the last 300 years. Go back to the Popish Plot and you will find that in

Parliament it was said to the Ministers of King Charles II that if you have evidence of a Popish Plot, why did you not lock up Titus Oates or whoever? Of course there was a putsch and people were not only locked up, but were hanged, quartered and drawn in Whitehall.

We do not have any intention to hang, draw or quarter anybody in the courtyard of the Public Building — not as far as I am concerned; but you can go and write down now because the statement is made in Parliament that you have the Leader of the Opposition saying that you have chosen Parliament to make a statement because there are things in it that if you said them outside you could be prosecuted for libel. George Moe tried that with me and I deliberately went into St. James and repeated every word that I said in here. I put it in a letter to the Advocate. I challenged George Moe to sue me for libel, and George Moe had to run.

If you push me I will read out this statement — better still I will sign this statement that the Leader of the Opposition wants signed and I will give him the undertaking that he may show it to anybody whom he thinks is affected by it. Show it to Sir Lionel Luckhoo; show it to the hon. member for St. John; show it to Kiffin Simpson; show it to Billie Fergusson, and if there is one fact in this that is false they are welcome to sue me.

Hon. F. G. SMITH: On a point of elucidation. The Prime Minister knows that that is wrong law. What is he giving a statement for? You only have to prove that you made it in Parliament to show that you are protected. What would I have to give it to them for? To waste my time? You are already protected. If anybody sues him for that statement can they get a judgment for it?

Hon. J. M. G. M. ADAMS: The hon. member's ignorance of the law on this particular point has been shared by many persons including — I regret to say — even some who occupied the Bench. The difference is that persons who have occupied the Bench have admitted to their ignorance of this branch of the law, and they have asked to be elucidated. The Hon. Leader of the Opposition is ignorant of this point but he speaks as if he knows. Since he is back in private practice he should understand that everybody can learn a little law.

Section 18 of the Parliamentary Privileges Act, 1963 shows that a fair and accurate report of what is said in Parliament is protected from

action in the courts provided it is published without malice and that section is by Mr. Justice Williams' judgment of *Husbands against the Advocate* and in the case of *Ashby against Bailey* which makes it clear that you cannot sue for something that is said in the House you cannot pick it up and read it on a platform and get away. Otherwise *Ashby* may not have had damages for repeating what the hon. member for St. James said in here about one Samuel Victor *Ashby*.

If the hon. member wants a successful career advising his colleagues, I would advise him that the first thing he must learn is a little humility. Too much in here we have had statements by people who speak as if they know, and when you get down to it they do not know.

As far as I am concerned, this entire statement which was made here today was checked for accuracy by officials of my Ministry and they have made one or two corrections. For example, I had the North Point costing \$54,000 and one of my permanent secretaries made it \$52,000. I had Head 110, Item 7, and he corrected it to Head 110, Item 6; and concerning the denial of the chairman of the Barbados Development Bank that what the former Prime Minister told the Cabinet was true, I was asked not to publish his whole letter. It would look a little bad. Just put down the denial flat; so that this statement is carefully constructed so as not to falsely reflect on anybody's character in an unparliamentary way.

Let me say that it has been carefully analysed. Let Carib West sue me and say that \$247,000 is not missing from their funds since this Government took over and see what they get apart from privilege. Mr. Chairman, you did not know that and hon. members on the other side who sat in the Cabinet are surprised to hear about a deficiency of such size that cannot be explained.

Any way, this is not the place to seek to explain it. I was told that perhaps I should not have said it, and give them a chance to put back the money before the Commission of Enquiry said so. That is what I was told this morning. Mr. Chairman, I commend this Resolution to hon. members.

The question that the Resolution do now pass was put and resolved in the affirmative without division.

Hon. J. M. G. M. ADAMS: Mr. Chairman, I beg to move that Your Honour do now report the passing of one Resolution in Committee of Supply.

Hon. L. S. CRAIG: I beg to second that.

The question was put and resolved in the affirmative without division. Mr. CHAIRMAN reported, and Mr. SPEAKER resumed the Chair and reported accordingly.

1.25 p.m.

On the separate motions of Hon. J. M. G. M. ADAMS each seconded by Hon. L. B. BRATHWAITE, the Resolution was read a first and second time and agreed to.

Order No. 2 was called.

Hon. J. M. G. M. ADAMS: Mr. Speaker, the Hon. Leader of the House wishes to be present when this matter is dealt with, and I therefore would ask that Order No. 2 be postponed and Order No. 3 be the next order of Government Business.

Mr. SPEAKER: There being no objection, leave is granted, and Order No. 3 is the instant order of the day.

THE PENSIONS (PRIME MINISTER) (AMENDMENT) BILL 1976

Mr. SPEAKER: Order No. 3 is to move the second reading of a Bill to amend the Pensions (Prime Minister) Act, Cap. 11.

Hon. J. M. G. M. ADAMS: Mr. Speaker, some years ago this House agreed that members of Parliament, Ministers and Parliamentary Secretaries and others should in future be paid pensions based on the length of time of their service in the House. However the position of the Prime Minister was always separate from that of other members, and the Prime Minister in 1969 was given his own Act which set out certain conditions of service relating to housing allowance, and the pension was of a different nature from the pensions paid to other hon. members. For one thing there is no qualifying period for Prime Minister's pension. You can receive the Prime Minister's pension after one day in office. The basic reason for this is that it is not considered desirable to give a Prime Minister a financial incentive to stay in office. He can choose whether Ministers come or go, Ministers are responsible to him and therefore a Minister's performance is measurable and is measured and estimated by the Prime Minister but a Prime

Minister is responsible really to no one since he has exceptional powers of dissolution of Parliament even if the Ministers have lost confidence in him, and therefore it is not considered wise that a Prime Minister should be encouraged to stay in office for an inordinate time in order to qualify for pension. This is the state of the law at present, but in the course of legislation and in the course of other legislation passed on this subject, it appears that there is a cap in the case of Ministers. Their pensions are payable in full only if they resign altogether from public life, or if they resign from the elected House. Hon. members who are ex-Ministers, the hon. member for St. Michael South, the hon. member for St. Michael South Central, the Hon. Leader of the Opposition and the hon. member for St. Michael North Central as far as I know receive only a parliamentary salary; but due to a hiatus in the legislation it appears that the former Prime Minister the hon. member for St. John, in addition to his parliamentary salary is also receiving his Prime Minister's pension and was paid in cash an amount of \$90,000 on his retirement.

I myself speaking as a Prime Minister must say that I not only endorsed this, indeed I took the initiative because I made it clear that if the circumstances ever arose I would certainly not wish to have both pension and a parliamentary salary. The Government has decided that this is an anomalous state of affairs, that while an ex-Prime Minister may reasonably be allowed to draw his pension, he should not both be drawing his pension and salary, and indeed the anomaly is so great that it is possible for an ex-Prime Minister to draw a Minister's salary as well as a Prime Minister's pension, as well as having drawn a reduced allowance payable to a former Prime Minister.

This Bill seeks to amend the Prime Minister's Pension Act to eliminate the possibility of a former Prime Minister drawing a salary as a legislator or Minister as well as drawing his Prime Minister's pension. He must choose one or the other. We are quite content to let him choose the greater, but we really feel that he must not draw both. The present drawer, the only person affected by the present legislation, the former Prime Minister, has, apparently as far as my information goes, drawn the salary as well as the pension so far. Well that is entirely up to him. I really cannot say anymore about that. Apparently he expressed surprise that he was entitled to both, but I am not aware, I have not received any information, that the surprise was translated into action by way of paying his salary back to the Treasury or any matter such as that.

Mr. Speaker, I hope that I have given a sufficient explanation of the principle of this Bill. In Committee the three subsections will show exactly what is sought to be achieved by it.

I beg to move that this Bill be now read a second time.

Hon. L. S. CRAIG: I beg to second that.

Hon. F. G. SMITH: Mr. Speaker, in the Throne Speech the Government said as part of the Speech read by the Governor-General "The existing provisions of the pensions law for parliamentarians"... (and I assume the Prime Minister is a Parliamentarian because one of the means of becoming a Prime Minister is that you must be in Parliament)... "with particular respect to the generous qualifying periods"... (this is what I am going to deal with later on, and I have an amendment to move in due course)... "is also of great concern to my Government, and it is proposed to set up an independent committee to review that legislation."

1.35 p.m.

My first contention is that this measure which is before this Hon. House is also part of what the Government considers to be generous qualifying periods, or what ought to be, since the Prime Minister, the member for St. Thomas has said you can draw a pension for a day, and he by now has qualified, one would have expected that the first thing to do would be to set up a Commission of Enquiry or an independent committee, as he calls it, to review the total legislation surrounding all parliamentarians whether he be Prime Minister or whether he be an ordinary member. That is what worries me about this long delay in talking about integrity legislation, because by the time it comes a lot of people will have a lot to declare. If you are going to introduce legislation do not let us wait until years have passed but let us do it now, because this piecemeal legislation does not get us anywhere.

If he is reviewing the Pensions (Prime Minister) Act he must do it without delay, especially when the Government has already admitted in the Throne Speech that the qualifying period is too generous, and I will be introducing an amendment to section 3(1) to make it not less than five years for a Prime Minister to draw a pension. I am notifying you now, because if you are reviewing the legislation do not let us review the monetary aspects of it, let us review the Prime Minister's legislation. You cannot come into the House and say he should not draw both but you can get it for a day, and I

have an amendment here in my breast pocket which I will move in Committee. So after a day you can get a Prime Minister's pension, but at the same time of what I can characterise this as – and I suppose it served the DLP right – that on the tenth year of our anniversary of a party which took this country into independence this could be the Prime Minister's gift of his predecessor. I think it is a wonderful idea. He could not even wait until after the ten years of independence, he is making sure that this Bill, with independence celebrations just a few days off, that this would be a very worthwhile occasion that history will record that on the eve of the tenth anniversary of independence, for which the member for St. John, the ex-Prime Minister, was responsible – you cannot deny him that, he led this country into independence – this is the gift to him. I am not quarrelling with the principle of this, all I am saying is that the timing strikes me as making this particular piece of legislation as vindictive a piece of legislation as you can have.

Hon. H. deB. FORDE: On a point of order, Sir.

Mr. SPEAKER: I agree with you that the Hon. Leader cannot accuse the Prime Minister of being vindictive and he must withdraw.

Hon. F. G. SMITH: I will withdraw the statement "vindictive piece of legislation" but I say that the motives.....

Mr. SPEAKER: You must withdraw it, you said "I will withdraw" but you have not withdrawn it as yet.

Hon. F. G. SMITH: I withdraw the statement that it is a vindictive piece of legislation. What I am saying then, Mr. Speaker, is that on the eve of independence when the ex-Prime Minister, according to the member for St. Thomas, has been drawing a pension already, and he questions whether he should pay back or not, he should find this the most appropriate time to introduce this piece of legislation into Parliament, and I can only characterise it again as the Prime Minister's attempt to say in the absence of independence honours we have at least given one person in Barbados a gift, that is the ex-Prime Minister, the member for St. John, by introducing legislation to reduce or to stop him getting two salaries. That is why I say you do not understand the member for St. Thomas, all this big long spiel about the Prime Minister and Minister of Finance is done today because this Bill was following. Do you think there is not a motive or a clear idea behind this? That is why I say that people underrate the member for St.

Thomas too often, that he spent all this time on a long speech about the North Point, Bath and other areas.....

Mr. SPEAKER: The Hon. Leader of the Opposition is not trying to debate the statement made by the Prime Minister?

Hon. F. G. SMITH: No, far be it from me, I am saying that in the statement the mention by the Prime Minister.....

Mr. SPEAKER: You are attempting to debate the statement which you will not do as long as I am in the Chair.

Hon. F. G. SMITH: A lot of things I will not do as long as you are in the Chair. I realise that and I abide by your ruling. From the first day the House met I realised that, so we are not at cross purposes here, I realised that early o'clock.

I am not debating the statement, I abide by your ruling. All I am saying is that we have heard in this Hon. House already quite a bit about the ex-Prime Minister, the member for St. John, purely because this piece of legislation was coming down today and the Prime Minister, the member for St. Thomas, could not even wait till next week when we would have celebrated ten years of independence, he saw to it that he would award him a gift today.

I was saying, if we are dealing with the question of two salaries, that in the Civil Service of this country I can think of hundreds of civil servants who are retired, who are drawing pensions as retired civil servants, who are back in the same jobs drawing the salaries of the jobs, some on contract who get an additional gratuity at the end of every contract. This is common practice. I can think of about six names which automatically come to mind. We are our worst enemies, we want to prove to the people that we can live on biscuits, or on these things that Carmeta cooks with Eclipse biscuits, but we are always our worst enemies, and if you go into the Civil Service itself today you will find civil servants retired, drawing pensions, either acting and drawing their salaries or either on contract drawing the contract salaries and getting a gratuity at the end of that contract. I can think of quite a few, but it is always the politicians who must suffer. The civil servants can go on like "old man river" rolling merrily along, drawing two salaries, in some cases three, and there are some people in the Service drawing two and three pensions, yet I do not see any legislation coming down to this House where you have an officer who is retired from a particular post who is

drawing a pension still continuing in the post, because you cannot get somebody to replace him, and he is either on contract or he gets a pension, he works for more then when he has retired than when he was actually the substantive holder of that post. So if you are talking about principle do not talk about one person, because as I say, I can only feel that this is an independence gift. (*Aside:* You are repeating yourself). Come and stop me.

What I am saying is that there are in the Service — I do not want to be personal — but perhaps the Prime Minister himself could enlighten us of things near to his home of people drawing two and three pensions and salaries of jobs too, so it is a matter for the Government what they intend to do, but why pick out politicians when replete throughout the Civil Service there are people who are doing worse in that they are drawing salary plus pension?

I shall not be very long on this, because I think that the Government has more issues to do than just to come with this legislation. I would have thought that it would have been more gracious if he had waited another week, but I find that in the political life in Barbados.....

Mr. SPEAKER: I will now call on the hon. member to desist from repeating himself, it is not for emphasis. You are just repeating yourself over and over again, so please discontinue your speech.

Hon. J. M. G. M. ADAMS: Mr. Speaker, I will be very short. I really do not understand the speech of the hon. member. All Ministers as far as we are concerned should be treated the same way now, whatever the Commission in the future should decide, when it comes to the question of the two salaries. We do not see a difference in principle between the Prime Minister drawing two salaries and a Minister drawing two salaries, an ex-Prime Minister drawing a salary and a pension or an ex-Minister drawing a salary and a pension, and we are bringing in this piece of legislation to make ex-Prime Ministers' positions the same as ex-Ministers'. I cannot understand what the hon. member is getting on about.
1.45 p.m.

I really cannot understand it. Does he want us to bring in an Act which would allow ex-Ministers to draw a pension and a salary, or does he want us not to bring in such an Act? I really cannot deduce any principle from what he says. All that I can say is that any suggestion he has to offer by way of a qualifying period for Prime Ministers, or whatever, will be considered by the Committee which is going to look at the

situation of Ministerial pensions and everything else. My mind cannot quite grasp the essence of his arguments. I wish I could. I think that he has agreed with us really. I cannot believe that the Leader of the Opposition is merely trying to ensure that the hon. member for St. John draws a November salary when he said that we should do it after Independence! But if that is what he is trying to ensure, I will give an assurance that I will ask the Leader of the Senate or ask the Cabinet Secretary to make sure that the Governor-General does not sign this Bill until next week, even if it is passed in the Senate, so that the hon. member for St. John will draw a November salary. He can have the \$1,000. If that is what is being begged for, a November salary for the hon. member for St. John, he can have it, if we are descending in the House of Assembly to the stage of begging for a month's pay. I never thought I would have to hear that in here.

Hon. F. G. SMITH: On a point of elucidation. I have spoken, and nothing that I have said will indicate that I am begging for a month's salary for anybody. I am talking about Independence. It is the principle I am talking about. Independence is this week end and it is not a question of salary.

Mr. SPEAKER: The point is taken.

Hon. J. M. G. M. ADAMS: Obviously, Mr. Speaker, if the Bill is to be brought, it must come into force at some time. Why choose the tenth anniversary? Why not say the eleventh anniversary? Why not say that it should not apply to this ex-Prime Minister at all? All of these are possible stands to take. Obviously the hon. member does not know what he is saying. In any case, for what it is worth, I am sure that the former Prime Minister will be able to draw his November salary. I would just say that I was assured by a senior official of Government, who spoke to him, that he had no intention of drawing the two salaries, and we were preparing to go into negotiations. There is a draft letter on the file relating to enlisting the co-operation of the hon. member for St. John in a situation which he said had surprised him under which he was entitled to draw both salaries. I do not know if the Leader of the Opposition has a specific brief or not. I know the former Prime Minister said so many things and changed his mind a few weeks later — so many things that cannot be justified by objective fact in these last few months that I am prepared to believe he is suffering under emotional difficulties that make it difficult for him to know what he has said from one minute to the next and, indeed, to know the

difference between truth and what is not objectively true. I do not believe that he has been going on with all of these things and deliberately saying things that are not true. I believe that at the moment he cannot help it, but I do not think the Leader of the Opposition should come in here and try to confuse hon. members by talking about Independence and saying it should be five years and so on.

Anyway, we give the hon. member an assurance that he will get the November salary, and the matter of pensions is going to be looked into very soon. The Government very soon intends to set up a Constitutional Commission which will examine the Constitution as a whole and, coincidentally, with this we will also set up a Committee which will examine the qualification period for pensioners. We tend to think six years is too short to qualify for a pension; that it should be increased from six years, and there are various other matters for consideration. We give the hon. member the assurance that this will soon be done, and any representations which he has will be considered at that time. In the interim we wish to close this anomaly. It was not intended that any politician should draw a pension and a salary.

The hon. member made a reference there which was intended to refer to my mother. I entirely pass over that, Sir. He spoke about people who draw pensions, salaries and so on. That is part of the Civil Service structure. If my mother draws a salary and pension, well the hon. member, no doubt, thinks that is decent politics for him to refer to it in here. I do not have to go into that with him. I do not want to get down in there with him. Let him swim in his own place of swimming, Sir. I do not want to tell him to swim in his own gutter or sewer.

The question that the Bill be now read a second time was put and resolved in the affirmative without division.

Hon. J. M. G. M. ADAMS: Mr. Speaker, I beg to move that Your Honour do now leave the Chair and the House go into Committee on the Bill.

Hon. H. deB. FORDE: I beg to second that.

The question was put and resolved in the affirmative without division, and Mr. SPEAKER left the Chair and the House went into Committee on the Bill. Mr. ODLE took the Chair.

Clauses 1 and 2 were called and passed.

Clause 3 was called.

Hon. J. M. G. M. ADAMS: Mr. Chairman, I beg to move that Clause 3 stand part.

Hon. L. B. BRATHWAITE: I beg to second that.

Hon. F. G. SMITH: Mr. Chairman, I want to move a further amendment to Clause 3. The amendment is as follows — Mr. Chairman, this is an amendment to the old Act that I propose to move. Section 3(1) of the Pensions Prime Ministers Act amending Section 3(1) by deleting the words “At any time after such appointment” appearing in the second and third lines therein, and by inserting between the words “Prime Minister” and “shall” in the third line thereof the words “having served as Prime Minister for a period of not less than six years.” Mr. Clerk, that is my amendment.

1.55 p.m.

Hon. J. M. G. M. ADAMS: On a point of order. What is the amendment to? He has moved an amendment to the Principal Act. We are here discussing an amending Act. He will have to introduce his own Bill to move that particular amendment. I submit that the amendment is not in order. What is he amending? He is amending a Bill which is not before the committee.

Hon. F. G. SMITH: I understand that Section 3 is before the Committee because you are amending Section 3 just mentioned. I am not amending the Section. I am talking about the Principal Act. I am amending it like you are amending it. I am talking about the same Principal Act that has been mentioned.

Hon. H. deB. FORDE: The debate before the Committee is on a Bill which can be amended; but the hon. member has not moved an amendment to the Bill before the Committee. In these circumstances I am submitting that the amendment is invalid.

Mr. CHAIRMAN: The Chair rules that the amendment is invalid. You are out of order. (*Asides*).

The question that Clause 3 stand part was put and resolved in the affirmative without division.

Hon. J. M. G. M. ADAMS: Mr. Chairman, I beg to move that Your Honour do now report the passing of one Bill in Committee.

Hon. H. deB. FORDE: I beg to second that.

The question was put and resolved in the affirmative without division. Mr. CHAIRMAN reported and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. J. M. G. M. ADAMS seconded by Hon. H. deB. FORDE the Bill was read a third time and passed.

BILL TO AMEND THE NATIONAL EMBLEMS AND NATIONAL ANTHEM OF BARBADOS (REGULATION) ACT, CAP. 300A

Hon. J. M. G. M. ADAMS: Mr. Speaker, I beg to move that Order No. 4 be the next order of Government Business.

Hon. H. deB. FORDE: I beg to second that.

The question was put and resolved in the affirmative without division.

Hon. J. M. G. M. ADAMS: Sir, this is a very short Bill. It is so short that all I am going to say at present is that every time someone wishes to use the National Emblems or the National Anthem they have to go to the Prime Minister's desk. We want to amend the Act so that the Accountant General can grant a licence and charge fees for people who wish to make commercial use or otherwise of the National Emblem or Anthem.

I beg to move that the Bill be read a second time.

Hon. L. B. BRATHWAITE: I beg to second that.

The question was put and resolved in the affirmative without division.

Hon. J. M. G. M. ADAMS: I beg to move that Your Honour do now leave the Chair, and the House go into Committee on the Bill.

Hon. L. B. BRATHWAITE: I beg to second that.

The question was put and resolved in the affirmative without division.

Clauses 1 to 2 inclusive of the Bill were called and passed.

Clause 3 was called.

Hon. J. M. G. M. ADAMS: I beg to move that Clause 3 stand part.

Hon. L. B. BRATHWAITE: I beg to second that.

Hon. F. G. SMITH: Mr. Chairman, I just want to question the Hon. Prime Minister. Will Government be in a position to formulate any policy as regards the award of National Honours as yet? The answer is either yes or no.

Hon. J. M. G. M. ADAMS: The Cabinet has considered this matter and it is to be referred to the prospective Constitutional Commission. It is under active consideration and is being dealt with in that manner. I should like to mention that the Opposition will be invited to be represented on the Commission, in case it has escaped their notice or the notice of the public.

The question that Clause 3 stand part was put and resolved in the affirmative without division.

Hon. J. M. G. M. ADAMS: I beg to move that Clause 4 stand part.

Hon. L. B. BRATHWAITE: I beg to second that.

The question was put and resolved in the affirmative without division.

The Schedule was called.

Hon. J. M. G. M. ADAMS: I beg to move that this be the Schedule to the Bill.

Hon. H. deB. FORDE: I beg to second that.

The question was put and resolved in the affirmative without division.

Hon. J. M. G. M. ADAMS: I beg to move that Your Honour do now report the passing of one Bill in Committee.

Hon. H. deB. FORDE: I beg to second that.

The question was put and resolved in the affirmative without division. Mr. CHAIRMAN reported and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Hon. J. M. G. M. ADAMS, each seconded by Hon. L. B. BRATHWAITE the Bill was read a third time and passed.

SUSPENSION OF SITTING

Mr. SPEAKER: The time being now after 2 p.m., this sitting now stands suspended until 2.45 p.m.
2.05 p.m.

On Resumption:

Mr. SPEAKER: This sitting is now resumed.

QUESTION TIME

Mr. SPEAKER: It is now Question Time.

There being no questions, we now move to Private Members' Business.

PRIVATE MEMBERS' BUSINESS

Mr. SPEAKER: There being no Private Members' Business, we automatically revert to Government Business.

Hon. H. B. ST. JOHN: Mr. Speaker, I beg to move that Order No. 2 be the instant order of the day.

Hon. L. B. BRATHWAITE: I beg to second that.

The question was put and resolved in the affirmative without division.

THE RESOLUTION TO APPROVE THE CIVIL ESTABLISHMENT (GENERAL) (AMENDMENT) (NO. 3) ORDER, 1976

Mr. SPEAKER: Order No. 2 is to move the passing of a Resolution to approve the Civil Establishment (General) (Amendment) (No. 3) Order, 1976.

Hon. H. B. ST. JOHN: Mr. Speaker, this Order seeks to give effect to a reorganisation of the Civil Aviation Division which hitherto was within the portfolio of the previous Prime Minister. Civil Aviation is the subject which now falls under the Ministry of Caribbean Affairs, Industry, External Trade and Tourism.

The object of this order is to change the name of a number of posts and to effect this reorganisation. Since this order was made originally a number of amendments have taken place consequent upon the change of

Government, and I think I owe the House a duty to explain my reasons for departing from the original suggestions. Originally it was suggested that the office of Director of Civil Aviation be abolished, that the Deputy Director of Civil Aviation be renamed Senior Technical Officer, and there was a major recommendation made, it having been decided that civil aviation was a subject which deserved a Permanent Secretary in its own right.

From my assumption of office it was my view that the proper structure that should take place in that area was that there should be a merger of the divisions of tourism and civil aviation, and my reason for that is because Barbados as a small country has no internal civil aviation so to speak, and that all of the time all the people in civil aviation will be taken up or would to a large extent be taken up on trying to bring airlines into Barbados with tourists and cargo. I looked around the Caribbean area and I have found confirmation of my own opinions in the Bahamas where there was a Ministry of civil aviation and tourism.

Consequently I made it clear that when the reorganisation was taking place the division of civil aviation would have to be expanded to the division of civil aviation and tourism, so that now the structure will be a Permanent Secretary in charge of civil aviation and tourism as opposed to the past when we had a Permanent Secretary in charge of civil aviation and a Permanent Secretary in charge of tourism. Now consequent upon that decision on my part it was necessary to have another look at the technical side, and I honestly felt it was wrong to downgrade the Director of Civil Aviation by abolishing the post and to try to have a senior technical officer, and I looked around and found that in Agriculture you have a Permanent Secretary and a Chief Technical Officer; you have in the Ministry of Health a Permanent Secretary and a Chief Technical Officer, so I had a meeting with Establishment and I finally decided the best way we could solve this particular problem was that we would have a Director of Technical Services.

I would like to say that this is only a temporary measure because in my own view a situation is developing where we should not even have a Permanent Secretary in the two of these divisions, and that a Permanent Secretary could be left to deal with another area, and in truth and in fact in my own Ministry with all these divisions you have one Permanent Secretary, but the Minister must have a number of posts comparable to the technical officer level with a

Permanent Secretary running right through. That is our position and it will affect the rationalisation in our view of the Civil Service. All this has been explained to the staff and I am very happy to say that those who are involved are very happy that this has been the result. You will agree that a Permanent Secretary, Civil Aviation, does not have a full time job. Civil Aviation is really a technical subject, and I do not know how you were able to persuade the last Government that it was necessary to have a Permanent Secretary.

With those few comments, I beg to move that this Resolution embodying the amendments do now pass.

Hon. J. M. G. M. ADAMS: I beg to second that.

The question was put and resolved in the affirmative without division.

THE INTERPRETATION (AMENDMENT) ACT, 1976.

Mr. SPEAKER: Order No. 5 is to move the second reading of a Bill to amend the Interpretation Act, Cap. 1.

Hon. J. M. G. M. ADAMS: Mr. Speaker, this really is a very simple matter. It was discovered in the course of examining certain pieces of legislation that there is a power contained in the Interpretation Act which has certain inclusive words in it which create certain difficulties when you are making appointments to positions in Government. It really does not seem to us that it was ever intended to fetter the ordinary meaning of words in the matter which it has appeared so to fetter them, and we are asking to have these few words omitted in Section 20 of the Interpretation Act. It is a simple matter. It follows advice given by the Crown Law Officers that a simple amendment in the Interpretation Act is necessary to simplify the construction of certain words where they are used in other Acts.

I beg to move that his Bill be now read a second time.

Hon. H. B. ST. JOHN: I beg to second that.

Hon. F. G. SMITH: Mr. Speaker, I shall not be long, but I have a suspicion that the Hon. Prime Minister in the reconstitution of his Boards and his desire to get rid of people whom he suspects are Democratic Labour Party supporters may very well have found this particular section a

bit hamstringing, or he may have acted already as in the case of certain boards like C.B.C. and B.M.C. and he is now finding some means.....

Mr. SPEAKER: I am sure the Hon. Leader of the Opposition does not want to impute any improper motives to the Prime Minister or any other hon. member.

3.00 p.m.

Hon. F. G. SMITH: I suspect again that it has now dawned on him that his appointments to certain offices, this particular section is causing him some difficulty, in that the interpretation of this particular section might show that he has already made some illegally, and the actions taken by the present Government — and from reports reaching me, Mr. Speaker — it seems to me as if there is a wholesale slaughtering of employees of some Boards, and we will deal with that in due course when he has really settled down in making his appointments.

Mr. SPEAKER: You are not suggesting that the Chair is slaughtering anybody?

Hon. F. G. SMITH: No, Sir, far from it; all I am suggesting is that in the appointments to certain Boards this section seems to have been causing the Government some difficulty and that they are now preparing for what is to come.

Hon. H. deB. FORDE: Mr. Speaker, I think I ought to try to explain to the hon. member for St. Michael South Central the legal implications of the amendment which it is proposed to make. Under the Interpretation Act, Chapter 2 of the Schedule, you will note that in sub-section (1) of the Schedule there is provision that where an appointment is conferred, the Authority having the power to make the appointment, they also have the power to suspend or dismiss any person in exercise of the power.

That provision extended to all legislation which was enacted prior to 1966, specifically the 16th June, 1966. The draughtsman of the Interpretation Act of 1966 did not make a similar provision in relation to the enactments occurring after the 16th June, 1966 and

therefore any draughtsman drafting legislation after that date would specifically in every Bill in which there is the power of appointment have to exempt section 20 of the Interpretation Act. That is not only a cumbersome procedure but it is a very unnecessary one, because one of the fundamental rules of common law and of the interpretation of Statutes in general is that a person who has the power to appoint should impliedly also have the power to suspend or to remove, and the purpose of the amendment today, as is being explained, is simply to restore the common law position, but it does not mean that where Parliament wishes to reserve the power to suspend or to remove that we should not put this in any Bill coming before Parliament after that time.

I understand that there were some cases prior to our coming into being as a Government where perhaps the appointing power would recognise that there was such a provision as contained in the substantive section 20, and hence it seems to me after consultation with the Legal Department, and particularly with the Chief and the Deputy Parliamentary Counsel, that it would be tidier drafting and would lead to greater efficiency and a better respect for the common law perhaps after this amendment is made.

I have taken this opportunity of explaining the legal position about this Bill because it shows you how an innocent Bill like this could lead to such serious political innuendoes and allegations that are far removed from the intention of the Government as it stands, and perhaps the hon. member, politician as he is, may not have wanted to use such a simple and straightforward legal Bill for making such a wide political point and might have restrained his political fire for another occasion, but I am sure, having heard the legal explanation, which I believe he agrees with, that in those circumstances he should have no difficulty, Mr. Speaker, in supporting the Bill now for the purposes which it wants to achieve.

The question that the Bill be now read a second time, was put and resolved in the affirmative without division.

On the motion of Hon. H. B. ST. JOHN, seconded by Hon. L. S. CRAIG, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. J. G. ODLE took the Chair.

The Clauses of the Bill were called and passed.

On the motion of Hon. J. M. G. M. ADAMS, seconded by Hon. H. deB. FORDE, Mr. CHAIRMAN reported the passing of one Bill in Committee. Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Hon. J. M. G. M. ADAMS, each seconded by Hon. H. deB. FORDE, the Bill was read a third time and passed.

3.10 p.m.

Hon. H. B. ST. JOHN: Mr. Speaker, earlier today a notice was given of a Resolution to approve the Sugar Industry Rehabilitation Price Stabilisation and Welfare Order, 1976. I would like to ask for leave to deal with this matter in all of its stages today so as to accommodate the various interests in the sugar industry. The amount is the same as last year. There is no change and, with the indulgence of the other side, I ask for leave to deal with the matter today.

Hon. F. G. SMITH: Mr. Speaker, the Opposition is not objecting. All I am going to do is to remind them that when we did this sort of thing we used to hear a lot of palaver. We are not opposing it at all, but my colleagues do not have a copy of the Order.

Hon. H. B. ST. JOHN: Mr. Speaker, I quite appreciate the position of the other side because I used to sit over the other side, too. The basic position is that I would like their indulgence on this occasion, because the Order, if passed, allows — (*Asides.*) Mr. Speaker, as I understand it, a mistake has been made and the copies were posted to members.

Mr. TAITT: Mr. Speaker, could the Minister explain exactly what is in the Order? We do not wish to oppose it.

Hon. H. B. ST. JOHN: Mr. Speaker, this is the levy fixing the Rehabilitation Fund, the Price Stabilisation Fund, and the Welfare Fund. It is \$40 a ton. It is the same amount as usual, and we want the people to get the money before Christmas. We are not meeting next week, and that is why we want to deal with the matter now.

Mr. SPEAKER: There being no objection, leave is granted.

Hon. H. B. ST. JOHN: Mr. Speaker, I beg to move that the Resolution to approve the Sugar Industry Rehabilitation Price Stabilisation and Welfare Order, 1976, do now pass. This is

the usual Order that comes at this time of the year, and it has in it the allocation between the several funds. This Order is in exactly the same terms as it was last year. It is \$40 a ton and if we pass the Order today we will allow the final payment for cane as well as the final payment for the percentage under the agreement with the Workers' Union. Accordingly, I ask that this Order be approved.

This Order has been arrived at after the Tripartite Committee had gone through it. The recommendations of the Tripartite Committee have been accepted by the Ministry of Finance and approved. This Order, in fact, I am now reminded has been approved by the previous Government and by the previous Minister of Finance. We are not departing from anything, we just want to get it through as a matter of formality.

Mr. GREAVES: Mr. Speaker, before you put this matter to the vote, I just want to say that there is no objection from the members on this side. There is just one matter relative to this whole question of the allocation of funds and the function of the Tripartite Committee. As the hon. Minister has indicated, the Tripartite Committee agreed to the allocation as set out in the Order. I think it is important that we recognise very clearly that in this area the Tripartite Committee plays an important function. I just want to draw to your attention, if the matter has not yet been drawn to the Hon. Prime Minister, that as recently as Thursday the Tripartite Committee met and matters relating to this particular item were discussed. There are a couple of things which the Committee would, particularly, like to look into.

Now, if I remember correctly, the Price Stabilisation Fund, which is one of the areas in which some of this money is allocated, money has been drawn from that fund to construct the sugar bulk terminal building at the Port. The present building has, apparently, some defects which have not been put in order from the time it was constructed. There is a move to get these things straightened out now, and the Barbados Workers' Union, which is one of the Tripartite Committee, indicated that we did not see why the money from the Price Stabilisation Fund should be used for that purpose. The harbour was opened since 1961, and we felt that any repairs to be done to that building should be paid out of Harbour dues. It was subsequently discovered that, even although the building is on the Harbour site, it is not part of the Bridgetown Port. What I would like to

point out is that there is a further matter which has been discovered, and I would hope that the Minister would look into it. At present the Barbados Sugar Producers Federation rent that building for a very small amount. I think it is something like \$5.00 a year from the Government. I would hope that something is done about this, because when the Committee delved into the matter it was discovered. I do not consider that an institution or an organisation like the Sugar Producers Federation, which sublets the building to sugar terminals, should be having the use of a facility of this nature for such a low rental. I hope that this will be looked into very carefully and some proper economic rent be charged for the use of this particular building.

Hon. H. B. ST. JOHN: Mr. Speaker, as I understand it, the marketing of sugar in Barbados has been a matter of mystique under the previous Government. I want to assure the hon. member that we do not regard this as hallowed ground, and that if he would look at the Manifesto of the Barbados Labour Party he would see that we envisage that all external marketing should come within the purview of the Ministry of External Trade, and all of the existing practices, I can assure him, will be under review. My own understanding about the marketing in relation to the sugar terminal, is that the sugar terminal was built out of these funds but that a percentage of the total receipt was levied to provide for the cost of building the building, depreciation and maintenance thereof, and that there was a thing called the Sugar Committee which administered the matter.

In any event we intend, as set out in our Manifesto, to rationalise the whole of this area,

and we want to change and reorganise all the various little committees that deal with the marketing of sugar and consolidate them into one authority so that we would be able to reach the stage where we will all know what the true position is. I am sorry that the hon. member's Party did not see the wisdom of this philosophy for such a long period of time.

3.20 p.m.

Mr. GREAVES: Mr. Speaker, on a point of elucidation. I am sure that the Deputy Prime Minister knows that the Democratic Labour Party, before going into power, approved the consolidation of all of the various Boards dealing with sugar.

Hon. H. B. ST. JOHN: That means that we have no ground for debate on this Resolution. I beg to move that the Resolution do now pass.

Hon. L. S. CRAIG: I beg to second that.

The question was put and resolved in the affirmative without division.

ADJOURNMENT

Hon. H. B. ST. JOHN: Mr. Speaker, this completes Government Business, and I move that the House do not adjourn until Tuesday, 7th December, 1976, at 12 o'clock noon.

Hon. L. S. CRAIG: I beg to second that.

The question was put and resolved in the affirmative without division, and Mr. SPEAKER adjourned the House accordingly.

3.25 p.m.