

THE House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 1981 – 86

HOUSE OF ASSEMBLY

Tuesday February 9, 1982.

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

PRESENT

His Honour W. C. B. HINDS, J.P., (Speaker); Hon. L. S. CRAIG, (Minister of Parliamentary Affairs and Leader of the House); Hon. H. B. St. JOHN, Q.C., LL.B., (Deputy Prime Minister, Minister of Trade, Tourism and Industry); Hon. Miss B. A. MILLER, (Minister of Education); Hon. L. B. BRATHWAITE, (Minister of Health); Mr. J. G. ODLE, B.Sc., (Chairman of Committees); Hon. L. R. TULL, Q.C., M.A., (Attorney General and Minister of Foreign Affairs); Hon. DeL. O. BRADSHAW, (Minister of Housing and Lands); Dr. R. C. HAYNES, M.B., Ch.B., F.R.C.P. (Edin.); Mr. R. E. BRATHWAITE; Hon. Dr. D. G. BLACKMAN, (Minister of Transport and Works) and Mr. A. TRUSS.

Prayers were read by Archdeacon F. A. CAYLESS.

MINUTES

Mr. SPEAKER: The Minutes of the Meeting of Tuesday February 2, 1982.

Rt. Hon. E. W. BARROW, Mr. P. M. GREAVES and Mr. N. K. SIMMONS entered the Chamber and took their seats.

Hon. L. S. CRAIG: Mr. Speaker, I beg to move that the Minutes for February 2, 1982 be taken as read.

Mr. SPEAKER: If there are no observations from honourable Members let those Minutes stand confirmed.

PAPERS

Hon. Miss. B. A. MILLER: Mr. Speaker, I beg to lay the following:—

The Employment Injury (Benefit) (Amendment) Regulations, 1982.

The National Insurance and Social Security (Benefit) (Amendment) Regulations, 1982.

Hon. H. B. St. JOHN: Mr. Speaker, I beg to lay on behalf of the Rt. Hon. Prime Minister and Minister of Finance and Planning the following:—

The Sugar Workers (Minimum Wage) Order, 1982.

GOVERNMENT NOTICES

Hon. L. S. CRAIG: Mr. Speaker, I beg to give notice of the following:—

A Resolution to grant the sum of \$356,062 from the Consolidated Fund and to place it at the disposal of the Government to supplement the Estimates 1981–82, Part I — Current as shown in the Supplementary Estimates 1981–82, No. 19 which form the Schedule to the Resolution.

A Bill to amend the National Insurance and Social Security Act.

A Bill to amend the Domestic Employee (Hours of Duty) Act.

A Bill to amend the Occupational Training Act, 1979.

PRIVATE MEMBERS' NOTICES

Mr. SPEAKER: I gave the honourable Member for St. James South my assurance that he will be given an

opportunity to table two questions which he handed to the Clerk, later during the course of the day.

Mr. L. E. SANDIFORD entered the Chamber and took his seat.

FIRST READING OF BILLS

On the motion of Hon. L. S. CRAIG, seconded by Hon. H. B. ST. JOHN, a Bill to amend the National Insurance and Social Security Act was read a first time.

On motion of Hon. L. S. CRAIG, seconded by Hon. H. B. ST. JOHN, a Bill to amend the Domestic Employee (Hours of Duty) Act was read a first time.

Hon. L. S. CRAIG: Mr. Speaker, I beg to move that a Bill to amend the Occupational Training Act be read a second time.

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

Mr. SPEAKER: Nineteen seventy-nine.

Hon. L. S. CRAIG: Sir, this is not on my Notice Paper. It is written in on the others.

Mr. SPEAKER: Mr. Clerk.

Hon. L. S. CRAIG: All right, Sir, I would think that this here was delivered to me yesterday evening and probably those who received theirs this morning would have written in 1979.

Hon. Dr. R. L. CHELTENHAM and Mr. H. A. BLACKMAN entered the Chamber and took their seats.

The question that the Bill to amend the Occupational Training Act be read a first time 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

Hon. L. S. CRAIG: Mr. Speaker, I beg to move that Item No. 1 be the Instant Order of the Day.

Mr. SPEAKER: Item No. 1 – To move the House into Committee of Supply for the grant of sums of money for the services of this island.

On motion of Hon. L. S. CRAIG, seconded by Hon. H. B. ST. JOHN, Mr. SPEAKER left the Chair and the House went into Committee of Supply, Mr. ODLE in the Chair.

Hon. V. L. JOHNSON, Mr. L. A. WEEKES and Mr. M. A. KING entered the Chamber and took their seats.

12.25 p.m.

Mr. CHAIRMAN: The House is in Committee of Supply.

SUPPLEMENTARY ESTIMATES 1981 – 82 NO. 18 HEAD 82 – MINISTRY OF HOUSING, LANDS AND THE ENVIRONMENT

Subhead 1 – Purchase of Buildings and Lands

Order No. 1 was called – To move the passing of a Resolution to grant the sum of \$1 100 000 from the Consolidated Fund and to place it at the disposal of the Government to supplement the Estimates 1981 – 82, Part II – Capital as shown in the Supplementary Estimates 1981 – 82, No. 18 which form the Schedule to the Resolution.

Hon. DeL. O. BRADSHAW: Mr. Chairman, Part II – Capital, Head 82, Ministry of Housing, Lands and the Environment, Subhead 1 provides for an item known as Property and Land Acquisition.

A sum of \$2.3 million is provided under or in the 1981 – 82 Estimates for purchasing or payment in relation to property and lands that have been acquired. This sum, Mr. Chairman, is almost exhausted. A sum of \$2 231 841.32 has already been released to the Solicitor General for payment to persons whose properties have been acquired and who have satisfied that department that the release should be made. In other words, there is a sum of \$68 000 which remains in the allocation. But this amount is inadequate to meet other payments which become due owing to the fact that other negotiations for settlements have been concluded.

The Land Acquisition Act provides for Government to purchase land and properties for public use. Ministries make submission to the Ministry of Lands for the purchase of such properties and lands.

The Ministry of Education, for instance, would make a submission to the Ministry of Lands to purchase lands for building additional schools and providing additional recreational facilities. The Ministry of Sport will make recommendations to the Ministry of Lands to purchase additional lands for the provision of recreational facilities.

In addition to all this, Mr. Chairman, there is a question of development and the Ministry of Lands have the responsibility to acquire lands for developments such as the Oistin Development, the Spring Garden Project Development, the St. Barnabas – Wilkey Development,

the Cement Plant Development, along with the Speightstown Bye-Pass Development.

I mention these developments because it is essential that people understand that the Government does not pursue a policy of acquiring lands — here, there and everywhere — without some very good reasons. These developments must take place and, in some cases the price of land varies. For instance, Mr. Chairman, land to be acquired in the St. Michael area or in the City area is more inexpensive, especially when it is termed, "property". The question of agricultural land, in some cases, is less expensive and therefore, one can very well find that a purchase of a smaller portion of land or property is more expensive than larger areas.

I make this point because there have been a lot of misconceptions about land acquisition and I think it is necessary to put the record straight for those who do not yet fully understand why Government has got to embark on land acquisition. My Government does not purchase land or does not intend to purchase land without first coming to this Honourable Chamber to acquaint this Honourable Chamber with such land acquisition, despite the fact that some honourable Members have hinted that Government should pursue a policy of acquiring land or negotiating and then, at a later stage, come to this Honourable Chamber. At all times, my Government has maintained — and will maintain — that this Honourable Chamber should first of all discuss the merits and the demerits of land acquisition and that is why it is part of the Government's policy to acquaint this Honourable Chamber with all land acquisitions.

At the moment, there is over \$10 million in outstanding claims and though this figure may seem to be extremely high, I would hasten to point out that some of these outstanding claims date way back to 1975 and the reason why some of these claims have not been already paid is because there is always this question and the problem of an amicable settlement.

Mr. Chairman, a responsible Government, and a responsible Minister, must be satisfied that the claims are justified and that the offers are reasonable because it is not the Minister's money or funds which will be disbursed, but rather, the taxpayers! That is why every effort is being made by this Government to ensure that whenever a claim is paid, that every thing is done and that it is satisfied that that payment should be made.

I am aware that some people have been complaining that compensation has not been paid to them. But, I also would wish this Honourable Chamber to note that the reason for this is that, in many cases, the documents which are required by the Solicitor General or by the Crown Solicitor are not in order. Sometimes, there is a question of reaching a settlement. You make an offer to

a vendor and then circumstances develop after the acquisition and the vendor seeks to get a different price for the land or for the property. It is at that stage, Sir, that we have got to enter into fresh negotiations to try to reach a compromise.

All of us are aware of the problem of land acquisition or even the purchasing of land and in several cases, as I have said before, there are some persons who seek payment for lands which they do not even own. That is why it is so necessary for Government and the Minister to be satisfied that those persons do not enter on the rip-off trail and then leave the Government with a serious situation on its hand.

12.35 p.m.

I also want to point out that there are some persons who are in desperate need of compensation. I am exploring every possible avenue to see that those persons are compensated as quickly as possible. I know, for instance, that there are persons in the Checker Hall area that are awaiting compensation, but that is one of the main reasons why this Resolution is before this Honourable Chamber — to ensure that funds are there for those persons to be compensated as soon as possible. The question of Ellerton, St. Barnabas, Oistins..... we have even got persons from My Lords Hill and in the Land's End area whom we would like to compensate as soon as possible, but here again not all the documents are ready, and certainly we are still trying to speed up this operation.

It is not the deliberate policy of my Ministry to withhold payment. The \$1.1 million that is sought on this occasion is to meet payment for those claims that are already completed and ready for payment. The others, as soon as negotiations have been completed, will in due course be compensated. But as I said, Mr. Chairman, the Government's view is that persons ought to be compensated, because we understand the problems that confront persons whose properties have got to be acquired.

But I will say this, that in some cases the vendors, of those whose lands or properties which have got to be acquired, have asked some very unreasonable prices for them, and after all, one has got to be very careful that when expending the people's money that it is expended in a manner that the taxpayers will be satisfied that that money is spent in that particular direction.

As I said, Mr. Chairman, I am hoping that negotiations will be speeded up and that amicable settlements are arrived at, and wherever possible we will avoid delay in compensating those persons. I must also say that apart from acquiring lands to make way for developments, this Government has at the same time to look at areas or lands to resite people. The people in Oistins had to be resited, the people in Checker Hall had to be resited,

the people in Speightstown had to be resited, the people in St. Barnabas had to be resited, and that means that Government has got to search for additional lands on which to resite those persons, and any money spent in this direction, in my humble submission, Sir, is well spent and justified.

I say all this because I would like those persons who are not fully aware and *au fait* with land acquisition, and some of them who are of the opinion and of the impression that Government is purchasing properties willy nilly, to know that that is not the case. If you acquire a portion of land for the youth to play on, someone says that Government is purchasing land willy nilly. I submit that this could not be a fair and just criticism of Government's attitude towards the youth of this country. After all, Government has a responsibility to provide adequate recreational facilities, to further expand the existing schools and to further develop this country, and if such developments and expansions are to take place, then it is going to be absolutely necessary for Government to acquire properties.

Mr. Chairman, we have one particular case which I may cite. The Child Care Board has expanded, the role and functions of the Board have also been expanded, and it became necessary for Government to purchase a building on Bay Street. Some of the Civil Servants work and operate under cramped conditions, and it is Government's responsibility to provide adequate and proper accommodation for its Civil Servants. As a nation develops it is imperative and necessary that we examine all these factors, and the money spent on property and land acquisition, I wish to assure this Honourable Chamber, will be closely monitored and properly analysed with a view to seeing that money is not misspent.

With that, Mr. Chairman, I hope that this Honourable Chamber has got a rather in-depth detail of what the question of land acquisition is all about. Sir, I beg to move that this Head do now stand part.

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

Dr. R. C. HAYNES: Mr. Chairman, we have been led to believe that one of the reasons why many persons in this country whose lands have been acquired by the appropriate Instruments of Parliament have not been paid, is because there have been problems subsequent to the acquisition. That is only partly true, Mr. Chairman. There are many people who have not been paid although negotiations have been completed many months and some years ago, because the Government simply has no money to pay them.

The Government is virtually in a state of bankruptcy. The Accountant General's Statement, Mr. Chairman, at the end of December of last year illustrates

a very desperate situation in relation to the accounts of the Government of this country. A Current Account deficit of over \$40 million has so far been incurred in this fiscal year and that does not take into account the millions of dollars which have got to be paid out. In the alternate people will have to be hanging around waiting for their money for months and years to come.

That is only on Current Account. The overall deficit, Sir, is over \$180 million, so that the Government simply has no money to pay the people for the lands that they have acquired.

Now, Mr. Chairman, most of us were led to believe seven days ago that the reason why the Government had no money to pay the persons whose lands had been acquired was the fact that there was some delay in the transfer of payments from the Central Bank to the Government in respect of the purchase of a piece of land in Barbados.

12.45 p.m.

This has been shown to be completely false when in point of fact the Government has already spent almost \$2.3 million this year and they are now coming to this Honourable House for a substantial supplementary of \$1.1 million, and it is most alarming to hear that there are still outstanding amounts to the tune of \$10 million to be paid by this Administration for land acquisition.

We have been concerned from time to time — and we have expressed our concern — about state of land acquisition, particularly in the light of the desperate economic circumstances facing this country. Now, Sir, I am very concerned that in the Schedule to the document which was circulated it would have suggested that no money was in the Approved Estimates for the purpose of land acquisition. However there is a complete blank there. Against property acquisition there is a blank, and I was very concerned because when I saw that my colleagues and I had to investigate that matter, and we discovered that the \$2.3 million or nearly that amount must have been spent for the Government to come to the House now for a supplementary in that regard.

I also want to say, Sir, and to repeat the position of the Democratic Labour Party that the Land Acquisition Act should only be used where negotiations have broken down or where there is a question of obtaining an indefeasible title to the land or a combination of both. It should not be used for the purpose of giving Government the authority to enter upon people's land to then discover that they have no money to pay the people and then create all sorts of social disruptions within the society. In point of fact the present method of coming before Parliament represents no improvement on any other methodology used, because having passed the Land Acquisition Act here in respect of a given parcel of land,

Parliament thereafter has no idea what has been paid for any given piece of land. So that as far as parliamentary control is concerned in respect of amounts paid for land, this offers no greater control than what existed before.

In any event the information brought before this Honourable House even in relation to the site of the land, and even without a plan as was done not so long ago in this Honourable Chamber, would not lead you to have any definite information as to exactly where the land is. You get some kind of ridiculous description of "a piece of land abutting and abounding", say, Lowlands plantation "and on a main road" or something like that which could represent any of 50 to 60 parcels of land, and when a legal mind is brought to bear on it for more specific description, then you find a torrent of abuse coming towards the Democratic Labour Party.

Now, Sir, in this present economic crisis, it is my feeling that Government should abandon, I repeat, abandon all land acquisitions that are not absolutely necessary for those capital programmes which would be of some short term value to this country in terms of generating foreign exchange earnings. I repeat, all of them. Every single cent that is available, Mr. Chairman, should be spent towards keeping people in employment and not trying wickedly and maliciously to deprive them of their legitimate sick leave in order to be able to calculate that you can send home 1,400 public workers by reducing the number of days of sick leave.

Hon. H. B. St. JOHN: On a point of order, Sir, I must object. The honourable Member cannot be relevant if he introduces sick leave into a land acquisition matter. I have never heard of land being sick yet.

Mr. CHAIRMAN: Will the honourable Member confine his debate to the question.....

Dr. R. C. HAYNES: Mr. Chairman, I was making the point.....

Mr. CHAIRMAN: Please confine your remarks to.....

Dr. R. C. HAYNES: I am doing so. Sir, it is a question of allocation of resources.

Mr. CHAIRMAN: The honourable Member has a very bad habit. When the Chair is speaking he is still talking. Confine your remarks to the matter before the Chamber.

Dr. R. C. HAYNES: My apologies.

Mr. CHAIRMAN: And leave out the irrelevancies.

Dr. R. C. HAYNES: I happen to regard the people of Barbados as an important capital asset in the develop-

ment process of this country, and I feel that when one is trimming, that one has to look in those areas where one can trim with causing the least hardships. I am suggesting that it is necessary and the Government should abandon, I repeat again, all unnecessary land acquisitions.

Now, Sir, there is another area of concern to me. Recently there was a statement made in Barbados by the Minister of Finance and Prime Minister of this country that in the future, land acquisition costs would be based on the value put on those lands by the Land Valuation Department. I happen to know that soon after that statement, people who are well off in this country and who have been negotiating or who have been approached by Government in respect of possible acquisition of their property, immediately went and objected to the valuation to have it upgraded, so that when Government comes to buy, Government has to pay more for it. I even hear that a certain property in Government Hill is now revalued to the price of \$800,000 after an objection that the price was too low.

Hon. L. S. CRAIG: Sir, on a point of order, the honourable Member is conveying that the Government is going to pay to Dr. Cato, who is the President of the Senate, a price of \$800,000. It is true — the President of the Senate's property was valued and he called in Mr. Leonard St. Hill who sent in a valuation of \$800,000. But the Government has never agreed — and I do not believe they are going to agree — to that, and I can assure you that Dr. Cato was asked by this Government to take the matter to Court. So don't try to convey any nonsense to this House. It was done by Mr. St. Hill, a private valuer. Dr. Cato called him in, not the Government.

Dr. R. C. HAYNES: Mr. Chairman, I did not even know that Dr. Cato's property was in the process of being acquired.

Hon. L. S. CRAIG: Well, you know now.

Mr. CHAIRMAN: Order, please! I do not like the asides.

Dr. R. C. HAYNES: However, Mr. Chairman, one further point I would like to make. I believe that we are going to have to cut back very drastically on Government expenditure. I believe that this has to be done with a degree of sensitivity and in a way that causes least hardship to the people of Barbados. It is for this reason that I have publicly made the statement that each and every one of us in this House should have an opportunity to examine the Estimates in full, and that that debate should take place over a period of one month. Now the reason Sir, is that if you take this Capital Head, this is just an example where you can advise Government that by pruning this Capital Head, they might be able

somewhere along the line to help to keep some people in employment. I feel that if there is a general consensus among the 27 Parliamentarians on those areas which could be acceptable as cutbacks during 1981-82, there would be much less stress and strain developing in this country.

I would urge on the Government to recognise that they have caused considerable hardship to a lot of people. I know of a gentleman, Sir, from whom they have acquired land in Bridgetown. They have paid that gentleman part of the money but they still owe him a substantial amount of money, and as a consequence he has to pay 17 per cent on an overdraft at a commercial bank when the Government for over a year has been holding on to the balance of payments. So when a Minister gets up here.....
12.55 p.m.

Hon. L. S. CRAIG: On a point of order, Sir.

Mr. CHAIRMAN: A Member is on a point of order.

Hon. L. S. CRAIG: The person the honourable Member is referring to is Mr. Leroy Miller and he is a partner in the Baxters Road business with Mr. Miller. That is the land you are talking about....

Mr. CHAIRMAN: Please take your seat.

Hon. L. S. CRAIG: I use to run the Ministry.

Mr. CHAIRMAN: Please.....

Hon. L. S. CRAIG: My colleague here from St. Andrew once rented the place. The property is owned by you and Mr. Miller. That is all that is eating you out. It is eating your heart out.

Mr. CHAIRMAN stands.

Mr. CHAIRMAN: I must ask the honourable Member to please take your seat. You will have a chance to speak.

Dr. R. C. HAYNES: Mr. Chairman, I own no property in Baxters Road and I was not speaking of Mr. Miller's property but it appears to me.....

Hon. L. S. CRAIG:.....That is another property....

Mr. CHAIRMAN: Please. The honourable Member will have a chance to make his contribution in this debate. (Hon. L. S. CRAIG: But I want to correct him.) You will have ample time to do that.

Hon. L. S. CRAIG: On a point of order. The name of the Company is Hayman's Enterprises. Haynes and Miller. That is the name of it.

Mr. CHAIRMAN stands.

Mr. CHAIRMAN: Please. I must ask for the co-operation of the Leader of the House in maintaining high standards of conduct in this Chamber; please.

Dr. R. C. HAYNES: Mr. Chairman, I wish to repeat that I own no property in Baxters Road. I am not a shareholder of any company that owns property in Baxters Road and now the Hon. Minister has admitted that there is more than one person in Bridgetown that they have paid in part and owe money to.

Mr. CHAIRMAN: May I say here.....

Dr. R. C. HAYNES: The one I am talking about is the one in Cheapside.

Mr. CHAIRMAN: Please. This Resolution has nothing to do.....

Dr. R. C. HAYNES: Mr. Chairman, I was just responding.

Mr. CHAIRMAN: I have already.....please, the honourable Member must understand we are getting away from the high standard of debate which we have been accustomed to over the past few weeks on both sides of the House.

Dr. R. C. HAYNES: Mr. Chairman, I was just trying to bring to the Minister's attention that it is not only a question of the problems with the vendor or problems with the titles subsequent to land Resolutions being passed in this Honourable House but that there is good evidence that there is a lack of available cash on the part of the Government.

I quoted one example of a property in Bridgetown and the property I was referring to was a property in Cheapside and now I must thank the honourable Member for St. James North for bringing to the attention of this Honourable House that that is not the only property but that there are other properties where there has been part payment and yet persons cannot get the rest of their money. Thank you very much, Mr. Chairman.

Rt. Hon. E. W. BARROW: Mr. Chairman, the usual form in which Supplementary Votes come to this House — I see the Clerk is looking at me — but you cannot have a Supplementary Estimate unless there was an original Estimate to supplement.

If you look, Sir, at the Schedule to this Order, CN 8201, property acquisition, Statutory Expenditure

— nothing; Other Expenditure — nothing; Provision in Supplementary Estimates Nos. 1 to 17, Statutory Expenditure — nothing; Other Expenditure — nothing, Supplementary Provision required, Statutory Expenditure — nothing, Other Expenditure — \$1,100,000.

Is that how your Resolution reads, Sir, because I could not believe it when I saw it. So what are we supplementing? The Minister got up here and said there was only \$68,000 left in the vote. I would like to ask him which vote, because, according to the Resolution which we have before us, there is no vote at all. He must have lent the Government \$68,000 because according to this.....

Hon. DeL. O. BRADSHAW: On a point of order, Mr. Chairman. I am sure in introducing the Resolution I said that there was a vote. I said the Head and I said \$2.3 million. I also gave the figure that was spent and what was remaining so the honourable Member was sleeping as usual.

Certain remarks made by the Rt. Hon. Member for St. JOHN were ordered expunged from the records by Mr. CHAIRMAN.

Rt. Hon. E. W. BARROW: Imagine the honourable Member comes in here and say that I was sleeping as usual. He would have to be sleeping when I was addressing the Chair pointing out that he said that he got up and said that there was \$2.3 million in the vote. If there is \$2.3 million in the vote why is it not shown on the paper which was distributed to the Members of the House before we came in here and in which he did not even read the Resolution because he should have apologised to the House and said, the figure of \$2.3 million should have been there and I beg to apologise to the honourable Members. Now he is telling us that I must have been sleeping because he said so. He can say anything.

Mr. CHAIRMAN: Please, please.

Rt. Hon. E. W. BARROW: The Member from whatever place he is supposed to represent — I do not even know.

Mr. CHAIRMAN: The honourable Member for St. John..... (Rt. Hon. E. W. BARROW: He is not the Member for St. John). Please, please. The honourable Member for St. John knows well how to conduct himself.

Rt. Hon. E. W. BARROW: I am conducting myself.

Mr. CHAIRMAN: Please continue.

Rt. Hon. E. W. BARROW: I think that since you occupy the Chair you understand what I am saying but he obviously does not understand.

Hon. H. B. St. JOHN: On a point of order. There are no he's or she's in here. They are honourable Members.

Mr. CHAIRMAN: The honourable Member can only refer to the Chair. Mr. Chairman.

Rt. Hon. E. W. BARROW: I was not referring to you, Sir.

Mr. CHAIRMAN: Please let us get along with this debate.

Rt. Hon. E. W. BARROW: I heard the Honourable Member for St. James North say that he did not get in here by accident. I wonder if he is prepared to get up, not by oath, and make that averment in respect of his colleagues.

Mr. CHAIRMAN: The honourable Member must speak to the Resolution. Leave out these personal problems and vendettas. Carry on with the Resolution, please!

Rt. Hon. E. W. BARROW: I was making a very serious submission to the Chair. We have a Resolution to supplement something that does not exist and that is the first thing that has to be corrected because as far as the record of this debate is concerned, it has nothing to do with any previous debate. You have to show what you are supplementing and if there is no Statutory Expenditure under the Head, you cannot supplement it. I could as well stop now. We cannot supplement something that does not exist but if he does not understand that, you should try to put some sense in his head.

1.05 p.m.

Mr. CHAIRMAN: Please, please, please.

Rt. Hon. E. W. BARROW: I now come to another aspect of the matter but that would have to be corrected. And, I resent people like the honourable Member for whatever constituency he represents

Mr. CHAIRMAN: The Rt. Hon. Member

Rt. Hon. E. W. BARROW: I do not know

Mr. CHAIRMAN: is not addressing his remarks to the Resolution before this Committee.

Rt. Hon. E. W. BARROW: I am specifically addressing myself to whatever Resolution this is supposed to be. I do not understand what kind of Resolution it is.

Mr. CHAIRMAN: If the Rt. Hon. Member does not understand, the Rt. Hon. Member may take his seat until somebody explains it to him. *(Laughter)*

Rt. Hon. E. W. BARROW: Nobody in here, is in a position, including you, Sir, to explain any Resolution in Parliament to me. I just want to get that clear. When you were somewhere up in Montreal

Mr. CHAIRMAN: I am not going to — the Rt. Hon. Member, please

Rt. Hon. E. W. BARROW: and I was inside here, you could not explain any Resolution to me.....

Mr. CHAIRMAN: Please. Please take your seat.

Rt. Hon. E. W. BARROW: because you would only have to be a lunatic to do that.

Mr. CHAIRMAN: The Rt. Hon. Member is out of order.

Rt. Hon. E. W. BARROW: You could not explain — there is no Resolution.....

Mr. CHAIRMAN: The Rt. Hon. Member is out of order.

Hon. H. B. ST. JOHN: Mr. Chairman, Sir, I think that it is time that someone puts the record straight in relation to land acquisition.

The Land Acquisition Act, in Barbados has been on the Statute Book for a very long period of time. Since 1949 and before that, we had a Land Acquisition Act, in Barbados. In all countries of the world, if there is to be any progress in the society, periodically Governments have to acquire — in the public interest — property which is not within the ownership of Government.

When the Democratic Labour Party was in power, they introduced amendments to the Land Acquisition Act which set out the principles of compensation, which set out the procedures which have to be undertaken by the Government agencies prior to acquisition. We have not amended the Law in any way. Before they were in power — when the Barbados Labour Party was in power — the basic principles were also there. But, they introduced the amendments. The Rt. Hon. Member for St. John himself, introduced the amendment to pay compensation on the

basis of existing use. No potential use of the land was to be taken into account. That is a fact.

I well recall the debate because I was involved in a number of Law suits dealing with the principles of compensation. One of the first cases that arose, subsequent to the amendment introduced by the Rt. Hon. Member for St. John himself, was the case of the acquisition of Graeme Hall Plantation in Christ Church. That went before the Judicial Tribunal in Barbados, in accordance with the procedure set out in the Act.

At the time of the Constitutional Debate, in London, questions arose as to whether you would entrenched new formulae for the determination of compensation. The Barbados National Party, through their spokesman, tabled an amendment to the existing draft of the Constitution and both the Rt. Hon. Member and I and the present Rt. Hon. Prime Minister disagreed with the draft because he said that Barbados has had a well-settled procedure in relation to the payment of compensation for land acquisition.

We also said that the scheme of taxation in Barbados was such that capital gains at that time was not taxed at all. And, we felt that if you were buying land in the public's interest, that the public should not be saddled with an inflated value for land to the detriment of the community as a whole and we have continued to act along those principles.

But Mr. Chairman, what has happened of late is that there are some real estate touts in Bridgetown, who, whenever they notice that the Government is interested in acquiring land — whenever the surveyor first goes in accordance with Section 3 and serves a notice on the owner — write the owners a letter telling them that they are experts on land acquisition and they go and offer their services for a percentage of what the acquisition payment is and, naturally, since they are percentage people, they try to buff the value of the land.

Well, let them understand this. I have a message for them. The Courts are there to determine in the final analysis. So, if they are so foolish as to want to allow themselves to be used, by these two or three real estate buffers in Barbados, let them understand, that they will have to exhaust all of the Judicial Tribunals, in accordance with the Land Acquisition Act, in Barbados. The Government of Barbados is not going to take the taxpayers money to support people who have no professional ethics at all. Let them get that straight.

Now, Sir, in addition to this, it is a fact today that the criteria for compensation of land in use can bring hardship, particularly with a person who has a dwelling house on the land and all efforts are always

made to try and introduce some of the other elements of compensation, such as a disturber allowance. If you acquire a man's house and he does not have the money to build another house, it is no use telling him that the Law says that he has to move out, in accordance with the Land Acquisition Act. You have to try and look within the terms of the Law to see whether you can pay him a disturbance allowance amounting to, first of all, rental accommodation for a period of time which it would take him to build the house. All of these factors are in fact being taken into account.

I remember.....look, there is an expert over there. I do not classify him as a buffer, on the other side, but, we have had debates in here and the honourable Member for St. Philip North has repeatedly admitted that he is satisfied from him knowledge, that the Government tries to make an accommodation with the people, bearing in mind the general principles of equity. But, we are constrained by the law and we cannot relax the law as simply as that, because of the fact that there are a lot of implications if you change the existing basis. A thorough study has to be done before you change the existing basis.

Now, Sir, we also have the fact that there are some people who are so tied to a particular lot of land that whatever you offer them, they are still not going to want to move. So, there will always be cases in compensation. There will always be cases in compulsory acquisition, in which people will have a variety of objections because of the fact that some disturbance does take place.

But what are we to do? What is a Government, in any community to do? Are we to stop the Spring Garden to Black Rock Road? Are we to stop the road going through by CDB to Chapel Gap? Are we to stop the Speightstown development plan? Are we not to build the cement plant purely because one or two people feel that they have some grievance? Society cannot operate on that basis, you have to satisfy as many of the people as possible. The number of land acquisitions in Barbados is small in relation to the 60 000 or 70 000 land owners in Barbados.

1.15 p.m.

Now, Sir, on the question of compensation, I read a report that an honourable Member said in here that the Land Acquisition Act does not provide for interest on compensation. That is not correct. The law specifically says that the Judge can award interest, and in the Graeme Hall case.....

Mr. B. M. TAITT: On a point of order, Sir. Just for the record, the honourable Member who made the statement is now not in his place. He acknowledged that the Judge can put an interest rate on, but he said that in between the time the Government passed the law

and the actual acquisition, there was no interest for those persons who had to wait for payment, and that the law did not make provision for that. The honourable Member was not here, so I thought he would wish to hear that.

Hon. H. B. St. JOHN: Sir, the Act specifically says at Section 10 that between the date of the acquisition and the date of the award the Judge has the full power for interest. (Mr. P. M. GREAVES: Outside of the court). If you know how these things are done, there is a Standing Valuation Committee and in the determination of your value you take all these factors into account. (Rt. Hon. E. W. BARROW: Under what law?) If you have a house you are entitled to a small element for disturbance; severance. Severance means a lot in acquisition.

The honourable Member obviously has not looked at a land acquisition book in the last 20 years, otherwise he would know the principles. In severance you are entitled to take into account a number of matters which are consequential upon acquisition, but if you have alternate accommodation, a rental provision for seven or eight months, what interest are you entitled to then? All these factors we try to take into account.

As far the other honourable Member — the Member for St. Michael South Central is concerned every day now he is looking for an issue to talk about. It is a known fact — the Government has announced it — that we have curtailed some of our Capital Expenditure, and the Ministry of Finance and Planning and Priorities Committee are extremely careful in prohibiting the starting of new projects unless they are absolutely justifiable on economic terms and conditions — or part of a social programme — and an evaluation has been done which discloses that delay may mean a considerable increase in cost.

The problem with the other side is that they do not want to admit that this Government has a very, very large public expenditure programme of an economic nature. That is the problem. You cannot expect the development of the Spring Garden area to go ahead, which is of great economic benefit to Barbados, unless you acquire some land to push that four lane highway right through from Fontabelle. Is the other side saying they would stop it? Is the Democratic Labour Party saying that they would stop that?

We are in a position in Barbados because of the fact that economic activity galloped ahead in the last four to five years in which our per capita income was doubled and as a result of that we now have some 30 or 40 000 vehicles on the road. All honourable Members must know that there is a lot of time that can be lost in any community which does not have an adequate road system.

Dr. R. C. HAYNES: On a point of order, Mr. Chairman. The Democratic Labour Party and the position that I have taken is that only those.....

Mr. CHAIRMAN: That is not.....

Dr. R. C. HAYNES: But I have not stated my point of order, Mr. Chairman, let me state my point of order.

Mr. CHAIRMAN: I am asking the honourable Member for St. Michael South Central which rule has been broken. What rule is he about to complain of? Where is there a breach?

Dr. R. C. HAYNES: The honourable Member is misrepresenting what the Democratic Labour Party has said in this regard.

Mr. CHAIRMAN: You are totally out of order.

Hon. H. B. St. JOHN: Mr. Chairman, the position is that the land acquisitions for which we are asking this supplementary, relate to what in our opinion are economic projects. The Hon. Minister outlined them, and I want the honourable Member to know too that although we will reschedule some of our projects, the Government is convinced that economic projects must go on and that we will continue to have those projects within our Capital Development Programme. You had the chance to explain your position to the public last year in June; you had that chance. You had the chance to put all those views before the public and they rejected your views. You must remember that repetition of the views which have been rejected is not going to lead you anywhere.

On the question of the compensation, Sir, we also have to remember — and this is a very important point — we do have difficulties with conveyancing still in Barbados. Despite the fact that we have done everything in our power to modernise the law, we still have a traditional conveyancing attitude among lawyers in Bridgetown which hold up matters. It is a fact of life, and this Government is not going to do like what the Democratic Labour Party used to do, that is, at the beginning of every year or every quarter transfer the money automatically into the Crown Solicitor's Account — and the money remained in the Crown Solicitor's Account.

Now, each quarter, requisitions have to be made upon the basis of settled awards, so that the money is not transferred in anticipation of settlements when.....(Dr. R. C. HAYNES: Where is the money?) The honourable Members on the other side, if they knew anything about finance, would understand that there is no big mystery in a budget deficit. Check with the United States, check with Canada, check with Germany, check with everybody

and see if they do not have budget deficits. You must have budget deficits periodically.

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

1.25 p.m.

The honourable Member for St. Michael South Central is so irresponsible in his economic statements. He was the one that came in here and said when we introduced a modest and profound income tax deduction in this country that if he was in power he would have done more, and now he is quarrelling. When we tried to ensure there is more productivity in the Public Service the honourable Member is coming in here and quarrelling, calling us wicked. You cannot have your cake and eat it; the honourable Member cannot have his cake and eat it.

Dr. R. C. HAYNES: On a point of order, I will draw to Your Honour's attention that the honourable Member is in breach of the Standing Order which says you can only speak for 15 minutes when the House is in Committee.

Hon. H. B. St. JOHN: I am finishing in one minute. Sir, I want the honourable Member and all honourable Members on the other side to advise their clients that the land acquisition has a well settled procedure. If they feel that the Chief Surveyor and the Chief Valuation Officer's valuation is not adequate, there is a simple procedure; go to the judge and let the judge determine the compensation. Let them do that.

Mr. CHAIRMAN: If no other honourable Member wishes to speak.....

Mr. B. M. TAITT: I wish to raise a few questions of the honourable Member. The honourable Member attempted with some lucidity to put the position regarding land acquisition, and he talked about three or four — I have forgotten the term he used — professional people in Bridgetown who might be responsible for indicating to people that they should get a percentage, and as a result I think he sought to account for delays in the land acquisition.

But I think that whereas the honourable Member has given us information which the Minister did not answer on the last occasion, I still think that the honourable Member did not advert to the position concerning the Government's attitude to land acquisition and the method it uses for such land acquisition. Granted that all of the factors which he outlined are present, the question which we have asked repeatedly and which has not been answered is, why does the Government before going into negotiations with these people and seeking to find an amicable solution to the problems relating to

price etc. and to the problems which he adumbrated, come first to the House of Assembly, pass the acquisition Resolution and then go to the people to negotiate? That is a question which we have been asking.

We believe — and we are repeating ourselves here, Sir — that the Land Acquisition Act ought to be used by the Government as a last resort where (a) the price cannot be agreed to after protracted negotiations or (b) the title is defective. That is a question we have been asking and I had hoped that the honourable Member who said that he was going to clarify the position once and for all would have been able to explain why it is that that Government feels compelled to raise the question of acquisition by Resolution first and negotiations after.

Secondly, Sir, he said that all of their acquisitions are — and I quote him — “of an economic nature”. He then went on in a manner which does no credit to the current economic circumstances to brag that they are going to continue these projects, they are merely rescheduling them, or some such indicator. I should like to ask the honourable Member if he has reviewed the acquisitions which that Government has made since it came into power, and if he is really serious when he talks about “of an economic nature”.

Recently, Sir, we had some indication of Resolutions passed in this Honourable House. There are 15 Resolutions concerning the acquisition of land from January 13, 1981 to May 26, 1981, and Sir, because the information is not readily available, I cannot indicate how many since May 1981. I would like him to review those acquisitions and see whether he still wishes to maintain that they were “of an economic nature”. A Resolution to approve the compulsory acquisition of lands at Oldbury, St. Philip and Paragon, St. Philip for use by the Barbados Defence Force..... I will not read them out. I draw it to his attention that they can be found in various bits of correspondence sent out. The honourable Member cannot by force of rhetoric suggest to the people of Barbados that the overrun by 100 per cent of the project at Heywoods is of an economic nature.

When we suggest to you that you should cut back on your capital projects, we are discussing such projects as Heywoods which was originally scheduled to cost approximately \$30 million and is now projected to cost in excess of \$60 million.

When we talk about cutting back on capital expenditure, we are talking about projects like the new Central Bank where the lowest bid was \$78 million and where the Government Ministers tell us that the project is not going ahead, but the Central Bank Governor is announcing that the project is going ahead.

When we talk about cutting back on projects, we wish you to address your mind and address the people of Barbados to the total cost of the Post Office, when it might be expected to be available for use in what you call “of an economic nature”, and what is the overrun and what wastage, if any, has contributed to the overruns.

When we talk about cutting back capital projects, we talk about cutting back capital projects in the context of the Prime Minister and Minister of Finance of this country saying to the population of this country that they must tighten their belts, saying to people who are earning \$80 a week that an \$8 increase is sufficient for a year, when in fact he is able to preside over an institution that will allow the Directors of that institution to lend themselves as much as \$5 million in one form or another.

We are not discussing, Mr. Chairman, picayune political issues where one side gets up and says something and the other side gets up merely to rebut it. We are dealing with the reality of life in Barbados in 1982 when you have a Prime Minister who says he looks forward to the distributive sector playing an ever more important role in the society, and in fact the distributive sector as it stands today is encompassed by a very tiny sector of the population of this country, and the Prime Minister is discussing that in the context of development, and the Deputy Prime Minister when he comes to acquire land is talking about “of an economic nature.”

We are contending, Mr. Chairman, that the Government has spent an inordinate amount of money for land acquisition this year, that the Minister responsible for land acquisition — he does not make the policy to acquire, he is responsible for coming to this Honourable House — has not behaved in the manner that we, all of us in this Honourable House expect him to behave in terms of information given.

We are saying that when land is acquired especially in the current economic circumstances, it is necessary that every single detail be given as to the acquisition of the specific piece of land, so that not only honourable Members in this Honourable House, but the people of Barbados, can assess the merits or demerits of acquiring that particular piece of land. We are saying that because the Government, any Government, has the power of eminent domain, the power to acquire land for public use. The Government does not by definition carry with that any collateral power to be abusive of the people, and to abuse people is not merely to call them names, to discuss how inefficient they are or which professional in Bridgetown is touting. To abuse power is also to misuse that power. To acquire land unnecessarily is, in fact, an abuse of power.

1.35 p.m.

So when we call for information concerning acquisitions, we are not merely exercising a political right on behalf of the people out there who sent us to represent them; we are speaking for a vast majority of the people of Barbados who believe they have a right to information about how their lives go. So that when we see a Resolution which is given to us and since we are not privy to the files, Mr. Chairman, and in that Resolution the amount that was put in the original vote has been left out — either inadvertently or deliberately and an honourable Member gets up to ask the question as to why that has been left out, we do not wish to hear that anybody is an idiot, or that anybody is behaving in an idiotic manner.

We say that that is irresponsibility at its highest level. It is totally uncalled for and in spite of the fact that the Prime Minister's tongue is known not to be without acids from time to time, if not all of the time, when it comes to debate in this Honourable House one would have to admit.....

(Certain words said by the honourable Member for St. Michael West were ordered to be expunged from the record by Mr. CHAIRMAN.)

Mr. CHAIRMAN: I will ask the honourable Member.....

Mr. B. M. TAITT: Mr. Chairman, I have already withdrawn it, Sir.

Mr. CHAIRMAN: I will ask the honourable Member to speak to the Resolution.

Mr. B. M. TAITT: Mr. Chairman,.....

Mr. CHAIRMAN: Order. Please carry on.

Mr. B. M. TAITT: As vehement as the Prime Minister can be, Sir, as strong as he is in his arguments, as subtle as he is, as he slates one praise across another, the Prime Minister never fails to exercise debating courtesy. The Prime Minister never refuses, when asked to give way, to give way and it is time he teaches some of the people on his side.

Mr. CHAIRMAN: Please, all of this is irrelevant.

Mr. B. M. TAITT: I know, Sir. I have no right praising the Prime Minister. You are correct, it is totally irrelevant.

Mr. CHAIRMAN: The honourable Member please speak to the Resolution.

Mr. B. M. TAITT: Yes, Sir. When they come in here with Resolutions to acquire.....

Mr. CHAIRMAN: And you have two minutes more too.

Mr. B. M. TAITT: I must speak very fast. I cannot help not help noticing, Mr. Chairman, that when I speak, Sir, time flies so fast as compared with when people like, the Deputy Prime Minister for example, is speaking. I take the point, Sir. I have two more minutes Sir.

During that two minutes, Mr. Chairman, let me say that in asking for information on acquisition of land when you are spending \$3 million in an economy which cannot afford to give sugar workers more than an \$8 increase you have to ask.....(ASIDES) You want me to talk about West Terrace? You have to ask, Mr. Chairman, if the money is being spent properly, when you are dealing with acquisitions for certain projects where you get a corporation buying land from itself, buying mould from itself paying \$50.00 a load for mould to move from one spot and paying itself for \$50.00 a load, 300 loads, Sir, to move from one spot to the other. When you hear information like that going around like that — that one corporation is paying itself money to move mould from one spot to another spot under the guise of an acquisition, the questions we ask are serious questions which cannot be gainsaid by any amount of rhetoric.

There are other questions which have to be asked and more importantly, Sir, they have to be answered. There must be an accounting to the people of Barbados for money spent. So merely to get up and say that those acquisitions are "of an economic nature" is not sufficient and furthermore, Sir, the Hon. Deputy Prime Minister is entirely incorrect when he suggested in his speech that since his Government came to power the per capita income has doubled or tripled. (ASIDES). (Hon. H. B. ST. JOHN: I did not say tripled.) Doubled, doubled between 1976 and now. That is what he said, the per capita income. He will get up now and prove it or indeed the Prime Minister would get up and prove it.

He also said or he omitted to say that the National Debt has tripled so why he talks about per capita income in a situation..... Well I cannot.....

Mr. CHAIRMAN: Time, time.

Mr. B. M. TAITT: Thirty thousand to forty thousand vehicles he says. I am winding up, Sir. He indicated that we now have up to 30 000 to 40 000 vehicles on the road since they came to power. In fact, in 1976 there were 30 000 vehicles on the road. This attempt on his part to suggest that there has been some miraculous prosperity since they came into power is given the lie out there in the street where it matters.

Mr. CHAIRMAN: Your time has gone.

Hon. H. B. St. JOHN: There is just one point. I am sorry, I was up before you. I just want to make one point for the information of the public. I do not think that we should mislead the public on the Land Acquisition Act. The Act at Section 3 says, "Whenever it appears to the Minister that any land is likely to be required for any purposes for which the Crown is authorised by any Act to acquire land or for any purposes which in the opinion of the Minister are public purposes, a notification to that effect should be published in three successive issues of the *Official Gazette* under the hand of the Permanent Secretary to the Minister".

So the Barbados Law is not like the Law in the Windwards and the Leewards or not like the Law in some other countries that before you can acquire, you have to serve a Notice to Treat. That is not in our law anymore.

What our law now requires is that you must publish before hand a notification in the *Official Gazette*. That is what the law requires. It says that. You have to publish in the *Official Gazette* and a daily Newspaper and that is the procedure that we use. That is the procedure that you used to use so that everybody..... If the honourable Member used to read the *Official Gazette*, he would have collected all of these already.

If honourable Members on the other side do not do their parliamentary business seriously, it is not our fault. Before we can come to the House with a Resolution to consummate the acquisition, certain preliminary steps have to be taken and one of those preliminary steps is a notification. When the Minister has been requested by another Government department or agency to acquire his Permanent Secretary, not the politicians — it has to do with the Permanent Secretary — has to go to the *Official Gazette* and publish that this particular piece of land is likely to be acquired.

The Chief Surveyor in Barbados is the one responsible for the mechanics of acquisitions so do not say that the public does not know anything about acquisitions. Do not say that. Do not give the public the impression that we are privately doing acquisitions in Barbados without the public knowledge. Do not do that because that is an unfair criticism and distortion of the law and we must not allow the honourable Members on the other side to distort the law for their own political purposes.

It is the honourable Member who bastardised the Acquisition Act in Barbados in 1963. He bastardised the principle of compensation. The honourable Member there.....

Rt. Hon. E. W. BARROW: On a point of order, the honourable Member says something about us distorting

the law and that we bastardised the Acquisition Act. I will deal with him and the law and teach him a little about it after the honourable Member for St. Michael South has spoken. He comes in here shouting at the top of his voice and thinks that that is a substitute for knowledge

1.45 p.m.

Hon. H. B. ST. JOHN: I am not finished. He got up on a point of order. I want to draw to the Rt. Hon. Member's attention the Laws of Barbados, if you want to know that the principles of acquisition, if you want to know who settled the question as to the Rules of Assessment of Compensation, let the Rt. Hon. Member look at Cap. 228 of the Laws of Barbados and look at Section 11 and you will see that the principles of acquisitions were settled by Act of 1963 — 27.

The Rt. Hon. Member — I repeat, the Rt. Hon. Member over there — moved the amendment to the Law to say that compensation was to be paid on the principle of existing use. (Rt. Hon. E. W. BARROW: It was always so.) So do not come in — it was not always so — do not come in here and say that we are doing something which is not in accordance with the Law. I will not allow the Rt. Hon. Member to get away with that.

Mr. B. M. TAITT: Mr. Chairman,.....(Hon. Miss B. A. MILLER: Sit down, you do not know any law.) (Asides) (Hon. Miss B. A. MILLER: You do not know any Law.)

Mr. CHAIRMAN: Order please.

Mr. B. M. TAITT: How would you know if I know Law. You are in no position to know who knows Law, girl.

Mr. CHAIRMAN: The honourable Member is

Mr. B. M. TAITT: Yes, Sir.

Mr. CHAIRMAN: Is that to be part of your address?

Mr. B. M. TAITT: I am addressing you, Sir. Yes, Sir. Mr. Chairman.....

Mr. CHAIRMAN: Just one minute. If the honourable Member is about to make another contribution

Mr. B. M. TAITT: No, Sir. I am just.....

Mr. CHAIRMAN: On what do you stand?

Mr. B. M. TAITT: On a point of elucidation, Sir. Mr. Chairman, in any event, he quite correctly restated

the law. Nobody has questioned whether that is the law. No one in any contribution, even suggested remotely what he has rebutted. He is very good at that, Sir. He has rebutted what was irrefutable or what was rebuttable. It does not matter.

What we said here is that before they come into the Honourable House of Assembly with the Land Acquisition Act — this is what we were talking about — before they come to acquire the land, they could proceed on the negotiation with the people. It would not be outside of the Law if this is done and, I believe, to some extent, during the regime of the previous Hon. Minister responsible for land that by the time they come for acquisition, one of two things would have happened. We are really remaking the point over and over again. Either there is a bad title or they cannot agree on the price.

But what are they doing? They are coming and acquiring the land by Resolution. Mr. Chairman, once that Resolution is passed, the owner of the land or the previous owner of the land can get absolutely no benefit from it, unless that benefit is derived from a court judgment. Whereas, if they negotiate, while they are negotiating, the person concerned can still get the benefit and, it is only if the negotiations break down that they would come to the Honourable House. Now, he did not advert to that and that is the point that was being made constantly.

Mr. CHAIRMAN: I believe the honourable Member for St. Michael South would like to speak.

Mr. L. E. SANDIFORD: Mr. Chairman, I have a very brief intervention to make in this debate. We are dealing with a Resolution for some \$1.1 million to meet payment of compensation, as agreed with property owners, in respect of land acquired by the Government, from time to time, for public purposes.

The Hon. Minister of Lands has been one of the most active Hon. Ministers, during this Session because, invariably, at each meeting of this Honourable House, there is a Resolution for the acquisition of land and quite naturally, this falls under his portfolio and he is on stage, during that time.

The Government has been acquiring a large amount of land. In here, we approve the purposes for which that land has been acquired. But, some times we have our doubts that, after the land has been acquired that it is really put to good use or economic use. Sometimes, it is left in a state of overgrowth, it is left derelict and things like that. I think there are large amounts of land owned by the Government which do not lend anything to the improvement of the aesthetic value of this country; and so we have got to ask ourselves the question, whether, in fact, we can go on or whether the Govern-

ment can go on acquiring all of this land, and not be in a position to put that land to proper use in good time.

What certainly, we would wish to see, in terms of land acquisition is that strips of land be acquired — in continuation of a policy started by the Democratic Labour Party Government — adjacent to public highways, so that lay-bys can be provided for buses which, when they stop at the bus stops, would be out of the two lane highways and permit an easier flow of traffic. Now, we have not seen any or very many Resolutions of this nature for the acquisition of land and I would like to urge the Government and, I am certain the Hon. Minister of Transport would be in agreement with this — are you still Hon. Minister of Transport?.... *(Laughter)*

Mr. CHAIRMAN: Do you mean the Chair?

Mr. L. E. SANDIFORD: No, Mr. Chairman, I am certain that the Hon. Minister of Transport would be in full agreement with this policy because it creates interruptions in the flow of traffic, particularly, at peak hours and this would be both a social and an economic justification for the acquisition of land.

It does not call upon the Government to build any extensive four lane highways out of resources that it does not have, but, simply to buy strips of land on well used highways. I can call Highway 1, for instance, in the Black Rock Area. I can call Culloden Road, where the Government owns land in that area and should be quite able, without having to acquire any additional land, to provide a lay-by. If the Government does not have the resources to build the proper foundations and get a nicely paved area, they can harden the area, until they are in a position to do it properly. But permitting the buses and the mini-buses to pull off the highways will provide for an easier flow of traffic.

As far as the acquisition of land is concerned or relating to the land which the Government already has, we are a bit concerned that while we are spending money in acquiring new strips of land, there are areas already owned by the Government, as playing fields for recreational purposes on which very little work is being done. I would ask the Government to seriously consider a programme for upgrading existing playing fields or putting those playing fields in a better state than they are in now, so that, those areas which have been demonstrated, over the years, as contributing to the recreational development of this country can continue to perform that particular function.

I think of an area in my own constituency of St. Michael South like the Bay Land, the Bay Pasture which is in need of further upgrading. It is in need of some remedial work being done to it and, I would appeal

to the Government to take the necessary steps in order to upgrade this area which has done a lot to produce outstanding sportsmen in this country.

1.55 p.m.

Having made those two points, I would like to end by asking the Minister whether he could indicate where the land is located to which this Resolution relates. The Resolution says that it is for compensation as agreed with property owners, and I wonder if the Minister could give us some indication of where these lands may be located so that we can get some idea about the nature of this particular Resolution; not necessarily all of them, but just an indication.

Mr. CHAIRMAN: It is now 2 o'clock. I must report progress and ask leave to sit again.

Mr. CHAIRMAN reported progress and asked for leave to sit again. Mr. SPEAKER resumed the Chair and reported accordingly.

SUSPENSION OF SITTING

Mr. SPEAKER: It is now 2 o'clock. This Sitting stands suspended until 2.45 p.m. today.

On Resumption:—

Mr. SPEAKER: This Sitting is now resumed.

QUESTION TIME

Mr. SPEAKER: It is now Question Time. Earlier in the day I gave the honourable Member for St. James South, the assurance that I would have him table two Questions that he had handed to the Clerk earlier and I will hear him now on his question about the rain water at the Good Shepherd School.

Mr. N. K. SIMMONS: Mr. Speaker, the Question reads as follows:

"Is the Minister aware of the fact that when rain falls, rain enters the classrooms on the North Eastern Side of the Good Shepherd School at Fitts Village, St. James?"

Is the Minister also aware that when the rain water enters classrooms both teachers and pupils get wet and classes are interrupted causing inconvenience to the whole school?

If the answers to the above are in the affirmative, would the Minister take steps to ensure that the defect be remedied as soon as possible?"

Mr. SPEAKER: The same honourable Member — his question about a groyne adjoining the Beach Village premises.

Mr. N. K. SIMMONS: Mr. Speaker, the Question reads as follows:

"Is the Minister aware of the serious soil erosion taking place on the beach at Fitts Village in the parish of St. James?"

Is the Minister also aware that there is a groyne adjoining the premises known as Beach Village Hotel and is the Minister also aware that there is an accumulation of sand to the North of that groyne?

If the answers to the above are in the affirmative, would the Minister take steps to cause the obstruction to be removed so as to ensure the right of free passage of persons lawfully using the beach?"

Mr. SPEAKER: I am advised that there are no Replies ready to Questions and we go automatically into Private Members' Business.

PRIVATE MEMBERS' BUSINESS

RESOLUTION URGING A REVIEW OF THE SYSTEM OF PUBLICATION OF LISTS OF ELECTORS AND THE PROVISION OF CERTAIN FACILITIES AT POLLING STATIONS

Rt. Hon. E. W. BARROW: Mr. Speaker, the Resolution standing in my name reads as follows:

"WHEREAS there is grave concern among the general public over the effect of the departures from normal procedures and of changes in the total electoral process from 1977 leading up to and including the general elections of June 1981.

BE IT RESOLVED in order to restore public confidence in the democratic principle of fair and free elections that:—

- (a) the original practice of publishing monthly lists of registered voters and of displaying these lists in public places be restored;
- (b) the Register for Elections should be published sufficiently in advance of any election to give the electorate adequate time to ensure that their names are included in the register;
- (c) adequate facilities should be provided for polling agents at polling stations."

Mr. Speaker, from my researches, although this Parliament has been in existence incontestibly from 1936, some say earlier — various records that we can find date back to the year 1639 — we had an elected Lower Chamber and an annual Parliament.
2.55 p.m.

The earliest records you can find of legislation relating to the holding of these elections dates back to the year 1901. There has been very little difference in our representation except that the suffrage from time to time has been enlarged culminating in the 1950 Act which granted universal adult suffrage of the masses to Barbadians, and then later on after 1961 when the voting age was lowered to 18 by which time we can claim to have developed a fully representative system of government rather than a system of government based on a restricted franchise.

I think that everyone would agree, Mr. Speaker, that if we are going to have a fully democratic system — and by a democratic system I do not at all imply a political philosophy because there is no philosophy known as a democratic to political scientists, a democratic system is a method of arriving at decisions rather than an ideological concept — and if this democratic system is going to be fully observed, then it is essential for the democratic system of representative government to function so that people in the society should be able to exercise their franchise in an unfettered way, in a way in which they are fully aware of their rights to be enrolled upon the Register of Electors, of their rights to vote where they have to vote and how they can exercise this right, and the place at which these rights should be exercised.

I think that everyone would agree, Mr. Speaker, that these are fundamental to the democratic process. We have all kinds of democratic societies or so-called democratic societies, and people frequently mix up the concept of democratic systems as against arbitrary systems in which people do not have the right — people meaning all the people in the society.

The Greeks talked about a democracy but the Greeks did not have a democratic system of selecting representatives because there were people living within the society who did not have the right to exercise the franchise. Even in the Republic which the great philosopher Plato envisaged as the sort of perfect form of political and social organisation, it was not contemplated that all the people in the society should have the right to exercise the franchise, and even today there exists a great deal of confusion as to what you mean by democracy.

I think that what we mean by democracy is more relevant to the system of exercising the franchise than to

any philosophical or ideological concepts which particular groups within the society may entertain or hold close to their bosoms and we have to establish that right at the beginning. This is going to be the whole gravamen of my submissions here to you today on asking Members to support the Resolution in the terms in which it has been expressed.

The first bit of legislation which I have been able to unearth was in 1901 and from 1901 to 1957 all the way through we did not have many substantial changes because we had right up to that time double member constituencies. The constituency of Bridgetown was added to the 11 parishes some time in the course of the 18th century, and various changes were made from time to time in the Representation of the People Act which were not changes of substances, I respectfully submit, but changes of form.

I should like to go back a little to 1966. As a result of an electoral promise made by the Democratic Labour Party, the first measure was introduced which constituted a radical reform in the electoral process in that in that year we got the first augury of the introduction of single member constituencies in the whole electoral process in this island instead of the double member constituencies which we formerly, I should like to say, enjoyed, — I do not know whether “enjoyed” would be the correct term — under which we were governed.

In June of that year, a Bill was introduced into the Chamber amending the Representation of the People Act, 1957, and those Acts made provision for registers of the General Assembly and local government electors to be replaced by new registers on July 1. The registration of a person under the Electoral Registration Act, 1966, was still being carried out at the time when the amendment to the Representation of the People Act which was being introduced in June was introduced into Parliament.

Because of the several difficulties which were encountered in introducing the new system, the computerisation of the register, the photographing processes and so on, we did not go to the electorate in 1966 under a new system of single member constituencies. The first time that we went to the electorate under a system of single member constituencies was in 1971, and in 1971 the island had been by that time, after the report made by a Select Committee of this House, — a Select Committee comprising members on both sides of the House whose Report was adopted notwithstanding a Minority Report by the then Speaker of the House — divided into 24 single member constituencies. The first election under single member constituencies was held in 1971.

But from the time of the introduction of the Act in 1967 and the Electoral Registration Act of 1966, I think it was, provision had been made for the publication of a monthly list of electors. It is Section 15 that I am referring to. By Section 15 of the Consolidated Law which amended the 1957 Act, the Consolidated Law of 1971 – the Consolidated Representation of the People Law of this Island – the Chief Registering Officer was required to prepare and publish not later than January 31 in every year, a Register of Electors for each constituency and a Register of Foreign Service Electors entitled to vote in any election. That was Section 13 of that Act.

3.05 p.m.

By Section 14 of the same Act, the Chief Registering Officer was required to prepare and publish for each constituency, a Supplementary Register of Electors and a Supplementary Register of Foreign Service Electors entitled to vote at any election. But Section 15 stipulated that not later than the appointed day in every month in each year the Chief Registering Officer should cause to prepare and publish as soon as possible thereafter – and in any case not later than the 15th day of the next following month – a List of Electors and of Foreign Service Electors for each constituency which should consist of persons whose names appear on the Register for another constituency, who had notified the Chief Registering Officer of a change of address. Also persons whose names appeared in the Register for a constituency who had affected a change of address within the constituency and had notified the Chief Registering Officer in accordance with the Regulations. Thirdly, of persons who had reached the age of 18 years and who appeared to the Chief Registering Officer to be otherwise qualified and fourthly, of persons who had otherwise become qualified persons, qualified to have their names inserted on the Register.

The Act also went on to make provision for objections to be lodged with the Chief Registering Officer by persons whose names should have been inserted and were not on the Register or – I am looking for a Section; I am speaking subject to correction – for persons names to be removed. That was Section 16(1) but my recollection is it also made provision Since I only have half an hour I think that Your Honour would appreciate that I cannot categorise each individual Section which makes certain provisions. I have to generalise in some particular instances.

It is not essential to my argument, but my recollection is it also made provision for persons' names to be removed after proper investigations – those who were no longer entitled to vote and who obviously for one reason or another either by death, of absence over the stipulated period in the country and otherwise were no longer entitled to have their names appearing on the

Register. Then it made provisions for the persons to be photographed and to have Identification Cards for the purpose of voting.

The first Election which was held under the provisions of this Act, Mr. Speaker, was held in 1971. General Elections were held in Barbados in 1976 under the provisions of that Act. The important thing about the provisions of the Representation of the People Act of 1971 was that it provided a continual Register where without much difficulty, either the officials concerned or persons entitled to vote could know on a continuing basis whether his name was on the Register or not. He did not have to wait a year to find out and a person who was interested in the proper running of the electoral process in Barbados could, by careful checking, assist the registration process by giving information, which would be subject to investigation, about persons who were not entitled to exercise the franchise for one reason or another or under the Representation of the People Act.

I mentioned that two elections were held under that Act. The results of those elections under the same Act are rather interesting because no one can complain that there was some misuse or abuse of the legislation or that the legislation was effective under the 1971 Representation of the People Act because it would come ill from either side since in 1971 the Democratic Labour Party won an overwhelming victory under the provision of that Act and without any further amendment to the Act, in 1976 the Barbados Party reversed the tables – there was almost a complete reversal of the tables – with 24 single member constituencies and the same provisions without any alterations of the existing boundaries or anything.

Now if one wanted, Mr. Speaker, incontrovertible proof that the Representation of the People Act of 1971 was not only workable but was working, it was the results of the elections of 1971 and 1976. In neither one of those elections did I hear any complaints about peoples' names being suddenly removed from Registers or people having to drive from one corner of the island to the other or one corner of a constituency to the other to find out the places where they were supposed to go.

But between 1976 and 1981, a series of telling blows were delivered against the whole democratic process in Barbados. We should have been on our guard because in May 1978, Mr. Speaker..... First I should say that prior to that, several Returning Officers were relieved of their posts. I believe over 14 of them were relieved of their posts after the election in 1976 although the existing Government had won the election.

3.15 p.m.

And no complaint had been made, by any elector to any Government authority that the Returning Officers in the several constituencies had not carried out their duties fairly and properly. That was the first telling blow. These Returning Officers apparently were removed because they did not subscribe to the philosophy of a particular political party.

Now in May, 1977, the second blow was delivered. A Bill was introduced in this Honourable House on May 30 1978, according to the introducer of the Bill — who was the Right Hon. Prime Minister, the Rt. Honourable Minister of Finance and Rt. Honourable Prime Minister — with three options. To remove, firstly, the monthly publication of Supplementary Registers. Secondly, to make certain provisions respecting the appointments of Polling Agents. And, thirdly, ostensibly, to authorise the Supervisor of Elections to investigate returns of candidates. That Bill was passed. So that, in 1977 the whole linch-pin of the democratic process was removed which led to all the confusion and frustration that exhibited themselves in 1981.

When one removes, Mr. Speaker, the requirement that a monthly list or monthly Supplementary Register should be published to which the public has access, you remove the means by which the people who are entitled to have their names enrolled on the Register of Electors in the several constituencies will be in a position to find out whether their names have been left out or automatically, included upon the Register. By the process of registration, the Supervisor of Elections, the Chief Electoral Officer or whatever particular description is appropriate — the Chief Electoral Officer, I think is what he is now known by, who is also the Supervisor of Elections — knows in advance by the process of registration, all persons who would come of age on a certain date.

Therefore, the enrollment of the 18 year old Barbadians is almost automatic because when the enumerators go around from time to time, they not only have forms filled out, but, those who are entitled to vote — that is, those persons who are citizens, *et cetera*, *et cetera* — have all the necessary qualifications and attributes of electors. And, all of those persons over the age of 16 are also given identification cards and registration numbers and automatically, as soon as possible after their 18th birthday, those persons are entitled to have their name on the Register.

Now, in the normal course of events, the people in political parties who are looking after these things should be keeping their registers up to date, by making sure that people who have moved to other constituencies have their names transferred and persons who have moved into constituencies will also have their names inscribed on the Register of the particular constituency for which that

person is operating. It is a convenience not only to the elector — the ordinary citizen, but it is a convenience to the political parties as well, to have the monthly publication of electors.

I have to cut my address short at this moment to come straight to the point. In 1981, I think in the month of.....(Mr. P. M. GREAVES: June.).....the month of June, there was a general election in Barbados. By that time, there was only a yearly publication — in January — of the Register of Electors. Furthermore, an enumeration had been carried out under which people who had only been in this island 10 days, under the Statistical Service Order were registered. And, the enumerators were appointed not under the Representation of the People Act but, under some enactment, the identity of which is still obscure to honourable Members on this side.

The names of those enumerators and their identities were unknown to the electors and, we had the spectacle of thousands and thousands of people who were non citizens of Barbados — people and their age as well in Barbados — visitors to the island being enumerated. Then, I think it was on May 27, that a Register appeared, from which candidates on both sides of this Honourable House, people who have not become Members of the Honourable House sent out circulars to their constituents based on a Register that was published on May 27 and then, three days before the election, after all of our circulars had gone out, a new Register appeared — three days before the election.

Even, if candidates were not busy at that time, in the final stages of their campaign, it would have been too late to go through the 5,000 or 6,000 names to rectify any defects which appeared on the Register which was published three days before the election. Some of us did not even see that register. I saw one but I can afford to be a little relaxed in my constituency because you cannot remove enough people in St. John to make any substantial difference to the result. But if you remove 100 people from some constituency without rhyme or reason, Mr. Speaker, it can have a disastrous effect on the results of the election.

3.25 p.m.

I do not care what anybody says. From my own personal experience within my constituency and in other constituencies hundreds of people were driving from corner to corner, from pillar to post driving to find out whether they were registered.

The Chief Electoral Officer published a report on the elections of 1981. Well, he did not even put an announcement in the newspaper — as far as I know — asking candidates or other persons to come and make representations to him. To sit down in an office and write out a report which could be self-critical of your own

office — I am not here making an aspersion on the Chief Electoral Officer — but under our system of computerisation, all you had to do in that particular instance was to pull the names of people out of the computer, resort them and produce your list three days before the election.

The whole of Barbados is laughing at any statement made to the effect that only one person reported that they could not find his polling station. Some people choose their language very carefully. Only one person may have reported to one person, but I know that in every constituency, including those of the Members on both sides who have been successful in being returned, that more than one person reported to us and we actually investigated several persons in and outside our constituencies on voting day and helped them to try and find where they were voting as a result of the disaster which had been created by the removal of the monthly register.

I am not here holding an inquest on the result of the election. There was a case in Jamaica — I regret that I do not have it here but when I come to my reply I will read the results of that case — and in that case the lady brought an action against the Supervisor of Elections in Jamaica because her name was not on the register. The High Court in Jamaica awarded that lady damages because the Court ruled that the right to vote is a sacred and fundamental right guaranteed under the Constitution of Jamaica, and anyone who is entrusted with the duty of — I am paraphrasing, I will read the judgment at a later stage when I come to wind up — anyone who is entrusted with the duty of seeing that that person exercises his or her right is liable, if that right is infringed through either negligence or the failure of that particular person to carry out his or her duty.

Mr. P. M. GREAVES: Mr. Speaker, this Resolution moved by.....

Mr. SPEAKER: The honourable Member has moved no such Resolution.

Rt. Hon. E. W. BARROW: Mr. Speaker, at the very beginning I moved the Resolution, Sir. If you ask the Clerks, and with your indulgence, Sir, I move that this Resolution do now pass. I did not know it was necessary for me to repeat that in those particular terms, but with your indulgence.....

Mr. SPEAKER: The question of moving a Resolution is something very specific. Erskine May states how and when.....

Rt. Hon. E. W. BARROW: Mr. Speaker, I said the Resolution standing in my name reads as follows, and I

read out the Resolution. I said with your indulgence, Sir, if you want me to say it in those words, I move that this Resolution do now pass. I sat down because Your Honour motioned to me to sit down.

Mr. SPEAKER: I still maintain that in moving the Resolution it is set out clearly how it must be done and when it must be done, except in case of a Member who has been here yesterday, who came in here yesterday or the day before. But I must maintain that there is now no Resolution before this Honourable House for any Member to debate.

Mr. L. E. SANDIFORD: Mr. Speaker, on a point of order. The Member for St. John has stated that he read out the terms of the Resolution and that he also said this Resolution do now pass. I am asking that the records be sent for to verify this matter. I think this is in all fairness, because it is known that if a Member gets up and speaks on a Resolution the intention is quite clear, and I think that the least we could do as a House is to verify this particular matter. I am certain the entire House is willing for this debate to continue anyhow. I am requesting with your permission that the records be sent for to verify this matter.

3.35 p.m.

Hon. H. B. St. JOHN: Mr. Speaker, I am not sure where we are at. I understand that the record has been read!

Mr. SPEAKER: The record is being checked.

Hon. H. B. St. JOHN: Do we need some time to check that? They will have to go back through all their sheets and then translate it and bring it to Your Honour. That is the usual practice. I do not know how long the honourable Member was speaking, but there will be two Reporters involved, so they will have to go back through it.

I beg to move that this Sitting be suspended until 3.55 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.

3.45 p.m.

On Resumption

Mr. SPEAKER: Honourable Members, I have before me a transcript of the speech of the honourable Member, the Hon. Leader of the Opposition. I maintain, as I did before the short break, that the said honourable Member did not formally move the motion but he ended his speech quite appropriately and perhaps what he did say

is more afflictible to himself than those to whom perhaps he intended.

And I read — the honourable Member said:—

"I am paraphrasing. I will read the judgment at a later stage when I come to wind up. Anyone who is entrusted with the duty of seeing that person exercises his or her right is liable, if that right is infringed through either negligence or the failure of that particular person to carry out his or her duty."

And the Honourable Member took his seat. (LAUGHTER).

No words, no words I find could be more appropriate. There is no Resolution before this House to be seconded by anyone and I so rule.

Order No. 2 standing is in the name of the Honourable Member for St. Michael South Central who I do not now see in his place.

ORDER NO. 3

Order No. 3 was called — To move the passing of the following Resolution:—

WHEREAS motor omnibuses in the public transport system have been and are still being operated by the Transport Board without being appropriately licensed or registered as required by the Road Traffic Act, 1981

AND WHEREAS disregard for the law by a statutory corporation wholly owned by Government undermines one of the cardinal principles of the Rule of Law

BE IT RESOLVED that the House of Assembly condemn the Minister responsible for Transport for his failure to ensure that the law governing the licensing and registration of motor omnibuses are observed by the Transport Board

AND BE IT FURTHER RESOLVED that this Honourable House calls on the Government to take all necessary steps to ensure that the Road Traffic laws of Barbados are observed.

Mr. M. A. KING: Mr. Speaker, I am not prepared to proceed with this Resolution today.

Mr. SPEAKER: Is the honourable Member seeking the leave of this House to withdraw his Resolution?

Mr. M. A. KING: No, Mr. Speaker, I am not seeking to withdraw the Resolution. I said I was not prepared to proceed with it today.

Mr. SPEAKER: Oh, not prepared to proceed with it. I did not hear "the today." The honourable Member is not prepared to proceed with his Resolution today.

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

Government Business is the Instant Order of the Day. When the Suspension was taken, the House was in Committee of Supply. To that it now reverts.

Mr. SPEAKER left the Chair and the House went into Committee of Supply, Mr. ODLE in the Chair.

COMMITTEE OF SUPPLY

Mr. CHAIRMAN: The House is in Committee. The honourable Member for St. John.

Rt. Hon. E. W. BARROW: I think, Sir, that other honourable Members have adverted to the fact that in acquiring property from private persons, the Government is under no constraint to come to the House and ask for permission. I think that almost a wholly process is being made of rather cluttering the *Official Gazette* at the time with things which the law prescribes that at the end of the Session you bring to the notice of Parliament the various acquisitions which Government have made and in doing so the crisis and the identities of the persons from whom these properties have been acquired.

I think one of the previous speakers have pointed out that something like 13 or 15 land acquisition notices have been brought in this House. I still maintain that you cannot have a supplementary growth unless there was some Statutory provision which is not disclosed on this Resolution, it is not disclosed. I maintain that and I think it ought to be rectified.

But quite apart from that, since Your Honour is allowing debate on the matter, and the Members on the opposite side are claiming that they are bringing everything to the House, we would certainly like to know, since the Addendum expressly states that they have agreed the prices..... certainly as Chairman of the Public Accounts Committee at sometime I am going to find out, but I am certain that Members of the House would like to know the prices which are being paid for these particular areas of land which are acquired and for which we are being asked to vote a Supplementary, non-Supplementary of \$1.1 million.

We have information that there is \$68 000 in some vote which was originally standing at \$2.3 million which would make a total of some \$3.4 million in land acquisitions. Now I want to draw something to your attention. A property was acquired from the Telephone Company that went up to public auction on two separate

occasions at a reserved price, which they could not get, of \$600,000. This property was acquired for the National Bank so the Government did not come to the House but the Government or the National Bank agreed to pay the Telephone Company the same amount of money that they had tried to get on two separate public auctions, two public auctions.

4.10 p.m.

There is a property down in Hincks Street known as "Marshall Hall" that was on the market for over 11 years. We were told that the Development Bank needed those premises and we had a discussion here last week, in which it was disclosed that, in the course of the negotiations, they discovered that piece of the land belonged to the Government — which I could have told them anyhow. They did not have to go to that expense. Over \$1 million was paid for that property and that was well over two years — if not over three years or so — and, up to now — I pass there nearly every day — nobody connected with the Government is using those premises. Despite the fact that over \$1 million was spent neither the Government nor the Barbados Development Board.....(ASIDE).....Development Bank — I am sorry, I said the Development Board; there is no Development Board, in Barbados any more — is using the premises.

Now if we are short of cash, can we afford to take off from the private sector, properties that they have not been able to dispose of and have that property lying down there indefinitely? Therefore, it is very important that we know the kind of prices — the place is called "Marshall Hall". It was originally built as a theatre for the performing arts. It has.... (Hon. L. S. CRAIG: Royalty dined there. We know the place.) I do not know who dined there, man. I know, I would not dine in there now because rats are running all through the place so, I do not care if Royalty dined there or not. You do not pay money for a building because Royalty dined in it. And therefore — I am saying that the taxpayers in Barbados, directly or indirectly, cannot afford to relieve the private sector of buildings that they have abandoned and no longer require and then not put it to immediate use.

I am not challenging the right of any agency of Government or Government itself to acquire property. I am saying that you should not acquire property — a point which was made here earlier, I believe the honourable Member for St. Michael West — if you do not have a need for the property, but particularly, when you see a property lying down for 10, 11 years and nobody will relieve the existing owners of it.

You have to be very careful when you enter into these transactions and, I am asking the Hon. Minister, since he is now coming for \$1 100 000 — and there is

more to come because there are lots of properties that the Government has not agreed on the price. I want to make this distinction, this Resolution says that the \$1.1 million is to pay people who have reached agreement with the Government on the price at which the property is to be acquired. But, outside of the number of people who have reached agreement, there is a legion of other property owners whose lands have been acquired who have not agreed on the price. There are cases pending in the Supreme Court now.

The Hon. Minister made some irresponsible statements here the other day about some gentleman who was trying to sell the Government land that he did not own. I have checked this with the lawyer and it is untrue. Now as a result of that the Government is going to find itself in a very very difficult position in their negotiations because if Hon. Ministers come in here and say that somebody tried to sell the Government land that did not belong to them, — they have not even concluded the price yet — they are going to be batting on a very, very sticky wicket.

I am not representing anybody. Hon. Ministers have to be very...*(Aside)*.....on a sticky wicket. He cannot even go out to bat. I am saying that Hon. Ministers should not come in here, in their anxiety to score political points and accuse people of selling the Government land which does not belong to them. I think he had better seek the Government's legal advice before he makes these kind of statements.

What we would like on this side now, is for the Hon. Minister since he has reached agreement — to say what he is paying for the land in the various areas and how it gets up to \$1.1 million plus the \$68 000 that he has not spent. It is \$1 168 000.00 now that he is going to disburse and there are a lot more claims — some in the High Court already — which at a subsequent date, we will probably be hearing about. We certainly would like the information on what price is being paid for the property.

Mr. CHAIRMAN: Before I call on the Hon. Minister to reply, the Rt. Hon. Member for St. John questioned the absence of certain omissions and notices which should be sent around to honourable Members of the Committee.

I would like to rule that while I accept and take note of his complaint, I do not believe that the absence of the monies stated in any way, invalidates the Resolution. In other words, the Resolution remains good. It is an omission and the Resolution has been spoken to after the Hon. Minister introduced it and a complaint has come after, so I think that it is on good grounds and I should allow the Resolution to stand.

I would now ask if there are any other honourable Members who wish to make a contribution. (Pause) The Hon. Minister may reply.

Hon. DeL. O. BRADSHAW: Mr. Chairman, I do not want to waste much time replying to the Rt. Hon. Member for St. John. But ever so often when it comes to matters introduced in this Honourable Chamber, I find that the Opposition — some of them who do not listen attentively — get up and find time to criticise me. I am accustomed to the Opposition's criticisms and some of the foulest things they have said about me. They have not run me, neither can they run me and, I want them to understand that from the outset.

When I got up and introduced this Resolution, I took pains to point out that Part II — Capital of the 1981 — 82 Estimates, Subhead 1 Item 1 did provide for a subject called, Land and Property Acquisition. I said that the sum of money provided was \$2.3 million. I went on to say that the figure expended so far was \$2 231 841.32. I further said that that left a remaining balance of some \$68 000. Mr. Chairman, Sir, I have here a copy of the transcript of what I said.

I did make the allegation that the Rt. Hon. Member must have been sleeping. Now, I am not going to say that he was sleeping. But I know that the Rt. Hon. Member probably felt wounded when I said that and he got and said all sorts of things about me. He can accuse me of saying anything. I am not afraid of him. He must understand that. And, I respect — one thing which my parents have told me "respect older people" and, I am going to respect him on this occasion. But I am going to warn him, do not push his luck too far.

Mr. Chairman, let me get down to the question of replying to some more relevant and sensible queries. I was told — and I take the word of caution from the honourable Member for St. Michael South — that Government should abandon property or lands that are of no use and have no relevance to the particular situation. But, the honourable Member should also remember that only two weeks ago I came in here and moved a Resolution to abandon a portion of land that would have exceeded something like \$500 000 because I felt and Government agreed that the purpose for which the land was acquired was no longer relevant to the situation.

4.20 p.m.

I want him to understand that this Government when it finds itself in a situation where it is wrong it is willing to admit it is wrong, and when it is to abandon it will abandon. That is how we operate, we are not a Government that is insensitive like the former Govern-

ment, that is why they have to sit over there for quite a long time, too.

The position is, Mr. Chairman, that when Cabinet decides on acquiring land there is a procedure that is followed. The Solicitor General is notified and he sends out correspondence to those persons affected and he invites them by letter to submit to him the sort of price they are asking for their properties, so negotiations start at the very beginning. The reason why the Land Acquisition Act has got to be invoked is to ensure that some of the projects are not held up, because during the course of negotiations there can be a breakdown and then the contractors who are on site — because of the sort of contract which they have — can cause Government to incur additional expenditure. In order to expedite and speed up the programme the Land Acquisition Act is invoked, so that when the relevant sections are published in the Official Gazette and the national newspapers the Chief Surveyor is empowered as soon as the Section 4 notice is published to give instructions to the developer or to the contractor to carry out that work on the land.

So it is not a matter of Government being insensitive or being dictatorial in its attitude, it is that Government is using the Land Acquisition Act to ensure that speed on the developments is maintained. Let me say this. We have recently decided to acquire the Checker Hall Plantation and my Ministry has already entered into negotiations with the owners with a view to arriving at a settlement before the Act is invoked, but as I said, the problem with Checker Hall is that the cement plant has already started and the persons will have to be resited.

What I have done in my wisdom and in my own judgment is to try and get the land and get the people resited as quickly as possible. If I am to wait until there is a settlement, the settlement might take years, because it is not easy for any property holder to easily accede to a price today. They find all sorts of excuses to prolong the negotiations, and some of them come with some counter information — some counter demands — which I have said before, have proven to be quite unreasonable and unrealistic.

Honourable Members over there are aware of the difficulties. They should be honest enough to tell this Honourable Chamber that they entered on lands in Sion Hill and cut roads on that land, and when they went out of power, they had not compensated the owners of that land. They should also come in here and tell us that they went in Parish Land on Mr. Power's Land.....(ASIDE). Do not look at me, man, you should be ashamed of yourself. The honourable Member for St. Michael North built a structure out of the National Housing Corporation's funds and put it on Mr. Power's land without even

approaching Mr. Power and asking for permission to put it on his land.

Mr. P. M. GREAVES: On a point of order, Mr. Chairman. The honourable Member is misleading this House. At no time did I as Minister build any structure of any kind whatsoever — and I think you know this too — on Mr. Power's land. I think you know, Mr. Chairman, what I am saying.

Mr. CHAIRMAN: I am well aware of the fact that the honourable Member is neither a carpenter nor a mason.

Hon. Del. O. BRADSHAW: Mr. Chairman, the honourable Member was the Minister of Housing and Lands when the structure was built and put on Mr. Power's land. He has to take full responsibility, because as Minister of Housing and Lands it came under his portfolio and he should have been responsible. Mr. Power did not know that the structure was there, and when he realised that the honourable Member had allowed it to be put there, he came in and made a noise — and it was this Government that had to negotiate and reach a compromise with Mr. Power.

They get up in here today and talk about Government going ahead and acquiring land and not compensating people, and time passes before compensation is paid. They have a bad track record and they had better not get up in here and talk nonsense. I can say this with a degree of assurance and truthfulness, that there is a man who is a friend of the honourable Member for St. John, his buddy, who sought to be compensated for land that does not belong to him. I want him to get up and challenge me on this. Pile does not own the land, it belongs to the National Housing Corporation, and he was putting in a claim to this Government to be paid for the land. I challenge any one of them to get up and tell me not. I do not talk just because I can talk, I have proof. He is annoyed because I spoke of it in here, but I want to tell him I am not afraid of him, he must put that in his pipe and smoke it. He must understand the time will come when a new star will be born. You had your day, you are going to take some blows in here for the next couple of months. (Hon. L. S. CRAIG: I will not support you in that, respect the old fellow). I will respect him. I am sorry, Comrade.

Mr. Chairman, on the question of Government's obligation to acquire. The Government is not under any obligation, but I have said before that the Government feels that when the taxpayers' money is involved that we will come here to this Honourable Chamber and have a debate and fully ventilate the facts and the reasons for purchasing. That should be the course because we believe in parliamentary democracy. The Democratic Labour Party purchased properties, they bought Bath, they

bought all sorts of things, and the last persons to know were honourable Members in this Chamber. We believe that this Honourable Chamber should be treated with respect, and that is why I intend to come here whenever there is any land or property acquisition.

Mr. Chairman, the question of the omission on the part of the Order Paper, as you have correctly said, does not invalidate the Resolution. In the Estimates it is there, it was passed by this Honourable Chamber last year during the Estimates, and as long as it was passed it was there, despite the fact that there has been an omission — and my Ministry is not responsible for it — there are typographical errors, we live with those things. But as I said, it does not negate the Resolution, and the honourable Member knows that. All the fuss that has been made about this omission, and about the Hon. Minister, I would think that is just a matter of the sort of thing I am familiar with coming from the honourable Member.

4.30 p.m.

Now we have decided to pay for these lands that have been acquired. I have a list. The honourable Member is free to have a list of the settlements that have been arrived at. As I said, as negotiations or agreements have been arrived at, people will be compensated, but no one should and can expect this Minister to support any compensation in the absence of proper documents and unless the Minister is satisfied that everything is in order. I have a responsibility and no sort of pressure will stop me from performing my duties the way I think they should be discharged.

As I said, Mr. Chairman, I do not think that honourable Members are opposed to this Resolution. We have to understand that prices will fluctuate and we have got to live with that. We have to understand that people, when properties are acquired, want to have compensation which is sometimes very high and very unreasonable. We have to make sure that all sides are satisfied.

This Government is not going to unfair anyone, and I will say this: this Government has something to be proud of. When the people in Checker Hall's lands were valued and in my opinion and in the considered opinion of this Government undervalued, we had the decency to tell the people openly that the lands were assessed too cheaply when they were valued. I think that that is fair, so no one is seeking to undermine the value of people's properties. I will say that we have got a good record.

We are paying for some of the acquisitions that took place during the Democratic Labour Party regime in 1974 and 1975. (Mr. P. M. GREAVES: You are now get-

ting around to those?) The honourable Member should be ashamed of himself. Does he understand that in St. Kitts it was the Labour Party that nationalised the sugar industry, but it was only Kennedy Simmons that we left just last year to pay the people. Acquisitions and compensation take a long time. It is nothing uncommon. Then you see, he was a play-play Minister.

Mr. Chairman, I am sure that this Honourable Chamber is aware of the problems which are associated with land acquisition. I will go on record as saying that there are lots to be desired and there needs to be changes implemented because as I said, this Act was drawn from the United Kingdom and it needs to be modified to suit local situations. I will be looking up ways and means and soliciting advice so that we can bring in relevant amendments in order that most of these problems which presently confront us will be resolved in the future. That is the most this Government can do to relieve the situation which we know is causing a lot of concern.

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

On motion of Hon. L. S. CRAIG, seconded by Hon. H. B. St. JOHN, Mr. CHAIRMAN reported the passing of one Resolution in Committee of Supply, Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. DeL. O. BRADSHAW, seconded by Hon. L. S. CRAIG, the Resolution was read a first and second time and agreed to.

RESOLUTION TO APPROVE GUARANTEEING OF LOAN FROM EUROPEAN INVESTMENT BANK

Mr. SPEAKER: Order No. 2 stands in the name of the Minister of Finance to move the passing of a Resolution to approve of the Minister's guaranteeing the European Investment Bank the repayment of the principal and interest with respect to the loan of 4,000,000 European Community Units of Account.

Hon. H. B. St. JOHN: Mr. Speaker, honourable Members are aware of the Barbados Development Bank and the activities of the Bank, and they will be more familiar and up-to-date with these because of the promptitude and the regularity with which the Reports of the Barbados Development Bank are laid on the Table of this House. The latest Report for the year 1980-81 has recently been laid before this Honourable House and I believe that all honourable Members have been circulated with a copy thereof.

The Barbados Development Bank in its quest for funds for on-lending for economic development in Barbados has been tapping a number of international institutions for soft funds. The European Investment Bank, an institution which is an essential part of the

European Economic Community and which under the Lome Convention — which is an agreement between the European Economic Community and the African Caribbean and Pacific countries — has an integral role to play in the provision of funds to development financial institutions in the African Caribbean and Pacific countries.

This is the second occasion on which the European Investment Bank will be lending a sum of money to the Barbados Development Bank. On this occasion the amount is 4,000,000 Units of Account which at prevailing exchange rates represents Bds \$8.4 million. The loan will provide funds for the financing of projects in the industrial and tourism sectors.

The first loan was signed in June 1979 and it was fully committed within the two year period prescribed in the Agreement. Under the terms of that Agreement, a final disbursement should take place by September 2, 1983, and we are pleased to report that the loan is now 80 percent disbursed. This second loan will be for a twelve year period inclusive of a four year grace period, and will be at an interest rate of eight percent. By any stretch of the imagination, in the context of world interest rates, this is a soft loan.
4.40 p.m.

Unlike the first loan which was to be disbursed in U.S. dollars, this loan is to be disbursed in the new European Units of Account which comprises a basket of currency comprising of all the currencies of the European Economic Community members with the exception of the United Kingdom. Sterling is not part of the basket.

The minimum loan size remains \$20 000 Units of Account. However, the maximum loan size has been increased from \$400 000 Units of Account to \$500 000 Units of Account which is just over Bds. \$1 million.

The Barbados Development Bank has also received loans from the World Bank and the Inter-American Development Bank but the disbursement procedure in respect of the European Investment Bank money, although this loan has to be technically approved by the European Investment Bank, their procedures are much faster than the procedures in the other international banks. We do not have to have analysis missions and programme missions to Barbados which help to draw out negotiations with other loan institutions and for the benefit of all honourable Members who talk of cost overrun, let it not be forgotten that before one can disburse money or indeed.....

Mr. SPEAKER: Too much noise from the Government benches.

Hon. H. B. St. JOHN:.....Before a contract can be awarded with some of these international institutions, there is a lapse of some three to four years, depending on the size of the project, so that cost estimates prepared by the programming mission as to the particular project, when it comes to contract building and that period of time has elapsed, obviously in a volatile world economy, revisions have to be made in respect of the particular projects.

This loan will help to improve the performance of two productive sectors of the economy and we hope that it would stimulate, through the component that goes to manufacturing, our foreign exchange earnings and we are confident that the productive areas of the economy in which it will be invested will provide enough foreign exchange in exchange earnings to repay the loan over the course of the 12 years.

Earlier, Sir, a comment was made with respect to the Development Bank and its building. I want to make it clear that the Development Bank is in the course of negotiation to put up its own headquarters. The Development Bank was housed temporarily for a long period of time at the Garrison. The quarters that it used were needed for the Defence Force. At the present moment pending the negotiations of adequate finance to build their building, pending the appraisal of the cost of that building, they are now in rental accommodation from the Barbados Petroleum Corporation at Wildey.

It is not true to say on the Floor of this House, as was said by the honourable Member for St. John, that the Government acquired land for the Development Bank. That is totally untrue. If the honourable Member has spent time reading the public document — the Development Report — that was laid on the Table of the House, he would have seen the situation in respect of the property that the Development Bank, as an independent Statutory Corporation, acquired, the amount that was spent on it. But of course, we cannot be responsible for the fact that the honourable Member for St. John has reached such an advanced state of life that unfortunately his energy is not with him, that his interest in his Parliamentary work has waned and his interest in public affairs too. We cannot be responsible for that fact.

Dr. R. C. HAYNES: Mr. Speaker, I think that it is a reflection on the integrity of the honourable Member for St. John, to say that his interest in the affairs of this Honourable House and in the public life of Barbados is waning.

Mr. SPEAKER: I do not so rule.

Hon. H. B. ST. JOHN: The honourable Member comes in here half of a day; does not read the documents; comes in here and tells the public that the Government of Barbados through the Land Acquisition

Act bought land for the Development Bank. (*Asides*). He said that. The honourable Member said that and he also said that we bought land for the National Bank. (*Asides*). Well, that is a matter for him. He does not even read the documents that are circulated to him. He does not even know how to move a Resolution at this late stage of his life. I say that his interest has waned.

So, Sir, the position is clear that this is a very soft loan and I also want to say that the Government remains fully committed to the concept that the Development Bank in Barbados is one of the institutions which will act as a catalyst to ensure that people in Barbados with ideas, people in Barbados who wish to participate in the development of Barbados, will not be frustrated by the rigorous rules of normal commercial banking.

I think the record of the Development Bank, particularly in the last five years, will show and demonstrate — as set out at page 4 in the Report — that not only has there been a significant increase in resources but there has been a significant increase of commitment and disbursement of those resources.

In 1976, the total amount of money that was lent out was approximately \$2.9 million. Page 39 in the Report. By 1980–81 the disbursement had reached \$11 million whereas in 1976, \$687 815 was lent to industry. In 1980–81, \$3.8 million was lent to industry. In 1976, \$1.8 million was lent to tourism. In 1980, \$5.19 million was lent. Small manufacturing received \$55 650 in 1976. In 1981 \$131,000 was lent. Small business generally in 1976 was lent \$102,850. By 1980–81, \$1.846 million was lent.

Now, Mr. Speaker, Sir, I am a firm believer in the view that it is the Government's duty to give a helping hand through its institutions to all those who come with viable projects. I do not believe that it is the Government duty to lend taxpayers money to people who come with speculative projects and people who wish to use banking institutions to enhance their personal standard of living without any intentions of repaying those loans. I make no apologies for that statement.

All bankers must ensure that there is a reasonable chance of recovering the loans of which they are but trustees, whether to their shareholders, or depositors — or in the case of a Government institution, to the Government. So when I hear of this talk in Barbados by a small section of people who have a bad banking record, not only with commercial banks but the Barbados Development Bank, I, Mr. Speaker, am not afraid to let the public know.

There is a group, a small group, there are a few individuals in this country who are persistent in their call for help but they have never received help.

4.50 p.m.

Not that they have never received help, but, that any help you give them is not for the purpose for which they say they want the help.

Now, Sir, it is common knowledge that the Government's view is that we have had enough development of construction within a certain area, along the South and West coasts of Barbados, in the hotel industry. The Ministry of Tourism put a Paper to Cabinet on this and it is a matter of public record that we have indicated quite clearly — between a very clearly identified area — that with the exception of some expansions which were planned prior to the announcement of the policy, in September last year — and also with the exception of some project which involved the new concept of worker participation — that no further hotel aid would be given from the Half Moon Hotel in Christ Church to Tropicana Hotel in St. Peter.

The road that goes up there is by the Methodist Church — I cannot quite recall the name. It is on the map. It is a well defined road that goes up below Tropicana. There is a Methodist Church on the beach and a specific road there along that area. We do not believe that...(Aside)..... it is the border of St. James and St. Peter. (Dr. R. C. HAYNES: St. James. You do not know St. James?) St. Albans Road, I understand. (Dr. R. C. HAYNES: Tell your representative that.)

Now, Sir, since we announced that decision, I have received some abusive letters in relation to it. People have abused me, but I do not mind about the abuse. The basic position is that we have got to watch the question of congestion. We have also got to watch what the environmentalists have been saying — that it is crazy to allow too much building in that area when we know that both the South Coast and the West Coast is in need of a proper sewerage scheme. We have gone to the Inter-American Development Bank and we have got funds to have a feasibility study done for the sewerage scheme on the South Coast and on the West Coast. It would be foolish to allow more building in that area, except for people who can prove and demonstrate that they are expanding and that they had an application before the Town Planner before; because we do not want to create environmental problems in our area.

As far as the East Coast is concerned, we have already committed ourselves that that area will be preserved, particularly between the East Coast Road and sea, for a national park development. A proper, integrated development plan which embraces a multiplicity of land uses within the concept of as much open area as possible has to be devised. So, do not let them think, do not let anybody think because they write nasty letters, that they can change the policy of the Government in respect of that. The law says quite clearly, according to the

Attorney General's Office, that there is no obligation to grant hotel aid.

Now, I cannot stop them if they want to go and borrow money and build. But what we can do is to put sanctions in and, the Development Bank — as I understand it, has publicly announced that the tourism projects that they are looking at, are projects where they are helping existing people to upgrade the quality of service — helping restaurants, helping the taxis, helping the coaches, helping the other product developments in Barbados which we need and that is the area of the tourism sub-sector that you would see here. So that, it is very clear and I wanted to make that, very, very clear.

Now, Sir, those are the remarks that I would like to make, in respect of this loan. If there is any other information in respect of the particulars of the loan, I will oblige Members. I think I have given the amount, the currency, the period of the loan, the grace period, the interest rate, the maximum size and the minimum size of the loan and, of course, in accordance with the usual procedure, that the Government would have to guarantee it. And, in accordance with our conceptions of good Government, we have to come to the Honourable House of Assembly for the guarantee. It is proposed, Sir, that the loan will be executed by the Chairman of the Development Bank and the Barbados Ambassador to the European Economic Community, Mr. Jackman, at an early date as soon as the legal instruments are drawn up, Sir.

I beg to move that this Resolution do now pass.

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

Mr. SPEAKER: The question is.....

Dr. R. C. HAYNES: Mr. Speaker, opportunity is provided to deal with several areas of the developmental policy of Government, not only in relation to this particular institution, but general development policies as a consequence of this Resolution which is now before this Honourable House.

The Resolution seeks a Government guarantee, as I understand it, of some four million European Community Units of Account, the equivalent of some \$8.4 million. Now, Sir, there are one or two things that spring to mind, immediately. Firstly, there is a question of the true significance of Government guaranteeing a wide range of loans to various institutions — governmental and non-governmental — which form a contingent liability on the Consolidated Fund of this country, but which, of course, do not necessarily reflect in the official national debt of Barbados. Nevertheless, as I will

demonstrate, the impact on the financial viability of Barbados, in the long term will be no less.

The Addendum, Sir, states that the interest rates will be one of eight per cent. We cannot reasonably complain about any loan obtained at an interest rate of eight per cent considering present rates of interest which prevail around the world and in Barbados, where I understand that some banks are now informing even their best customers that when their overdraft ceiling has been exceeded, they cannot guarantee them that they would not be able to lend them loans, to give them loans, at less than some 20 per cent to 22 per cent. However, Sir, as in the case of the Orion Bank Loan, I note here and this is of some concern that in the Addendum, there will be a grace period of some four years and then, this loan will be repayable in 16 half-yearly instalments.

5 p.m.

Now, I am concerned that this Administration should be entering into a series of loan agreements, because here we can identify some \$62 million where there will be a grace period of between four and four and a half years, and then a relatively short period of repayment over a period of four years. These are loans that have to be repaid in hard currency and one can anticipate what will be the demands on the foreign exchange earned by this country during those four years, by those two loans alone.

I have again and again asked this Administration, and asked the Minister of Finance when he comes to this House either for a loan — any external loan, or to guarantee an external loan — to pay this House the courtesy at some time by indicating the kind of projected schedules which exist at the moment in respect of repayments of principal and interest on those loans down the years.

Now we have heard the Deputy Prime Minister rattle off a lot of figures relating to levels of disbursements and so on, but there are some serious questions to be asked. Basically, I think it is relatively true to say that the Barbados Development Bank has been one of the better managed Government institutions right from its inception. I think there have been one or two lapses under the present Administration, but I think that there is a need for a serious re-examination of the policy thrust of the Barbados Development Bank as it relates to other institutions in Barbados.

We note, Sir, that we have had external loans amounting to some \$35 million. When you start talking of disbursements, you have to talk about the source of funding, and indeed, Sir, the main areas have been from the Inter-American Development Bank, the World Bank, the European Investment Bank in the past, and now

another loan from the European Investment Bank. But, Sir, that is \$35 million exclusive of this loan that this country will have to repay in foreign exchange over the years so that when one seriously examines the performance of the Barbados Development Bank, one has to look very carefully and not only look at the levels of disbursements but to look very critically and see the areas in which those disbursements are being made.

Another matter of concern to me is the extent of the intervention of the Central Bank in the financing and providing bridging finance for the Barbados Development Bank — and I presume that this relates to the delays in draw downs adverted to by the Deputy Prime Minister. It is a matter of concern to have found out that the Central Bank was advancing money in the area of bridging loans to the Barbados Development Bank, and of equal concern, Sir, to hear a statement recently from the Minister of Finance to the effect that the Central Bank had advanced some \$5 million to the sugar industry at this point in time. He himself must know what impact that would be on any increased costs.

I do not wish to refer to wages, because it is my view that the significance of those costs or losses which might be incurred in any area, is very different when it is financed by transfers or from levy funds, or transfers from commercial banks, or whether those losses are incurred as a consequence of an increase in wages or otherwise, whether they are financed by the injection of new money into the economy of Barbados in a situation where this country is tottering on a serious brink of disaster in respect of its foreign reserves.

Now, Mr. Speaker, I do not think that the Government has fully realised that whatever the receiving agency in respect of a foreign loan — whether it be Government itself, whether it be a Statutory Board, whether it be a private corporation like the Barbados Light and Power Company in respect of the World Bank loan and other foreign loans which fall under the umbrella of that World Bank loan — that nevertheless they will all have to be repaid out of one foreign exchange pool. I want to emphasise this again and again. There is not one foreign exchange pool for the gamblers, the casino owners, one for the Barbados Light and Power Company, one for the Barbados Government, one for the Barbados Development Bank, one for the Barbados National Bank or one for even any given individual. There is only one foreign exchange pool in Barbados, so that in whatever way the Government commits this country — either in respect of guaranteeing loans to the private sector or to any Government agency — it becomes a long term charge on the foreign exchange earnings of this country. The present situation that Barbados is in is a classic example of why we should be extremely cautious, not

only in our approaches to these loans, but also in determining the particular area in which they are disbursed.

I make bold to say, Mr. Speaker, that it would be unwise for the Barbados Development Bank to enter into any hard currency loan unless the on-lending of that loan would be in an area which would earn foreign exchange in the short and medium term, in the context of the Barbados economy today. Sir, I stress this because the Bank does not exist in isolation.

Few people, Sir, fully appreciate that the levels of incomes, that the standards of living which the people of Barbados can enjoy would depend very much on what the foreign exchange position of this country will be now and what it will be in five years' time, and what it will be in ten years' time. Any administration that over-commits this country to repayment of a large slice of potential earnings in foreign exchange is creating a serious problem for the people of Barbados not only in the present but in the long term.

Sir, it also is a final determinant of the employment levels in Barbados, and ultimately the standard of living. We have seen right now that it is probably the final determinant in the availability of credit which has an influence on the standards of living of the people in Barbados and their capacity through credit, to enjoy a standard of living in anticipation of expected incomes over the years to come.

5.10 p.m.

As a consequence of this, Sir, I would say that we must never have a repetition of certain unfortunate events that have taken place at the Barbados Development Bank. I do not think we should ever have a situation where the Barbados Development Bank would be lending money to a place like Wonder Bakery. When that is constructed, Sir, that is going to produce bread, and the proper place for Wonder Bakery to obtain a loan from would be the commercial banks in Barbados, and what makes it worse is a situation where the Chairman of the Barbados Development Bank is a major shareholder to the extent of some \$240 000 in Wonder Bakery. Now, Sir, I understood that the Chairman did in fact declare his interest at the time that decision was taken, but the more important point is that that is not the proper purpose for the use of a Barbados Development Bank loan. It is not in the interest of the country to have that kind of development financed from source.

I also said, Sir, that it is my understanding that Master Mart — I do not know whether this is true or not — but it is my understanding that Master Mart has obtained a loan from the Barbados Development Bank, and if that is the case, then my criticism would equally apply to that. If that is not the case, I would be very glad to

hear that, but I am satisfied from the information available to me that funds of the Barbados Development Bank were used for what any of us in this Honourable House must consider an improper purpose. There is no point saying that the money would not be utilised because there was nobody there to borrow it. Part of the duty of the Bank is also to look around in the economy and find areas for investment and try to attract persons in those areas of investment.

Now, Mr. Speaker, this statement, the last report tabled in this House of the Barbados Development Bank would indicate several things. It no longer handles in any substantial way, matters relating to agriculture and fisheries. When on the floor of this House at least three to four years ago I was arguing that it was a mistake to transfer the assets and liabilities of the Agricultural Credit Bank to the Barbados National Bank, and when I further questioned the wisdom of attaching a highly contaminated portfolio like one of the Sugar Industry Agricultural Bank to the Barbados National Bank which we all recognise as being important to the development of Barbados — in an early stage of its development before it had adequately consolidated its position — there was a constant stream of attack.

Today, I believe the Government has to look at the situation and see whether or not the portfolio of agriculture should not have remained with the Barbados Development Bank, and whether or not a separate banking institution is not required in this country to deal with the question of agriculture. And I will tell you why, Sir. About the only truthful thing which the Prime Minister said in his recent broadcast on television, is the fact that the major loans and losses incurred in agriculture might well have threatened the stability of the banking system or at least of the Barbados National Bank. I personally believe — and I am firmly of the opinion — that agriculture must be designated as a developmental area, and I feel that we should not have a situation with the Barbados Development Bank where perhaps among its lowest disbursement you will see agriculture and fisheries.

Mr. SPEAKER ordered that certain words be expunged from the records.

The point I was making is that the decision not to put the Barbados Development Bank under the umbrella of the Barbados National Bank has turned out to be.....

Mr. SPEAKER: I have already heard this.

Dr. R. C. HAYNES: And that was struck from the record.

Mr. SPEAKER: I have already heard this and the Standing Orders make no provision for a Member to stand up there repeating himself.

Dr. HAYNES: To continue, Sir, if you were to look at the lending portfolio of the Barbados Development Bank on a cumulative basis — and I do not propose to deal with any single year because it does not make too much sense — if you are looking at the institution over the long term, you will find, Sir, and I am referring to the same document which was laid before this House, the Barbados Development Bank Twelfth Annual Report 1980-81, pages 34 and 35 which contain a cumulative analysis of loans approved by the Bank between the period 1969 and 1981, that 55.1 per cent of the total displacement of all soft loans from the Barbados Development Bank went into the tourist sector, and what is even more critical is that 44.7 per cent of that 55.1 per cent actually went into the building of apartments.

I need not indicate that this might truly represent a mis-allocation of resources and a mis-allocation of soft loans, because if you look at the employment generated by apartments as compared with other sectors even within the tourist industry, you would find that apartments are not a tremendously labour intensive sector of the tourist industry. Guest-houses got 0.2 per cent. It is my feeling, Sir, that expansion of guest-houses in Barbados might be the most effective way of localising the industry, well not the most effective way, but might go somewhere towards localising the ownership of the industry and certainly reducing the kind of expenditures that we might have to make in relation to every dollar that we earned in the tourist industry. Perhaps that is an area that the Central Bank could probably look at in the future.

The Bank in its Report seems to have taken the point that there was some misdirection of the main thrust of economic activity. Since 1978 I have argued that it was wrong to continue to provide fiscal incentives and soft loans in Barbados towards the hotel sector because you would be reaching a stage where by producing too many rooms that fact in itself would be a major stimulus for increasing and maintaining high hotel rates.

5.20 p.m.

Particularly when you examine the real equity participation by many of the local people who have taken advantage of that facility, some in a positive, some in a negative way, the equity participation is so low that unless they can maintain either a high occupancy or in bad times, high rates, then the investment can be highly compromised. From a banking point of view, I doubt whether it was wise for any lending institution to invest so much money in one particular sector of the economy. That is my own view on the matter.

I think the decision which the Deputy Prime Minister spoke about, the limitations of building for particular zones in Barbados, is all good. But the more important argument is not merely an environmental one

and you only have to drive down the St. Lawrence Gap to see how that area has been destroyed by bricks and concrete over a 13 year period. I was shocked, Sir, when I went down there about three weeks ago — I had not gone for about three years or thereabouts and I lived there about 13 years ago — and the whole area has been totally destroyed by a mass of concrete blocks.

So one argument, Sir, is the argument from the environmental point of view but a much more serious economic argument is the danger of over-expansion of plant which cannot accommodate the pressures when there is an element of recession within the industry. That is one of the main reasons why there is such a powerful demand to keep prices up in the tourist industry which in turn is having a negative effect on the possibility of bringing that industry out of a recession.

I also note, Sir, with interest, that there has not been any significant proportionate increase in relation to small manufacturing. I believe small manufacturing offers great opportunity in Barbados and only some two percent of the disbursements have been in that area. The agricultural figure is low but I think that one has to take into account that that portfolio was removed, and the same for fisheries, so there is not much point commenting on that in the context of this Report.

In the industrial sector, it is disappointing that in an area when it was essential and when it was very good to recognise quite early that the trend in manufacturing would have been most important to Barbados — and the Minister responsible himself has on more than one occasion indicated that he was hoping not to get a down-turn in manufacturing this year but hoping that manufacturing this year would pick up the slack that was evident in other sectors — here, Sir, we find that the growth in terms of disbursements was only somewhere in the region of \$0.3 million. And worse than that, there was a decrease in the estimated employment opportunity to be generated consequential on those loans and an admission that there appeared to be a change in the capital employment ratio in the kind of investment being approved by the Barbados Development Bank. Now, that is something you have to watch.

I remember years ago, when you applied for fiscal incentives or you applied to the Barbados Development Bank, one important criteria in determining whether that application was suitable or not, was whether the investment would — in the short term, and the long term produce enough jobs for the people of Barbados. But when you can get even a modest increase in the amount of money disbursed and yet get a significant fall in the anticipated employment to be generated, it suggests that you need to look a bit more carefully in that area (*Asides*). Yes, it is more capital intensive. It is whether or not you have taken a decision that capital rather than labour should take priority in the assessment of the

Barbados Development Bank loans. That is a decision that the Bank has to take and one that you have to face up to.

In the area of small businesses, Sir, I was surprised to see that the main area of growth was in the area of mini-buses, trucks and mobile canteens. Now here it would seem to me that there is no harmonisation of the policies of the Government itself, of the Ministry of Transport and with the lending policies of the Barbados Development Bank. I am not suggesting for one minute that Government should interfere with the valuation of loans or in any way interfere with the internal affairs of the Barbados Development Bank but where I have heard a transport policy articulated on the Floor of this House which would suggest that the Transport Authority through its bus fleet — an expanding bus fleet — would be the main area of development in the future; and where the people of Barbados are being subjected to a Transport Levy which would not be tax deductible. Members may be shocked to hear, not be tax deductible — when one is exposed to this kind of thing and then we find an arm of Government — an important arm of Government, namely, the Barbados Development Bank — having as its main growth area the lending of money for the purposes of the purchase of mini-buses; then we begin to wonder.

I also, Sir, suspect that the amount of money lent out in trucks, many of them might well turn out to be bad loans because many of those loans were predicted on a given level of capital development which would dictate the level of trucking activity in Barbados and there is going to be a significant fall off in that area whether you like it or not — and I doubt whether many of the recipients of those loans will be able to meet their obligations to the Barbados Development Bank. So the Bank must do its own independent study and I would strongly advise them to look more carefully at the information coming out of the Central Bank than the information coming out of the Ministry of Finance because they are much more likely to take an objective opinion in terms of the long term viability of any loan or any sector of their lending portfolio by relying and making their projections from the Central Bank figures rather than from the hopeful statements of the Ministry of Finance.

Sir, another area that has surprised me has been in the area of small manufacturing where although there has been a redefinition and a reclassification of these loans, where the ceiling has now been up to \$100,000 in terms of defining what is a small loan, nevertheless in that context, the increase has only been marginal in 1981 and indeed, Sir, it would appear that the only area that has shown even a spectacular increase in small manufacturing, has been the manufacture of metal coffins. I presume that if the economy continues in its present state then that

area of business would do better and better as time goes on.

Now, Sir, I would like to refer to one or two other things and to pursue a little bit, this argument in relation to the Barbados Development Bank and agriculture and come quickly towards the Barbados National Bank which would have to constitute a major debate in due course in this Honourable House.

5.30 p.m.

As I see it, I would think that now that fiscal incentives would have been substantially withdrawn from any new investments — I hope this applies to any new investments in the tourist sector — that there would be an opportunity for the Government to define at least one new area as a developmental area. I believe that area must be agriculture because, Sir, I think that here, you are not only dealing in the area of savings, but you are dealing with the area of potential export earnings, and depending on how much is structured, that your cost of those export earnings can be maximised or minimised.

I know, Sir, that substantial concessionary financing has been available to the agricultural sector. But, as the honourable Member for St. Andrew — although he could never agree with me on anything when he is sitting where he is sitting now — nevertheless, would go down into St. Andrew not realising that the Press was there and say that he agreed that the way in which small agricultural peasants were handled at the Barbados National Bank was not satisfactory.

I do not see anything wrong, Sir, with the officers of that division, I think that it requires a special kind of expertise — just as I believe, Sir, that it requires a special kind of thinking to be brought to bear on development banking as distinct from commercial banking or, as distinct from central banking. A different kind of mind. And, also a different kind of mind is required in order to deal with the agricultural sector of any development banking sector.

The whole question of collections, the whole cycle of advances and the cycle of disbursements in a given — all these things are somewhat different, Sir, within the agricultural sector. If we are serious, if we are really serious, when you are taking up some \$24 million of the workers' money — sorry, \$12.5 million of the workers' money — and making it available for the purposes of capitalising an ailing industry, an industry,.....

Mr. SPEAKER: I am appealing to the honourable Member to sail away from this, kindly.

Dr. R. C. HAYNES: Sir, when an attempt, a serious attempt is being made to restructure a major industry

which forms the foundation of our agricultural sector, I think we have to look at the status and the capacity, not only from the point of view of the availability of money, but also from the point of view of the managerial capacity and the kind of extensive services within the banking sector that would be necessary in order to make that a viable proposition. In other words, what I am saying is that there is a special kind of arrangement that is required for the effective linkage between the financing of agriculture and getting that finance to the owners of the plantations or the owners of small lots and to turn that into a working proposition in the long term for this country. I believe, Sir, that we can do this. But, I believe that if we allow things to continue as there are that you will find that in due course, you might find yourselves having to finance important sectors of the agricultural industry out of the taxpayers pockets in Barbados. Now is the time to look at the management structure of your financial institutions that relate to agriculture and fisheries.

Now, Sir, I understand that it is within the Capital programme — and of course, capital programmes and four years plans, particularly, by the present Administration constitute more a matter of hope than a matter of reality. I would think, Sir, that particularly where you might be thinking down the line of a major harbour — fisheries development in the Bridgetown area, in Speightstown and Oistin, a recapitalisation of the sugar industry, a revitalisation which is very dear to the heart of the Hon. Minister of Agriculture, new inputs into non sugar agriculture, new marketing techniques; I believe we need a financial institution to match that.

And I wonder whether or not the Development Bank is not the place where it should be. I know that everybody wants to get rid of it. Everybody clearly wants to get rid of it. But you need a new thrust in this area and we have to take the decision, as parliamentarians, as to the particular area of development in which that financial institution should be placed. And, any examination, Sir, of the annual account of the Barbados National Bank would support the position that the agricultural portfolio is one of — I would not say the major — is one of the major causes for the recurrent losses being incurred by the Barbados National Bank in Barbados and, its failure to make the kind of profits — despite the relative privileged position in many respects — in relation to, in comparison to other commercial banks in Barbados.

So, therefore, I think that I have tried my best to look at this Report and try to review what has been happening in the area of the Barbados Development Bank activity and look at it in the wider context.

I would like to make one other point Sir. I noticed that the Barbados Development Bank seems to be putting a lot of emphasis on a theoretical basis on the financing of

restaurants and so on within the tourist sector. Let me, Sir, give a warning — not a threat or anything like that. If you were to go to any international bank in the world and ask them what portfolio of loans have the highest mortality rate, they would tell you, it is the restaurant business. For some curious reason, it has the highest mortality among all banks — the Bank of Nova Scotia, on a world wide scale, Barclays or anywhere else. So, either the Barbados Development Bank had better be a little careful how they set about making major investments in the restaurant sector in the tourist industry because in my humble opinion, Sir, I do not believe that there is any new wisdom which the Bank can impart to persons involved in that area of business and it is one that one has to be very cautious about.

I also hope, Sir, that with the new Transport Authority that is supposed to be coming into effect in the not too distant future, that bank would try to harmonise its policies in relation to lending, in relation to the entrepreneurial aspects of ground transport to harmonise that with any overall policy which such an authority may have. Now that is what I conceive to be the true function of a development bank. It is not necessarily a surrogate of Government. It does not necessarily have to do what the Government tells them to do. It might even defy the law, from time to time.... (Hon. H. B. St. JOHN: Oh Yes?) and refuse to be included, as a scheduled institution, in an Act passed by this Parliament and with justification. And, this statement, Sir, is an indication of the wisdom of the Bank, in that regard.

So, I hope now, Sir, that the opportunity will be taken to review the whole area of agriculture and see whether or not the Bank would not take back agriculture or lend some of its services to set up a separate institution for the financing of agricultural development, in Barbados.

Thank you very much, Mr. Speaker.

Rt. Hon. J. M. G. M. ADAMS: Mr. Speaker, Sir, the honourable Member has spoken for 35 minutes and said nothing. So, it is really very difficult to reply to his speech and I will not attempt to contest his knowledge of the restaurant business, under the portfolio under the Bank of Nova Scotia. But, Sir, we have Rules in the Honourable House. Clearly, they are not sufficiently severe about saying things that are not true about people. 5.40 p.m.

Now, nobody will ever be able to extinguish from the records of the House — and they will be out within a week now — that the Barbados Development Bank may or may not have lent money to the Master Mart supermarket. The honourable Member said that he did not know. Now, you cannot come in this House and say

of a doctor — or you should not be able to come in this House and say of a doctor — that I do not know if he is an abortionist, or I do not know if he diagnoses diseases of people that he knows they do not have, so that he can charge larger fees. Obviously you should not say this of anyone, so to come in the House and say you do not know if it is true, or you do not know if Master Mart got a large loan from the Barbados Development Bank is the kind of statement of a quality that I for one, would rather not see made in here. Obviously if Master Mart has not got a loan, he should not say anything about it at all.

The Wonder Bakeries issue was very fully canvassed in here. The Chairman of the Barbados Development Bank owns less than ten per cent of the equity of Wonder Bakeries, unlike a former Chairman of the IDC who participated fully in a meeting about selling the IDC's land to a private company in which he had an interest to the extent that it excited a comment on a public platform which a judge found to be justified — that the Chairman could have gone to prison for participating in that. Even at the eight per cent holding which the Chairman of the BDB has in Wonder Bakeries, he made it clear that he was not taking part in any discussion on the application for the loan to the bakery.

There is something perhaps that honourable Members should get into their heads about banks. A bank is not necessarily doing you a favour when it is lending you money. Barbadians think very strongly that all bank loans are a result of favours, but the banks have to find somebody to lend the money to. Money is no use to a bank in the vault. Banks are there for the business of making loans so as to get interest and earn income. You and I lend money to banks, Sir, and they pay us interest on our money when we have current deposits, and you and I, Sir, I believe, probably also borrow from banks, so we disobey Colonius' injunction on both counts — "neither a lender nor a borrower be." Most people are both lenders and borrowers, but it is the lender who does the favour to the bank, who lends the money to the bank to get money, but it is the borrower who also does a favour to the bank by borrowing.

Now, when this matter was first canvassed in here I said quite clearly that it was not that Wonder Bakeries needed to get money from the Barbados Development Bank, but that the Barbados Development Bank needed industrial borrowers to take up its industrial portfolio and it sought out the business. At the moment the Barbados Development Bank has substantial funds in its portfolio for tourism, but a number of applications for tourism loans for one reason or another are not satisfactory — people with bad records trying to borrow more money, people who have already borrowed a great deal are trying to borrow more, some non-nationals or apparently non-nationals seem to be trying to get in

on it. For one reason or another the tourism portfolio is ample with funds at the moment.

We have seen statements in the Press by the Chairman to the effect that there are funds available in the Barbados Development Bank for on-lending to tourism, and that people are not coming to take them up, so the Barbados Development Bank has to look for business just as it has to look for funds.

When its industrial portfolio is insufficiently used, it looks to Wonder Bakeries. I understand the honourable Member for St. Michael South Central wants a loan to help him build the hotel in Hastings, to develop the property in Hastings. The honourable Member will receive as favourable consideration as anybody else, even from these people that he has leaned on verbally. I cannot say abused, because he has not really abused them. That is the nature of banking and we must get out of the idea of seeing every transaction with the Barbados Development Bank as some kind of political favour, or personal favour, or family favour.

We have got right out of all that. Indeed I do not think that that is true, except for a bad period in 1973, 1974 and 1975 when it seemed that only relations of honourable Members who then sat opposite were eligible for loans from the BDB; a very bad period. Brothers of Members of the Opposition, wives of Members of the Opposition, Members of the Opposition, and so on, for some time monopolised all the BDB loans. (Mr. P.M. GREAVES: I have never had a loan from the BDB, nor my brother, my wife, my cousin).

The honourable Member is saying he never had a loan from the BDB — his specialty was houses, not loans. You said that neither you, your wife, your brother nor your cousin had a loan from the BDB. I do not believe you would say the same thing about a house from the Housing Authority, but I am not trying to torment the honourable Member, he has not troubled me, I must not trouble him.

As I say, there was a passage when this was so. It was commented on on political platforms, I commented on it. Some of the loans are bad loans, unfortunately, but they are not necessarily bad loans because they were made to members of the Democratic Labour Party. They may be bad loans because they were made at a time when business was bad, 1974. That is the whole point. The BDB is a strikingly independent institution and it has been strikingly successful in the last two years. (ASIDE).

The honourable Member in an aside is saying the last 11 or 12 years. Nobody could call the BDB successful during the period it had the Bath Plantation loan on its books, because the Inter-American Development Bank

came here and said that the BDB could not have been considered a financial institution capable of receiving overseas aid while it had that loan on its books. That loan so totally corrupted the portfolio, that the Bank became non-viable until we took Bath off the BDB's back. So you cannot say 11 or 12 years, it is two years, three years when the Barbados Development Bank could do nothing because of the whole stinking nature of the Bath loan. But I am not even harking back to those days, I am just trying to bring it up to date.

I believe it is true that the restaurants have a bad record with the BDB. I do not think that the honourable Member was trying to be offensive to one of his colleagues, but there is abundant expertise on that side of the House as to how difficult it is to maintain loans on restaurants, even loans at developmental rates of interest. So the Barbados Development Bank administrators obviously are going to take care in respect of that sort of loan. As it happens, the loans which they have lent to small restaurateurs in Barbados recently have been successful loans, as it happens.

I could not quite make out what the honourable Member was saying about its being wrong to put the BDB under the Barbados National Bank. Did the honourable Member say that?

Dr. R. C. HAYNES: What I was trying to indicate was that the Bank was right in insisting that it should probably remain a separate institution rather than come under the umbrella of the Barbados National Bank.

Rt. Hon. J. M. G. M. ADAMS: The honourable Member's opinion coincides with the now conventional wisdom relating to the two institutions.
5.50 p.m.

The Barbados Development Bank has been able to establish a very close relationship with the Central Bank which is why when I heard the honourable Member saying about we must have an analysis made by the Central Bank of the Barbados Development Bank and that you can trust the Central Bank figures or something like that..... the BDB does have a close relationship with the Central Bank and the Central Bank has subscribed substantially to its equity.

The Central Bank is a shareholder in the Barbados Development Bank because the BDB is a statutory company with shares. If the honourable Member for St. Michael South Central came up with \$1 million and asked to buy shares in the Barbados Development Bank, I have no doubt that I would approve of the sale and he might even get a seat on the Board if he is willing to put up \$1 million. I could not promise him any dividends, but the Central Bank has put money in and will put a substantial

portion of last year's profits into the BDB again.

I am looking at an amount of \$3 million and this undoubtedly will help the equity position of the Barbados Development Bank a great deal; so the honourable Member again is expressing the conventional wisdom when he suggests that the Central Bank keep a look at the operations of the BDB and pay some attention to it. It is doing more than that. It is putting its money where its interest lies and becoming a really substantial shareholder and I think this is a good idea. Well obviously I think it is a good idea if I have to approve the investments of the Central Bank and persons who are going to invest in the Barbados Development Bank, so clearly the honourable Member and I are *ad idem* on this matter.

Now the honourable Member spent some time saying that a new area of the developmental area must be agriculture. The Barbados National Bank Act will shortly be amended. At least we will seek to amend it by a Bill in here. I do not want to anticipate the Bill, Sir, but it will delete developmental banking from the portfolio of the Barbados National Bank. I have not however decided at this stage to delete agricultural developmental banking, or agricultural banking generally. We are having a look at that.

The honourable Member for St. Andrew, when he was Minister of Agriculture, did express the view that the BNB was not doing enough at developmental level for small farmers. I have very little confidence that recent staff changes at the Barbados National Bank will do any more for farmers small, big, medium, cane, non-cane or whatever. I think that the staff structure needs strengthening and the Bank needs to decide how far it can make developmental loans.

The loans to the sugar industry by the BNB are fairly well stratified. The Government is by law compelled to pay \$0.5 million a year towards equity of the old Sugar Industry Agriculture Bank and we still pay this \$0.5 million into the funds of the BNB, but \$0.5 million is like nothing now, Sir. Half a million dollars is a week's out-of-crop wages in the sugar industry. The honourable Member very grandly said that \$12.5 million of the workers' money have been used to capitalise an ailing industry. Of the levy funds which have been put into the BNB, about \$2.5 million have been used to make equipment loans to big farmers, and about the same amount to small farmers. Indeed I cannot say of the levy fund; that is the whole portfolio for equipment capitalisation. None of the funds has been used for capitalisation in the sense of the factory.

The Government has bought equity, \$3.7 million. That is not a question of putting it into the Bank. That money has been put in and it has been used to buy shares

and make the Government the largest shareholder in sugar factories. It is my regret that the levy funds which have been deposited in the Barbados National Bank will effectively go towards satisfying not the capital requirements of the industry, certainly not in the short run, but the current requirements, namely, the wages which will be paid when the sugar crop starts, because the liquidity position of banks in Barbados today is such — and the wages in the sugar industry are so large — that unless you want what is now accepted on all sides to be disastrous money creation by the Central Bank as was done in April, 1976 to the sugar industry to pay wages, you are going to have to use every liquid resource to enable wages at any level — increase or no increase — to be paid this year.

Dr. R. C. HAYNES: On a point of elucidation, were you misrepresented when you said that \$5 million from the Central Bank had been advanced to the Barbados National Bank in order to enable the crop to start?

Rt. Hon. J. M. G. M. ADAMS: That is why I said “really disastrous money creation”. Why I said “really disastrous” is because of the requirements of the industry. The industry will need \$25 million this year and \$40 million next year; \$65 million in the two years will be required to be injected into the sugar industry just to keep it floating by the Bank. That is something that has not been understood, Mr. Speaker, and therefore the \$12.5 million of the levy have effectively gone to who Frank Walcott, the General Secretary of the Barbados Workers’ Union said it should have gone to in the first place. Effectively it was going to the workers because nothing else can be done with that money now.

It cannot be lent out to anybody else. The Barbados National Bank needs to hold it all there in order to advance to the plantation to pay the wages. This is one of the real paradoxes since I believe that the current dispute has arisen due to the infringement of the *amour propre* of the Secretary of the Barbados Workers’ Union in respect of the levies. He feels he was ignored over the levies and the workers should get the money. Now the workers are getting the money.

That is the joke — if a serious situation like this can be regarded as a joke — because without this money the Barbados National Bank will have nothing to advance to the plantations to pay wages. We are not advancing them to pay out-of-crop salaries. That is something that all those who have an ear to this concern should bear in mind. Not one cent. That is the crop advance. They are not going to be frittered out as strike pay that the Barbados Workers’ Union should be providing. Not one cent

will go to pay out-of-crop wages. But all that is, I believe, irrelevant to the Resolution, and I see you Mr. Speaker, looking at me to bring me home in this regard.

This Resolution has been ably introduced by the Deputy Prime Minister and what more can I say? The Bank is doing well, it is creating a lot of employment. It has a very outstanding Chairman, it has a good staff; I have confidence in the Manager; I have confidence in the incorruptibility and the integrity of the Bank; I am satisfied that it applies correct financial criteria to its disbursements. I am satisfied that it maintains an adequate spread between interest rates on its borrowings and interest rates on its lendings. I think it has a humane attitude; I think that more than all the other banks that have ever existed put together in Barbados, it looks after the interest of the small man, the man who is trying to rise in business. It seeks out the business of small people and develops such business.

I think we can all be proud of the Barbados Development Bank despite the fulminations against Senator Seale, the Chairman. I do not think that the worst enemies of the Barbados Development Bank could say that under Senator Seale — and indeed under your humble servant — it has been political in character and that its loans are politically motivated or politically biased.

6.00 p.m.

Well I think, Sir, I have never seen a division in here on the question of the Barbados Development Bank and I would be most surprised to see a division on this loan today. I have never seen anything that has come in here on the Development Bank that should excite political controversy or political discomfort in this country and I hope that honourable Members would support this.

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

ADJOURNMENT

Hon. L. S. CRAIG: Mr. Speaker, that concludes Government Business for today, Sir, and I beg to move that the House do now stand adjourned until Tuesday February 23, 1982 at 12 o'clock noon.

The question that the House stand adjourned until Tuesday, February 23, 1982 at 12 o'clock noon was put and resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly.

6.03 p.m.