
THE House of Assembly Debates

(OFFICIAL REPORT)

SECOND SESSION 1976 - 81

HOUSE OF ASSEMBLY

Tuesday, 5th May, 1981

Pursuant to the adjournment, the House of Assembly met at 12.20 p.m. o'clock on Tuesday, 5th May, 1981.

PRESENT

His Honour W. C. B. HINDS, J.P., (Speaker); Mr. R. St.C. WEEKES, C.B.E., J.P.; Hon. L. S. CRAIG, (Minister of Housing, Lands and the Environment); Hon. C. L. BOLDEN, LL.B., (Minister of Communications and Works); Hon. H. deB. FORDE, Q.C., M.A., LL.B., (Attorney General and Minister of External Affairs); Mr. D. A. C. SIMMONS, LL.M.; Hon. L. B. BRATHWAITE, (Minister of Agriculture, Food and Consumer Affairs); Mr. J. G. ODLE, B.Sc., (Chairman of Committees); Mr. M. C. C. WARD: Hon. H. B. ST. JOHN, Q.C., LL.B., (Deputy Prime Minister, Minister of Trade, Tourism and Industry) (Leader of the House); Mr. V. L. JOHNSON, M.A.; Mr. B. M. TAITT; M.A.; LL.B., Hon. L. R. TULL, M.A., (Minister of Education and Culture); Mr. DeL. O. BRADSHAW; and Mr. L. L. SISNETT.

Prayers were read by Archdeacon F. A. CAYLESS.

Dr. CHELTENHAM and Mr. SANDIFORD entered the Honourable Chamber and took their seats.

Mr. SPEAKER: This Meeting is called to order.

MINUTES

Mr. SPEAKER: The Minutes of the 21st April, 1981.

Hon. H. B. St. JOHN: Mr. Speaker, Sir, these Minutes have been circulated and subject to any observations by any Honourable Member, I beg to move that they be now confirmed.

Mr. GREAVES entered the Chamber and took his seat.

Mr. SPEAKER: If there are no observations by Honourable Members, let those Minutes stand confirmed. (PAUSE) Those Minutes are confirmed.

ANNOUNCEMENTS BY YOUR HONOUR

Mr. SPEAKER: I am to announce that I have received Messages from the Other Place inviting concurrence in amendments to:

(1) The Barbados Constitution (Amendment) Bill.

and

(2) The Education Bill.

PAPERS LAID

Hon. H. B. ST. JOHN: Mr. Speaker, Sir, I beg to lay: The National Assistance (Amendment) Regulations, 1981.

GOVERNMENT NOTICES

Hon. H. B. ST. JOHN: Mr. Speaker, Sir, I beg to give notice of:

A Bill to make better provision for the care and protection of children.

A Bill to amend the Prevention of Cruelty to Children Act.

Hon. H. deB. FORDE: Mr. Speaker, Sir, I beg to give notice of the following Bills.

A Bill to provide for a system of free legal services to persons of insufficient means.

A Bill to reform the law relating to the dissolution and nullity of marriage, judicial separation and restitution of conjugal rights and to certain other related matters, and to provide for counselling with a view to facilitating reconciliation in matrimonial causes and, in relation thereto, for matters connected with the parental rights and the custody and guardianship of children.

Mr. Speaker, Sir, notice also of this Bill:

A Bill to provide for the maintenance of certain children born out of wedlock and for related matters.

FIRST READING OF BILLS

Mr. Johnson entered the Chamber and took his seat.

Hon. H. B. ST. JOHN: Mr. Speaker, Sir, I beg to move that the Bill to make better provision for the care and protection of children be now read a first time.

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

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

Hon. H. B. ST. JOHN: Mr. Speaker, Sir, I beg to move that a Bill to amend the Prevention of Cruelty to Children Act be now read a first time.

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

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

Hon. H. deB. FORDE: Mr. Speaker, Sir, I beg to move that a Bill to provide for a system of free legal services to persons of insufficient means be now read a first time.

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

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

Hon. H. deB. FORDE: Mr. Speaker, Sir, I beg to move that a Bill to reform the law relating to the dissolution and nullity of marriage, judicial separation and restitution of conjugal rights and to certain other related matters, and to provide for counselling with a view to facilitating reconciliation in matrimonial causes and, in relation thereto, for matters connected with the parental rights and the custody and guardianship of children be now read a first time.

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

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

Hon. H. deB. FORDE: Mr. Speaker, Sir, I beg to move that a Bill to provide for the maintenance of certain children born out of wedlock and for related matters be now read a first time.

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

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

ORDERS OF THE DAY

Mr. SPEAKER: Government Business is the Instant Order of the Day.

GOVERNMENT BUSINESS

RESOLUTION TO APPROVE THE COMPULSORY ACQUISITION OF LANDS AT OLDBURY, ST. PHILIP AND PARAGON, CHRIST CHURCH FOR USE BY THE DEFENCE FORCE.

Order Number One was called – To move the passing of a Resolution to approve the compulsory acquisition of lands at Oldbury, St. Philip and Paragon, Christ Church, for use by the Barbados Defence Force.
12.30 p.m.

Hon. L. S. CRAIG: Mr. Speaker, before we do Item No. 1, with the leave of the House I would like to move the suspension of certain Standing Orders. I surely did not hear the Clerk, Sir, and I must apologise. I was having consultations with my colleague on my right.

Mr. SANDIFORD: Mr. Speaker, before you proceed with Government Business, it is my understanding that the member for St. Lucy had some Questions and opportunity was not available for him to ask those Questions or give notice of those Questions when the appropriate Item was called, and I am asking your permission and the leave of the House for that particular Item to be recommitted so that notice of the Questions may be given.

Mr. SPEAKER: The Questions were not listed as they ought to have been, but it was my intention to allow the hon. member to table them during the course of the day.

SUSPENSION OF STANDING ORDERS

Hon. L. S. CRAIG: Sir, I beg to move that Standing Orders 6, 16, 18, 20, 42, 43 and 44 be suspended for the remainder of today's sitting.

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

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

GOVERNMENT BUSINESS

Hon. L. S. CRAIG: Mr. Speaker, I beg to move that Government business be now taken.

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

Mr. SPEAKER: Government Business is the Instant Order of the day.

**RESOLUTION TO APPROVE THE COMPULSORY
ACQUISITION OF LANDS AT OLDBURY,
ST. PHILIP, AND PARAGON, CHRIST
CHURCH, FOR USE BY THE
BARBADOS DEFENCE FORCE**

Hon. L. S. CRAIG: Mr. Speaker, the matter before Parliament is for a portion of land to be acquired by the Government from Oldbury Plantation, land which is known as Paragon, for the Barbados Defence Force.

I do not think it is for the purpose of having the Defence Force stationed there, I do not know what aspect of the Defence Force will be there, but my personal view is that Paragon, which as you know, Sir, is in the parish of Christ Church, and I believe that it is a relatively strategic point and that there needs to be some area of security for the country, and it is the wish of the Defence Force of Barbados to have this land acquired.

All the appropriate notices have been published in the papers and all the legal formalities have been completed, and it is only left to have parliamentary approval for the acquiring of the land.

I beg to move that the resolution do now pass.

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

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

**RESOLUTION TO APPROVE THE COMPULSORY
ACQUISITION OF LANDS AT ALLEN VIEW,
WELCHMAN HALL AND STURGES, ST.
THOMAS FOR THE PURPOSE OF
PROVIDING AN ACCESS ROAD
TO HARRISON'S CAVE**

Hon. L. S. CRAIG: Sir, this resolution seeks to acquire a number of parcels of land to have access into the caves. I must admit that Harrison's Cave is off schedule. We were hoping to open it in time for the tourist season of last year, but there have been a number of difficulties in the construction of the administrative block.

For one, Sir, because of the very big building boom you have in Barbados - and I think that you and all other members would agree that a building boom in the country is the economic barometer of how well the country is doing - but you cannot get carpenters, you cannot get masons, and this is the main reason why we have not been able to get the cave open to the public yet.

The actual cave itself is completed, all of the electrical work has been completed, the cars to take the visitors into the caves are now in Barbados. There was a

strike overseas in the port from which the cars had to come, Sir, they have now arrived, but our only holdup is the completion of the administrative block. I would not like to put my neck out to say when it is going to be finished, but I would sincerely hope that it will be finished in another two months or thereabouts.

12.40 p.m.

The Chairman of the Caves Authority was here and he has his finger more on the pulse of the actual day to day running of the cave more so than I do, and my duty here on this occasion is to move the Resolution to acquire a number of parcels of land for access into the caves. I must also say that I have been reliably informed that many people living in the area have been very civic-minded in giving small pieces of land to the Government for the purpose of helping to make this project a success, and I would like to publicly thank these people. I know that when one has an opportunity to thank people for doing these things I like to speak out, and equally as much I would like to speak out when people set out to vandalise Government property.

I was particularly upset, depressed and angry at the attitude of some person or persons who took it upon themselves to overturn some of the plant pots which the Government put at the Bay Street Esplanade for the purpose of helping to beautify Barbados. Barbados is a place which I as Minister of the Environment would do everything in my power to see as a floral garden in the Caribbean, and we are working towards this feverishly. We have plans afoot for the purpose of trying to landscape our major highways with plants, shrubs and so on, and we are also asking a number of plantation owners who may have land along the highway to allow us to plant these various flowering plants to give Barbados that beauty which I think we all are hoping for. Whenever one sets out to vandalise Government property they are not doing anything to enhance their position in the society, because all they are doing is calling upon themselves to pay additional tax. If people need things, they have to pay for them, and I would appeal to each and every one to be their brothers keeper in helping to make Barbados a very beautiful place in respect of landscaping and keeping it free of litter and things of this nature so that we can be justly proud of our country.

With those few remarks, I beg to move that this Resolution do now pass.

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

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

RESOLUTION TO LEASE LAND AT PINE ROAD, ST. MICHAEL

Mr. SPEAKER: Order No.3 stands in the name of the Hon. Minister of Housing, Lands and the Environment to move the passing of a Resolution to approve the lease to Avisene Caesaretta Carrington of land at Pine Road, St. Michael, for the purpose of providing playground facilities for the Merrivale Preparatory School.

Hon. L. S. CRAIG: Mr. Speaker, this is a relatively small area of land under the brow of Erdiston and Pine Road where Mrs. Avisene Carrington carries on a relatively successful private school, and obviously she needs additional room not for building but as a play area, and she has requested of Government a lease of land which Government has decided to give her on lease. I do not think it is a controversial matter.

I beg to move that this resolution do now pass.

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

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

THE CURRENCY (REPEAL) ACT, 1981

Mr. SPEAKER: Order No. 5 stands in the name of the Rt. Hon. Prime Minister to move the second reading of a Bill to repeal the Currency Act.

Hon. H. deB. FORDE: Mr. Speaker, this Bill is a very simple Bill. With the full establishment of the Central Bank of Barbados and with the Eastern Caribbean Common Market countries having their own monetary authority moving fast into their own Central Banks it has been found that the Central Bank Act contains all the necessary provisions to deal with the currency of Barbados, and therefore the purpose of this Act is spent. We are therefore seeking to repeal the Act.

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

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

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

On motion of Hon. H. deB. FORDE, seconded by Hon. L. S. CRAIG, Mr. Speaker left the Chair and the House went into Committee on the Bill, Mr. ODLE in the Chair.

Clauses 1 and 2 were called and passed.

On motion of Hon. H. deB. FORDE, seconded by Hon. C. L. BOLDEN, Mr. CHAIRMAN reported the

passing of one Bill in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. H. deB. FORDE, seconded by Hon. C. L. BOLDEN, the Bill was read a third time and passed.

12.50 p.m.

The Rt. Hon. J. M. G. M. ADAMS entered the chamber and took his seat.

Mr. SPEAKER: Item No. 6.

CENTRAL BANK OF BARBADOS (AMENDMENT) ACT, 1981

Order No. 6 was called - to move the Second Reading of a Bill to amend the Central Bank of Barbados Act.

Dr. Caddle entered the Chamber and took his seat.

Rt. Hon. J. M. G. M. ADAMS: Mr. Speaker, Sir, this Bill is supposed to be associated with the one that has just been passed by the House and Section 2 of the Bill effects within the Central Bank Act the purpose of repealing the Currency Act with reference to the Eastern Caribbean Currency but we have also taken the opportunity to go somewhat further and extend the powers of the Central Bank to assist in the development of our country.

The main purpose of the Central Bank, Sir, is, of course, regulatory but since it inherited the powers of the Currency Board which was a money-making organization, the Central Bank does make money every year and indeed, last year, had record profits of over \$10 million. Of these profits, a substantial portion was paid into general revenue and a number of funds which the Central Bank has maintained under the existing Statutory Authority was also nourished. Indeed, Sir, as I recall it, one of the Funds is now full. It has reached its maximum size permitted by Law.

I had accordingly agreed with the Central Bank that it should be permitted to participate in the equity of certain Statutory and Private Corporations and this requires some explanation because it is not intended that the Central Bank will be buying shares in private business.

As far as the Private Corporation referred to "and immediately under" consideration is meant that this will be the Stock Exchange of Barbados. We have been labouring for a very long time to get the Stock Exchange moving, Sir, and it appears that direct infusions of money may be necessary. The Stock Exchange is technically a private corporation although obviously it partakes of the nature of a public one.

The Statutory Corporation which we have in mind at the present time, Sir, is the Barbados Development Bank. The Central proposes to invest a sum. I think we have agreed on \$2 million in the equity of the Barbados Development Bank to permit the Bank to make advances to small business.

In any case, the Development Bank will require a fortification of its capital and while it is possible to tell the Central Bank, all right, give the Government the money and we will give it to the Development Bank, the Government's policy of consolidating the Financial Institutions of Barbados in making them work more closely together, suggested that a direct relationship between the Central Bank's Fund and the Development Bank could very well be established.

As hon. members will know, the two Institutions share two directors. The Chairman and Vice Chairman of the Development Bank are also members of the Board of the Central Bank. Accordingly, Sir, we are amending the Act to allow for the useful investment of some of the Central Bank's profits in the better development of Barbados.

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

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

Mr. TAITT: Mr. Speaker, Sir, I do not rise to necessarily indicate that this Bill ought not to be supported. I rise to offer a word of caution to the Prime Minister and Minister of Finance that so far the Central Bank has been doing the job for which it was created quite admirably and although from time to time the Governor of the Central Bank might make statements which land him into the arena of controversy, the fact is that the Central Bank *per se* has been successful in performing the task for which it was created.

Now, I heard the Prime Minister indicate that the Central Bank was likely to be participating by way of investment in the proposed Stock Exchange. If I heard him correctly, I would like to offer the suggestion that notwithstanding the fact that this Central Bank is showing profits on its balance sheet; notwithstanding the fact that the Governor might be an activist Governor; notwithstanding the fact that the motives from which they make their recommendations to the Minister of Finance might be the purest in the world, I would like to offer the suggestion that participation by the highest regulatory agency in the financial world in Barbados in the Stock Exchange could lead, if nothing more, to a misunderstanding.

I would like to suggest that in spite of the fact of the passage of this legislation, that the Government rethink the policy and reexamine that policy to see if

they really and truly wish to have the Central Bank participate as he outlined.

In so far as the Barbados Development Bank's relationship with the Central Bank is concerned, since the Development Bank is precisely involved in the development of the country, it is perfectly acceptable for directors of the one to sit as directors of the other because except in the area of loans specifically, the Development Bank does not as far as I know carry on any banking services as such, commercial banking services as such.

There are a number of services which are banking services which are related to the purposes of the Development Bank but, in terms of when being compared with the Barbados National Bank, the Development Bank is in a different category and, therefore, the possibility of conflict or apparent conflict is not as real as it might be apparent. However, on the question of the Central Bank itself becoming involved in commercial investment, the Central Bank is going to be called upon, not necessarily this year or two years from now but some time in its existence the Central Bank may be called upon, to make regulations controlling the Stock Exchange itself. It may be called upon to make regulations controlling certain aspects of commercial activities and if the Central Bank is in fact a participant investor in some of these commercial activities when that eventually arises, if it does, it could create a very interesting situation.

1.00 p.m.

I do not believe that the Central Bank needs necessarily get involved in the commercial activity and more particularly the Stock Exchange. We, in Barbados, do not yet have the equivalent of a Securities Exchange Control. No doubt, if a Stock Exchange starts in Barbados, you have to go towards creating that kind of regulatory agency. In the meantime, the nearest we have to that is in fact, the Central Bank.

As I said, I did not rise to contest the passage of the legislation. I am rising more as a citizen interested in these matters. I am suggesting to the Rt. Hon. Minister of Finance that in spite of the recommendation of the Central Bank, in spite of the advice given to him of this matter that he should rethink the matter and examine very carefully the ramifications not only in the immediate future, the medium term future, but the long term future of the Central Bank itself.

Mr. Speaker, Central Banking in the United Kingdom is done differently from Central Banking in the United States. All the functions performed are approximately the same in that they control basically the flow of currency in the community and assist Government policy insofar as certain economic measures are concerned. In the United States which is a nearer example to our Central Banking system than the United Kingdom, the Federal Reserve system is controlled by

legislation and one of the advantages of the Federal Reserve system over the years since its inception immediately after the great financial crash, Sir. One of its very pertinent advantages has been its ability to rise above and beyond the market place which it directs.

I am suggesting that where the Central Bank is in the peculiar position which our Central Bank has which is somewhat akin to the Federal Reserve system that we ought to be extremely careful to avoid even the semblance of participation by the Central Bank in the commercial activity of financial dealing and dealing. Mr. Speaker, we have been fortunate so far to have a Central Bank Governor who is fully knowledgeable in the field. We have members who sit on the Central Bank who have performed creditably from all reports and therefore, Barbados has been fortunate to have the Central Bank's emergence take its rightful place in the financial affairs of the country.

There is no guarantee that in the next five, ten, fifteen years that the quality of appointees to the Board, or to the Governorship will necessarily be of the same standard all the time. If the legislation is not there, we would have precluded the possibility of any falling off in the Central Bank's activities. If the legislation is there, then an ignorant Governor of the Central Bank and I use ignorant in its purest sense, Sir. A Central Bank Governor who is not as endowed as this Governor could successfully misuse the legislation and create the kind of confusion which once it is created will have extreme difficulty in being allayed.

So, for what it is worth, I draw to the attention of the Rt. Hon. Prime Minister my concern in this matter and I believe all of us on this side expect the Central Bank to perform a particular role and we ought to be very careful not to allow it even to take on the appearance of performing a role other than that for which it was created, a role which it has been performing up to now very creditably, Mr. Speaker.

Mr. SANDIFORD: Mr. Speaker, I rise to support some of the cautionary words that have been expressed by my colleague. I have no doubt that the Rt. Hon. Minister of Finance has taken all these matters into consideration in coming to his decision, but nevertheless I think we should express our own concerns about this particular decision as we understand it, the Central Bank and as we envisaged it, the function of the Central Bank was to carry out a specific activity and this activity was set out in the legislation setting up the Bank, the Central Bank Act of Barbados which was passed in 1973 Cap. 323C of the Laws of Barbados and established by the Democratic Labour Party Government and the purpose as set out in this Act for the constitution of the Bank are:

- (a) "to regulate the issue, supply, availability and international exchange of money;
 - (b) to promote monetary stability;
 - (c) to promote a sound financial structure;
 - (d) to foster the development of money and capital markets in Barbados;
- and
- (e) to foster credit and exchange conditions conducive to the orderly and sustained development of Barbados."

Now I believe that it would be in pursuit of purpose number (d), that is, the fostering of the development of money and capital markets in Barbados that no doubt the Central Bank would be taking initiatives in this particular area of helping a stock exchange to be established in this country and to that extent, it might be said to be fulfilling the purposes for which it was established, but I believe that there are methods short of direct participation veiled as indirect participation that the Bank can fulfill that particular purpose.

We are also very conscious that another section of the Act setting up the Central Bank itself is cautionary about the participation of officials of the Bank in activities and that those additional cautionary words indicate that such officials in the discussion or the voting in any matter relating to those particular areas. I am trying to find that particular section of the Act.

Section 17 (1) states that:

"No Director"

that is of the Central Bank of Barbados Act, does state that:

"No Director nor the General Manager shall act as delegate of any commercial, financial, agricultural, industrial or other interest or receive or accept directions therefrom in respect of duties to be performed under this Act."

While I do not think that it is envisaged that the Director or the General Manager would sit on the stock exchange, I do not know if that is actually envisaged, but the import and intent of this particular section, I believe is even wider than the words themselves indicate, that it, that the Central Bank should be above the day to day activities and above that type of direct participation in the commercial market and when it intervenes, it should intervene in a kind of regulatory fashion and we just make these cautionary words,....

1.10 p.m.

I believe an assurance would be justified in this particular matter, that the Central Bank and its position would not in any way be negative or would not in any way be reduced as a result of this type of participation in these institutions.

Hon. H. B. St. JOHN: Mr. Speaker, I agree generally with the comments made by the hon. member, that it is wise in the context of the financial integrity of the Central Bank that it be perceived by all and sundry in any country in which it exercises its regulatory functions as an independent institution. However, it is important to realise in small developing countries that if we are to pursue a path of the creation of institutions which are necessary for the economic development of a country, that some institution must be available to play a role of an innovator.

Obviously in Barbados if we are to encourage the concept of a property owning democracy, it is necessary that we have a Stock Exchange. It is necessary therefore for some institution to help to get this Stock Exchange in existence. That there is a deficiency in existing institutions ought to be self-evident, for as long as there was a Barbados, and particularly in the course of the last thirty to forty years, the need for a Stock Exchange ought to be obvious, and yet we do not have one. It is clear to me that the existing people who one would expect would take a lead to form this do not for some reason or the other want to take that lead. We have arrived at a situation where in the course of the last four years discussions have been going along among institutions about the formation of a Stock Exchange.

This Government has made its position very clear. We are in favour of a Stock Exchange. We have passed legislation permitting a wider participation by employees and by others in share ownership in Barbados. We believe that one of the constraints in taking advantage of the tax incentives that we have granted is the fact that there is a lack of institutional machinery to market securities. The Central Bank in Barbados, in keeping with the concept of Central Banks of a large number of developing countries who take these things seriously, has been taking an active interest in this respect, but hon. members will be familiar with the doctrine of *ultra vires*. Even if they subscribe to one share in a non-profit making Stock Exchange company, once it is registered under the Companies Act and it is not a public company, questions will arise as to whether it comes within the omnibus clause read out by the hon. member on the other side. Because with a narrow judicial interpretation they may say that that last clause, although it purports to be wide, it must be interpreted in the context of the prior clauses and they may be struck down on the basis of *ultra vires*, and in order to make it abundantly clear this amendment was drafted to permit participation in this particular area.

Now, Sir, there is also another area that we must think of, not only stock exchange. It is fairly clear too that in developing countries money must be spent on certain aspects of research and development. Very often in order to fund a Trust for research and development in particular areas, all kinds of institutions are invited to put up by way of grant a little of the money necessary. Indeed, you may have to provide a little seed money in order to attract other money. Again, this is a role that in developing countries Central Banks have been called upon to play. We accept the concept that they are not designed for the purpose of competing with the private sector, because it would reflect upon the integrity of the institution as a regulatory body, but nevertheless, one also has to admit that there are certain areas where because of our smallness, because of the need for co-operative activity among a number of institutions, that a bit of Central Bank's money may be involved in this restrictive field. It is, however, not at the whim and caprice — and I want the hon. member for St. Michael South to recognise this — the Central Bank cannot go out and do this alone, it is subject to the approval of the Minister of Finance, whoever he may be at the time, so there is a check and a break there, and I think that therein lies our protection. That is all the object is of this particular part of the amendment.

I fully agree with the hon. member that this is not their purpose, but nevertheless in view of the fact that the doctrine of *ultra vires* may come into play under that wide omnibus clause, it was felt that an amendment subject to the checks here would be necessary and that it would facilitate the attainment of objectives of all of us. I am positive that in their accounts their auditors will show any investment, they will show the authority for it, and I want to assure the hon. member, as long as this Government is in power, that we agree and share the objectives that he has set out as being the desirable way for the Central Bank to operate.

Dr. CADDLE: Mr. Speaker, the Central Bank has been here for quite some time and has come to be accepted. No one is going to question the functions of the Central Bank, but sometimes the Barbadian public gets a bit worried about some of the actions of the Central Bank or the words of the Governor of the Central Bank.

I would like to give an example of what I mean by getting worried over the actions of the Central Bank. Some time this year the Central Bank issued a directive to commercial banks to increase the interest rate on all loans, whether they were already in existence or new loans, and as a result of this directive many people of this country who already had loans in operation were called upon to pay increased amounts of money in instalments each month towards the loans they already had in existence.

1.20 p.m.

No explanation has been forthcoming to satisfy people of the need for this type of directive, and to date no one knows for sure whether the Central Bank has actually issued such a directive, although one assumes that no commercial bank would put in writing that such a directive was issued if it were not so. This is the type of action which I am complaining about that worries the Barbadian public at some time and tends to undermine the confidence which the people of this country would seek to place in an institution. There may very well be good reasons for directing the commercial banks of this country to increase the interest rates on loans whether they are already in existence or on new loans, but until the public of this country is taken into confidence and the reasons for this type of action are made known to the Barbadian public, whether they approve of them, at least it would allow them to follow the functioning or the action of the Central Bank, you must find that the people continue to have doubts about its performance, doubts about some of the personnel of the Central Bank, and that goes a far way in tarnishing the image of the Central Bank.

I have thrown that out to the Hon. Prime Minister as the Ministry of Finance is responsible for the Central Bank, and I hope that in future particular attention would be given to the public image of the Central Bank, so that when you are making directives or issuing directives to other financial institutions in this country, when these directives come into play they affect the people very seriously. People may already find it very hard to be paying that type of monthly instalment they are already paying, and when as a result of a directive to increase the interest rates on existing loans you find that the instalment is also increased they are not going to take it lightly, and unless some consideration is given to this aspect of the Central Bank's public image, you are not going to get the type of support which the institution deserves and the type of confidence instilled in the Barbadian public regarding a very important institution in this country.

Rt. Hon. J. M. G. M. ADAMS: Mr. Speaker, a number of points have been made. I will deal with the points made by the hon. member for St. Michael South West first. It is not anticipated that the Central Bank will itself be the regulatory authority for the security exchange. At the moment the Ministry of Trade is examining the entire matter and the Ministry of Trade will lay out the conditions under which securities can be traded in Barbados. I believe that legislation is being commissioned; it has been circulated already. "Regulatory" is not a wide term either in the amendment we are considering or in the Central Bank Act. "Regulatory" means the Central Bank going with inspectors, examining the accounts, making recommendations and recommending the taking away of licences and so on. The Central Bank will not have this

sort of power in relation to the securities exchange. Indeed the Central Bank even under present conditions could have subscribed the million dollars which it intends to issue to the securities exchange by way of debenture under the existing clause 41, and the plan all along, indeed the only plan on my file is to subscribe to a debenture by way of general support.

As the Hon. Deputy Prime Minister, the hon. and learned member for Christ Church South Central has pointed out, there may well be circumstances where what is technically a private company should be supported by an investment of Government funds. We quite like the idea, Mr. Speaker, of leaving the Central Bank some independence in the disposition of its monies. There are a certain number of requirements - perhaps I had better expand on what I said in my first speech, - laid down by law as to what is to be done with the Central Bank's funds.

Now the General Reserve Fund of the Central Bank is now full. That is the fund I referred to which is full, so funds which normally are transferred to General Reserves have been reached and the funds are now available. There is indeed another area where the Central Bank profits over the last few years have been so high as to discharge its responsibility under the Act. The Bank does have a duty under section 32 of the Act to redeem issues of non-negotiable non-interest bearing securities which were given to it originally to set it up. That has also been done. In other words, in the seven years since it was started it has paid back the amounts of money granted to set it up and filled up the General Reserve. We therefore have other funds available.

Now in the course of time the Government has set up various funds which are supported by the Central Bank. Since the Central Bank manages the foreign debt of the Government, we think that it should have a major role in export credit and so on. It is after all a participant of the Central Banks of Jamaica, Trinidad and Guyana in the CARICOM export credit facility, and this is part of its functions. We therefore set up some time ago an Export Credit Insurance and Guaranteed Fund to which this year we have given \$500,000 so that that fund has \$1 million in it. There is a General Credit Guarantee Fund also to which we have given this year another \$200,000 so that it has \$500,000 in it, and we have put a limit, this is an administrative limit, of \$5 million to be in those two funds for the purposes of credit guarantees and export credit insurance. This is tremendously important for our export drive, but at the rate the Central Bank is going and with the level of foreign reserves in the hands of the Central Bank, being of the order of \$120 million to \$130 million, we are making profits which will very shortly fill up these funds also, and there is therefore a surplus in the foreseeable future in the Central Bank that is usable for one thing or another.

The Special Credit Trust established under section 41, this is the very section we are amending, is the one which we are now filling up to carry out the purposes that I have indicated. Suppose, Mr. Speaker, since we are worrying about this business of private companies, the National Scientific Council is putting together a research and development body which for convenience is to be formed as a private company because the National Scientific and Technical Council is purely a body set up under the aegis of the Prime Minister's Office....

Mr. TAITT: If the hon. member would give way on a point of elucidation and certainly to make the point that we are not opposing the legislation, but it is only the Prime Minister's mention of the stock exchange. We were not questioning the right of the trust to invest in the kinds of activities which he is now about to describe like the scientific council, etc., it was merely on the mentioning of the stock exchange that I was making the point that he should take care not to allow it to go abroad.

Rt. Hon. J. M. G. M. ADAMS: Well I can perhaps curtail the events of the other part of it, but hon. members will understand that a council such as the National Scientific Council which is not statutory, if it has to hold funds it would have to be private. You would either have to come and make it a statutory body and perhaps it is unnecessarily expensive and confusing or you would allow it to form a private body. It may very well be that the Central Bank would wish to support scientific research in Barbados to lead to some export development and in those circumstances it would have to be supporting a private body. Well the Securities Exchange is not statutory; we call it stock exchange, but officially it is called the Securities Exchange, which is in fact a private company. So to support it, legislation such as this as soon as equity comes in as soon as one share, as the hon. Deputy Prime Minister said is to be taken, legislation such as this is required. At the moment, the commitment is to debentures only but the power requires to be there.

1.30 p.m.

The point specifically made by the hon. member for St. Michael South West which is that you might come to regulate it, I hope that I have dealt with that, it is the Ministry of Trade which will be the directory body and in all probability an Act will be passed which will embody the principles related to the transfer of shares in Barbados that will enable the Ministry of Trade's only Inspectorate they will be the Inspectorate, not the Central Bank, to these things.

There has been some controversy between the Chamber of Commerce and the Central Bank over this matter. I wonder who has been briefing the hon. member for St. Michael South West, on that point, but the regulatory power of a Company rests with the Ministry of Trade, not with the Central Bank.

The hon. member for St. Michael South, I think I have answered his points in what I have said.

The points made by the hon. member for St. Michael North Central, there are somewhat old-fashioned. I hope the hon. member would not mind if I say that they have a certain electoral quality to them. The hon. member should perhaps look at different factors altogether. Let us be realistic.

Barbados has managed to insulate itself from economic conditions in the outside world to an extent that was never possible previously. We have insulated ourselves from the high inflation in Caricom. When inflation doubled in the United States our inflation raked hard. We have insulated ourselves from the weakness of the economy of most of the MDC's in Caricom countries and we have largely insulated ourselves from high interest rates prevailing abroad, but we cannot do it, Mr. Speaker, under the weight of pressure that we are getting forever.

What am I to do if I know that employment in Barbados can be supported? The Foreign Reserves can be supported. Development generally can be supported and Government funds can be released for the old aged pensioners by a structural adjustment loan from the World Bank but they tell us that we cannot expect with rates of interest in Barbados at a half of what they are abroad to receive favourable and generous treatment from overseas agencies operating in countries that are paying 16%, 18% and 20%.

I mean, Mr. Speaker, put at its crudest, even in the United States it might be hard to ask an American Institution to lend money to Barbados to build houses for people to pay mortgage rates at half what they are in the United States. Now, we have fought against it so far and the hon. member should know that we have not raised the mortgage rates but a price has to be paid for every aspect of policy which you carry out.

I remember hearing that when the Russians first began to give aid to Cuba and the Cubans wanted money to buy cars the Russians said, "but there are more motor cars in Cuba than there are in the Soviet Union." I believe that was actually true in the year 1960. As it is I would not be surprised if there are just as many private motor cars in Barbados today, really private, I mean privately owned, bought out of private funds as there are in any major Russian City. I do not mean cars that you use in the course of your work, I mean cars that you go and buy yourself and the Russians refused to put foreign exchange in the hands of Cubans to maintain a standard of living, that was, in 1960 when Cuba became Communist, higher than in the Soviet Union. They were not going to do it.

You cannot expect that we can go on forever with rates of interest that bear no relationship to the

international rate of interest. We have fought and the hon. member should have been congratulating the Government and the Central Bank, not being critical by implication. His speech is a cogent speech, as I said he is mistaken, but he is addressing himself to various problems.

We have such difficulties, Sir. An exporter sells goods abroad. He receives the money abroad. He puts it on fixed deposits abroad and he is getting 16% on his money and he is going abroad and spending the money and so on and so forth and not repatriating the money within the space of time.

I have said it before and I will say it again and the hon. member has heard me. There are firms in Bridgetown which came from abroad to operate when the Barbados Labour Party was last in power and they have never remitted funds to their Head Offices. Not that they have never made money but they have left their money in Barbados in their invested Companies and within the last year or so, not because they were afraid of the climate in Barbados but because they simply cannot afford to keep funds at 6% when they can get 16% abroad. It is as simple as that.

It has not happened perhaps within the last year but when the gap was at its greatest, money had to go abroad. The hon. member knows that monetary management of the economy, or one of the factors of monetary management as opposed to fiscal consists of raising the interest rate to improve your balance of payments. Countries used to do this for years. You raise your interest rates so as to attract funds from other countries with lower interest rates. That is one of the factors.

The interest rate now is raised in Britain and North America in order to keep down inflation. You make money very expensive to borrow. You try to keep down inflation by depressing economic activity. Now, we do not wish to do this. That is why we have to fight against the high interest rates and we do not need the high interest rates for any domestic purpose but, in order to protect the economy, we have to inch and inch and at least have what is called a positive interest rate.

Now, the Newspapers a couple of months ago were emphasizing that inflation in Barbados on the basis of January and December was on an upward trend. I am glad to see that they have recognized that now things have settled that there is a little decline in inflation this year and the projected annual rate, based on the first three months' performance on prices is now down to 12%.

What is meant by a positive interest rate is an interest rate which offers an incentive to people to invest in relation to the inflation rate. Positive means an interest

rate more than the inflation rate. Negative means an inflation rate less than the interest rate. We have reached a situation where we have now achieved apparently a positive interest rate in so far as what you have to pay to borrow money is worthwhile in terms of inflation and I am very hopeful and the hon. member need have no fear that in the next few months that there will be any sudden surge.

I am hopeful that we can try and stabilize. We think that the worst of the effect of high rates abroad is already with us. All those that have had money to move have moved it and all those who have the means of keeping money abroad are keeping it. They are fighting to bring it back but we are in a state of balance. We now hope that with inflation going down and interest rates - the prime rate and the inflation rate are now about the same so that on most overdrafts the interest rate is a little higher, therefore, we are in a situation where interest rates are sufficiently positive to allow investment to go forward and to allow investment to be supported by deposits of funds.

1.40 p.m.

Certainly, there is some evidence of liquidity. I do not want to go over the Budget again, Sir. We had record savings in December, and we have had good savings so far this year. If I had known that this was going to be raised, I would have brought along the confidential Quarterly summary and projections on the economy that I was discussing this morning with the Director of Finance and Planning, but there is some evidence of improved savings and liquidity in the hands of the Bank so I think that I can reassure the Honourable Member. But, I really do not think that he should criticise the Central Bank or say that it is being reflected on as an institution because they do not know who raises the interest rates and so on. All this is part of the Policy of economic management which was so absent from the Cabinet of which he was a member. He only had two and a half years, or three in a Cabinet in which the word Central Bank had to be mentioned at all, Sir. You must understand that the art of economic management progress a little bit in Barbados since that time and he must not try to take us back to the old days and use the old fashioned argument.

People in Barbados want everything, they want high employment, no increase in prices, steady increase in wages and low interest at the Bank. Well, some of these things are contradictory, all social services and no increase in taxes, some of these things are contradictory. High employment and low inflation tend to be contradictory, but in Barbados, we have managed to bring the rate of unemployment down to 10.3% as figures shortly to be published will reveal, 2 600 new jobs already this year, Sir and at the same time, we have managed to reduce inflation. That is extremely unusual in any economy. Normally, when inflation is low unemployment is high. In

fact, you have to create employment to bring down inflation in the big economies. We have managed to bring down both, but all these things cannot go on forever. You cannot have everything and have unlimited progress, certainly not in today's world, where you are affected by oil price increases which have shattered much sturdier economies than ours.

I have taken a little time to reply to the Honourable Member although he is right off the point of the Bill, Sir, but the Honourable Member will understand that I quite appreciate the points which he raised and I hope that the enlightenment which I have tried to offer will be sufficient to convince him, so that after the election, when he has a little more time for studying these things, he will be able to appreciate them better.

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

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

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

On the motion of Rt. Hon. J. M. G. M. ADAMS, seconded by Hon. H. B. ST. JOHN, Mr. SPEAKER left the Chair and the House went into committee on the Bill, Mr. ODLE in the Chair.

COMMITTEE OF SUPPLY

Mr. CHAIRMAN: The House is in Committee.

Clauses One to Four inclusive were called and passed.

Clause Five was called.

Rt. Hon. J. M. G. M. ADAMS. Mr. Chairman, Sir, I beg to move that clause Five stands part.

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

Mr. CHAIRMAN: The question is.....

Rt. Hon. E. W. BARROW: Mr. Chairman, when the Central Bank of Barbados was established, it was never envisaged that it was any part of the function of the Central Bank to get involved in what is described as contaminated portfolios.

In the clause which we are now discussing, there is provision made by the Central Bank to hold equity in statutory and private corporations, the Central Bank not the Development Bank of Barbados. There is a way in which statutory Boards or corporations as they are now described can receive funds through the normal machinery

of Government, when the Government will be on-lending the money to the statutory corporations. But, we have such a mixed economy in Barbados now with the new economics that we are hearing about that apparently did not exist when this Bank was established.

We are confusing the functions of a Central Bank with the functions of a development institution. We know that the Central Bank was never intended to be a developmental institution in that sense of the term. We know, Mr. Chairman that at one time, as a matter of fact as early as the Manifesto of the Barbados Labour Party the Honourable Member for St. Thomas thought that it was feasible to amalgamate all the financial institutions under one roof not only physically under one roof, but also legally and functionally as well and sometime later he had to withdraw and say that he had been advised that it would be impractical, I am not attempting to quote him, to have a Central Bank whose job it is to supervise the other financial institutions amalgamated with these financial institutions.

This is the new economics, the idea that they were going to save costs. The idea that by amalgamating a Central Bank with the Savings Bank, the Development Bank, the Agricultural Bank, the Peasants Loan Bank that somehow or other this was a marvellous turn around of efficiency. Well all of us who have anything to do with Central Banking know that that would only create a state of confusion in the economy of this country.

They go a step further. They say it is to be done so facetiously the Honourable Member said so referring to some other Honourable Member, oh this was not invoked at the time when he was a member of the Cabinet. I do not see the reason to give the Central Bank any power to invest in private corporations or in statutory Bodies because in the first place, we have enough institutions in Barbados to which private companies can go in order to borrow money. We have enough institutions both in the form of commercial banks and Government institutions where private companies can go. If the Central Bank gets involved in this kind of business the whole aura of Central Banking in my opinion will become contaminated. 1.50 p.m.

Rt. Hon. J. M. G. M. ADAMS: Mr. Chairman, it is always gratifying to hear serious economics and serious approaches to matters being talked in the House. The hon. member has his approach, we have ours. Really, I cannot say more than that. We think that the Central Bank's intervention in a number of development activities has been beneficial, but in the last analysis perhaps the hon. member will agree with us that ultimately it is the Board and the Minister who decide. We are not seeking to entrench any particular pattern of behaviour on the Central Bank for ever and ever. We are satisfied that the Central Bank has been running very successfully for a

number of years, that its fundings of export credit activities has been enormously successful, and when we have fulfilled the basic statutory requirements of repaying the securities which were used to start it, and of filling its general reserve, when it has done that we then consider to dispose of the monies.

The hon. member correctly states that the original idea of the Government to basically what would have been joined, the Barbados National Bank to the Central Bank, is inappropriate, or to start a commercial wing in the Central Bank is inappropriate. The hon. member, however, should remember that although inappropriate it is not unusual. I understand the Jamaica Central Bank has windows open to the public where you can go and change foreign exchange. It is the only place where you can change it, so Dr. Blackman informs me. The Bank of England maintains accounts for customers other than Her Majesty's Government. The Bank of England has always had a commercial side. Other Central Banks do have commercial sides, I believe in Australia the Central Bank intervenes, but we have gone along with that, but we have associated the development concepts with the Central Bank. We have associated the Development Bank with the Central Bank with a partly joint directorship, and now the provision of funds. We do not think that this is wicked, nor do I think the Right Hon. Member, the leader of the Opposition, thinks it is wicked, it is a different approach.

I do not think the hon. member will ever be given a chance to change it, but democracy being what it is, you cannot rule it out. The approach is different, you can choose the approach adopted by the hon. member and his colleagues to the development problems of Barbados, and you can choose ours. You can choose 20% unemployment, or you can choose 10% unemployment. You can choose 40% inflation, or you can choose 12% inflation. You pay your money and you take your choice. I am sure that in the general election at least 40% of the electorate, or around 40% of the electorate is likely to choose 40% inflation, is likely to choose heavy unemployment. That is democracy. Fortunately, however, I think that achievement speaks for itself.

Sir, I think I made a small error, but since the Press is likely to have picked up the number I had better correct it, in the number of new jobs this year. It is always dangerous to speak from papers that you do not have in your hand. Sir, I think the number of new jobs that the Statistics Department has found this year is 2400, not 2600. It is small, but I would not like the 2600 to be taken as absolutely the final word, we had better wait until we see the publication. It is a lot of jobs, Sir.

The question that clause 5 stand part was put and resolved in the affirmative without division.

On the motion of Rt. Hon. J. M. G. M. ADAMS, seconded by Hon. L. S. CRAIG, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Rt. Hon. J. M. G. M. ADAMS, seconded by Hon. L. S. CRAIG, the Bill was read a third time and passed and cited as the Central Bank of Barbados (Amendment) Act, 1981.

NOTICES OF QUESTIONS

Mr. SPEAKER: The hon. member for St. Lucy, his question about bush and trees in the gutters at St. Lucy.

Mr. GREAVES: Mr. Speaker, to ask of the Minister of Communications and Works:

Is the Minister aware that in many areas in St. Lucy the gutters and drains are in need of cleaning and clearing of bush and trees?

And is the Minister aware that not only do the untended gutters look unsightly but also cause a blockage in the free flow of rain water?

And is the Minister aware over the past four and a half years very little work was done to maintain the gutters in St. Lucy in a proper manner?

Will the Minister therefore state what plans his Ministry has for correcting this situation?
2.00 p.m.

To ask the appropriate Minister:-

Is the Minister aware that St. Lucy only has one playing field and community centre complex - that is the Rockfield community centre and playing field?

Is the Minister aware that this complex can only serve the youth in a limited area in St. Lucy?

Is the Minister aware that there is need for more playing and recreational facilities for the young people in the parish?

Will the Minister consider erecting community centres with the accompanying playing facilities in the following areas of St. Lucy:

- (a) Checker Hall
- (b) Hope Road
- (c) Crab Hill/Grape Hall area
- (d) Rock Hall/Josey Hill area

(e) Cave Hill?

To ask the Minister of Communications and Works:-

Is the Minister aware that there is need for a road leading from Rock Hall to Glendilough in St. Lucy so as to accommodate the residents of that area?

And is the Minister aware that in the past measurements were taken for such a road passing at the side of the Christian Mission Church in Rock Hall?

Can the Minister state what has become of the plans for such a road?

And will the Minister state how soon his Ministry proposes to construct the above road?

To ask the Minister of Communication and Works:

1. Is the Minister aware that recent heavy rains have revealed areas of serious flooding in the parish of St. Lucy? And is the Minister aware that flooding was worst in the following areas

- (a) Cave Hill Drive formerly known as the Graveyard
- (b) The road leading to Archers Bay
- (c) The St. Clements/Pie Corner main road
- (d) The Rockfield road to the North of Rockfield Pavilion and the Rockfield road leading to St. Clement's Rectory?

Is the Minister aware that the flooding in these areas causes severe hardships and inconvenience to the residents of these areas?

Will the Minister have these areas investigated without delay?

And will the Minister immediately institute appropriate measures to ensure that the flooding is brought under control?

SUSPENSION OF SITTING

Hon. L. S. CRAIG: Mr. Speaker, I beg to move that this Sitting be now suspended until 2.45 p.m.

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

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

On resumption:

Mr. SPEAKER: This sitting is now resumed.

QUESTION TIME

Mr. SPEAKER: It is Question Time. I am advised that there are no replies to questions ready, so we will automatically go into Private Members' Business.

PRIVATE MEMBERS' BUSINESS

Mr. SPEAKER: Order No. 1 stands in the name of the hon. member for Christ Church East whom I do not now observe in his place.

Item No. 2 stands in the name of the hon. member for St. Michael South Central whom I do not now observe in his place, likewise Item No. 3 in the name of the same Hon. Member. Item No. 4 also stands in the name of the Hon. Member for St. Michael South Central whom I do not now observe in his place.

That brings us to the end of Private Members' Business.

GOVERNMENT BUSINESS

Mr. SPEAKER: Government Business is the instant Order of the Day.

THE EXCHANGE CONTROL (AMENDMENT) ACT, 1981

Mr. SPEAKER: Order No. 7 stands in the name of the Rt. Hon. Prime Minister to move the second reading of a Bill to amend the Exchange Control Act.

Hon. H. deB. FORDE: Mr. Speaker, this amendment is a very simple amendment. It is really to close a loophole which has arisen in the Exchange Control Act whereby recently in one or two instances conveyances or what is referred to as licences have been given for shares in companies carrying with them the right to occupy certain real estate in Barbados, and the effect of this is that neither exchange control is necessary nor indeed have the provisions of the Land Transfer Tax applied to the transactions. We are therefore seeking to close this loophole by the purpose of this amendment.

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

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

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

On motion of Hon. H. deB. FORDE, seconded by Hon. H. B. ST. JOHN, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. ODLE in the Chair.

Clauses 1, 2 and 3 were called and passed.
2.55 p.m.

On motion of Hon. H. deB. FORDE, seconded by Hon. C. L. BOLDEN Mr. CHAIRMAN, reported the passing of one Bill in Committee and Mr. SPEAKER resumed the Chair and reported accordingly.

Mr. SPEAKER: Order No. 4.

**RESOLUTION TO APPROVE A GUARANTEE BY THE
MINISTER OF FINANCE AND PLANNING OF THE
REPAYMENT OF A LOAN OF £2 025 000
STERLING AND INTEREST THEREON
FROM THE COMMONWEALTH
DEVELOPMENT CORPORA-
TION TO THE BARBADOS
MORTGAGE FINANCE
COMPANY LIMITED**

Item No. 4 was called – To move the passing of a Resolution to approve a guarantee by the Minister of Finance and Planning of the repayment of a Loan of £2 025 000 sterling and interest thereon from the Commonwealth Development Corporation to the Barbados Mortgage Finance Company Limited.

Hon. H. deB. FORDE: Mr. Speaker, this is a very straightforward Resolution. The Commonwealth Development Corporation lent the Barbados Mortgage Finance certain monies some years ago and the monies have become due and they have agreed to roll over this money to pay it over a period of years by semi-annual instalments and the purpose of this Resolution is for the Government to guarantee as it did on the last time the repayment of these sums.

The relationship has worked very satisfactorily. As you know the Government is now the principle and only, I believe, shareholder in the Barbados Mortgage Finance Company and therefore all of the assets are owned by the Government of Barbados and in these circumstances it will be beneficial to roll over the loans. The rate of interest, I believe, is at 8½% which is a very reasonable rate at this time given the rates of interest obtaining overseas in other jurisdictions.

I therefore ask that this Resolution do now pass.

Hon. C. L. BOLDEN: I beg to second that.

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

Hon. H. deB. FORDE: Mr. Speaker, earlier today two matters were referred from the Other Place and with permission I wish to take the amendment to the Education Bill, please.

Mr. SPEAKER: The amendments proposed from the Other Place to a Bill for the Education Act, 1981.

Hon. H. deB. FORDE: Mr. Speaker, I beg to move that this House do concur in the amendments made to the Education Bill by the Other Place.

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

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

Hon. H. deB. FORDE: Mr. Speaker, Sir, I beg to propose that this House do concur in the amendments made to the Barbados Constitution Amendment Bill, 1981 and that they concur in the manner provided for by Section 49 of the Constitution.

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

The question that this Honourable House concur in the proposed amendments to the Barbados Constitution as moved by the Other Place was put and resolved in the affirmative, the House dividing as follows:—

AYES: Rt. Hon. J. M. G. M. ADAMS;
Hon. H. B. St. JOHN; Hon. L. S. CRAIG; Hon. H. deB. FORDE;
Hon. C. L. BOLDEN; Hon. L. B. BRATHWAITE; Hon. L. R. TULL;
Hon. Miss B. A. MILLER; Mr. ALLEYNE; Mr. SISNETT; Dr. CHELTENHAM; and MESSRS. SIMMONS; BRADSHAW; WARD; JOHNSON and ODLE. – 16.

NOES: Mr. SANDIFORD. – 1.

Mr. SPEAKER: Sixteen hon. members voted "Aye", one hon. member voted "No", I declare the "Ayes" have it.

ADJOURNMENT

Hon. H. B. St. JOHN: Mr. Speaker, that concludes Government Business and I beg to move that the House do now adjourn until Tuesday, 12th May, 1981, at 12.00 noon.

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