

THE House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 1981 - 86

HOUSE OF ASSEMBLY

Tuesday, January 11, 1983

Pursuant to the adjournment, the House of Assembly met at 12.20 p.m.

PRESENT

His Honour C. L. Bolden, LL.B. (Deputy Speaker)
Hon. L. S. Craig, (Minister of Parliamentary Affairs,
Leader of the House)
Rt. Hon. J. M. G. M. Adams, Q.C., M.A., (Prime
Minister, Minister of Finance and Planning)
Hon. H. B. St. John, Q.C., LL.B., (Deputy Prime
Minister, Minister of Trade, Tourism and Industry)
Hon. H. deB. Forde, Q.C., M.A., LL.B.
Mr. L. E. Sandiford, M.A., (Econ.)
Hon. Miss B. A. Miller, LL.B., (Minister of Educa-
tion)
Hon. L. B. Brathwaite, (Minister of Health)
Mr. J. G. Odle, B.Sc., (Chairman of Committees)
Hon. V. L. Johnson, B.A., M.A., (Minister of
Labour, Social Security and Sport)
Mr. B. M. Taitt, B.A. (Hons.), M.A. (Hons.)
Hon. DeL. O. Bradshaw, (Minister of Housing and
Lands)
Mr. L. L. Sisnett, (Parliamentary Secretary, Ministry
of Tourism)
Hon. Dr. R. L. Cheltenham, B.Sc., (Econ.) M.Sc.
(Govt.), PhD., (Minister of Agriculture)
Mr. P. M. Greaves
Mr. R. E. Brathwaite
Hon. Dr. D. G. Blackman, B.A., (Phil., Econ.), M.A.,
(Phil.), PhD. (Socio.) (Minister of Transport and Works)
Mr. H. A. Blackman
Mr. A. A. Truss

Prayers were read by Archdeacon F. A. Cayless.

Mr. W. O. FRANKLIN and Dr. R. C. HAYNES
entered the Chamber and took their seats.

MINUTES

Mr. DEPUTY SPEAKER: The Minutes of the Meet-
ing of Wednesday, December 1, 1982, I am advised, have
been printed and circulated.

Hon. L. S. CRAIG: Mr. Deputy Speaker, I beg to
move that the Minutes for Wednesday, December 1, 1982
be taken as read.

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

Mr. DEPUTY SPEAKER: Unless there are any
observations on these Minutes by any honourable Mem-
ber, the Minutes stand confirmed.

ANNOUNCEMENTS BY HIS HONOUR

Mr. DEPUTY SPEAKER: I am to announce that I,
as Deputy Speaker, received, on January 6, 1983, a letter
from the Clerk of the House, which reads in part as
follows:-

"By information of a medical certificate received
by me today, His Honour, the Speaker of the House
of Assembly, is ill and is unable to perform his
duties as Speaker hereafter before the 20th
February, 1983."

I am also to announce that I have received the
Auditor General's Report and the results of the examina-
tion of the Accounts of this island for the year ending
31 March 1982, together with the relevant statements and
accounts.

Also, I am to announce that I have received the Accounts and Statements for the month of October, 1982 prepared by the Accountant General.

PAPERS LAID

Hon. L. S. CRAIG: Mr. Deputy Speaker, I am commanded to lay the following:

The Annual Reports of the Caribbean Broadcasting Corporation for the years ending 1978 and 1979.

The Barbados Citizenship (Amendment) (No. 2) Regulations, 1982.

The Immigration (Forms and Fees) (Amendment) Regulations, 1982.

The Passports and Travel Documents (Fees) (No. 2) Order, 1982.

Hon. V. L. JOHNSON: Mr. Deputy Speaker, I am commanded to lay the following:

The Annual Report of the National Training Board for the year April 1981 – March 1982.

Hon. L. S. CRAIG: Sir, on behalf of the Prime Minister I am commanded to lay:

The Civil Establishment (General) (Amendment) Order, 1982.

Also, on behalf of the Minister of Finance & Planning:

The National Petroleum Corporation (Supply of Natural Gas) Regulations, 1982.

Messrs. N. K. SIMMONS and M. A. KING entered the Chamber and took their seats.

GOVERNMENT NOTICES

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

Resolution to approve the Civil Establishment General (Amendment) Order, 1982.

Resolution to approve the compulsory acquisition of land at Welchman Hall, St. Thomas for the purpose of constructing a Police Station and Magistrate's Court.

Resolution to amend the Resolution No. 31/1979.

Resolution to approve the compulsory acquisition of land at Baywoods, St. James, for the provision of recreational facilities.

Resolution to annul Resolution No. 76/1982.

Resolution to approve the borrowing of the sum of U.S. \$13 million (Bds. \$26 million) from the Royal Bank of Canada (Barbados) Ltd. for on-lending to the National Petroleum Corporation to purchase the assets of Mobil Exploration Barbados Inc. and the common stock of Mobil Exploration Barbados Ltd.

Resolution to increase the annual salary payable to the Governor-General with effect from 1st April, 1982.

A Bill to reform the law relating to abortion.

MOTION RE RESOLUTIONS UNDER GOVERNMENT NOTICES

Hon. L. S. CRAIG: Mr. Deputy Speaker, I hope that by now Members on the other side would have received the Resolution to annul the Resolution No. 76/1982 as well as the Resolution to approve the borrowing of the sum of US\$13 million. I hope that they have received these papers by now, since I propose to do them in all of their stages today.

I spoke with the Deputy Leader of the Opposition earlier in the morning and intimated that it was the desire of the Government to have this matter dealt with. I have not heard from him since, but it is likely that we will discuss this in a few minutes time. However, I am going to seek the leave of the House later in the day to have this matter dealt with in all of its stages.

Mr. L. E. SANDIFORD: Mr. Deputy Speaker, in respect of the matter raised by the Leader of the House, I would like to have it known that we are starting this year in a very co-operative way as far as the people's business is concerned and we are prepared to deal with this matter later in the day.

Hon. L. S. CRAIG: I would like to thank the Deputy Leader. I am quite sure that they have been rather co-operative during last year and I am quite sure they will continue with that this year.

Mr. DEPUTY SPEAKER: In view of what the Deputy Leader of the Opposition said, would you like to seek leave now?

Hon. L. S. CRAIG: Yes, Mr. Deputy Speaker. I beg to move that, concerning the two matters which I referred to just now, I have the leave of the House to deal with them in all of their stages some time during the course of the day, Sir.

Mr. DEPUTY SPEAKER: Leave is granted.

Rt. Hon. E. BARROW entered the Chamber and took his seat.

REPORTS FROM SELECT COMMITTEES

Mr. J. G. ODLE: Mr. Deputy Speaker, I have the honour to present the Interim Report of the Select Committee on the Emergency Powers Bill, 1982. The members of the Committee are: J. G. Odle, Esq., Chairman; Rt. Hon. J. M. G. M. Adams, Q.C.; Hon. H. B. St. John, Q.C.; Hon. L. R. Tull, Q.C. and Hon. H. deB. Forde, Q.C.

The Committee begs to report to this Honourable House that members have considered in detail the written submissions by interested persons to the Committee.

Also, on the advise from the Ministry of the Attorney General, the Committee proposes to consider suggestions for amendments to the Bill arising *inter alia* from those submissions.

The Committee therefore begs to report progress and asks for leave to sit again.

Mr. DEPUTY SPEAKER: If there are no objections, leave is granted for further sittings.

Rt. Hon. E. W. BARROW: On a point of order, Mr. Deputy Speaker. Under the provisions of the Standing Orders, Select Committees are empowered to deliberate for a period of three months. At the end of that period, the Committees become *functus officio* unless they have reported.
12.30 p.m.

My recollection is that, some time in October, this House granted an extension of two months to the Committee, which period, subtracting the time that we have been in recess, would expire, I believe, at midnight tomorrow.

The Chairman of Committees, who is the Chairman of that Committee, has asked for leave to sit again. But due to the fact that his time expires tomorrow, unless he proposes to report by, let us say, noon tomorrow, a limitation has necessarily got to be set on the time within which he reports. That is the point I am making. It could not now be an open-end game; so I would just like to tidy that up.

We are not objecting. If the original Committee could only sit for three months, then they had an extension for two months, it cannot be an open-end game.

Mr. DEPUTY SPEAKER: You are not objecting?

Rt. Hon. E. W. BARROW: Not objecting, provided that his extension has a limit on it.

Mr. DEPUTY SPEAKER: But he asked for leave to sit again and leave has already been granted. I believe you will have to take that up on another occasion.

Rt. Hon. E. W. BARROW: I do not quite follow you, Sir. Leave has been granted for him to sit again? Do you mean until this Parliament dies under the Constitution? When I say "dies", I do not mean *rigor mortis* and that kind of thing; I mean is phased out in two to three years' time.

The point I am making is that if he is asking for leave to sit again, the House, in giving leave to sit again, must ask the Chairman to report within a certain time. Otherwise, it is now in a better position than the original Committee.

Mr. J. G. ODLE: Mr. Deputy Speaker, I do appreciate the comments of the right honourable and learned Leader of the Opposition and I should like to amend the Report to read, "for a period of eight weeks hence".

Mr. DEPUTY SPEAKER: If there are no other objections, an extension of eight weeks will be granted to the Honourable Committee to sit again and report.

FIRST READING OF BILL

On motion of Hon. L. S. CRAIG seconded by Hon. L. B. BRATHWAITE, a Bill to reform the law relating to abortion was read a first time.

ORAL REPLIES TO QUESTIONS

Hon. L. S. CRAIG: Mr. Deputy Speaker, I beg to give notice that Oral Reply to Parliamentary Question No. 18, asked by the right honourable Leader of the Opposition, is now ready.

I should also like to inform the House that Oral Replies to Parliamentary Questions Nos. 17 and 19, which were asked by the right honourable Leader of the Opposition but which were held over because of his absence, are also ready.

ORDERS OF THE DAY

SUSPENSION OF STANDING ORDERS

Hon. L. S. CRAIG: Mr. Deputy Speaker, I rise to suspend a number of Standing Orders before I move the House into Committee of Supply. But I believe, Mr. Deputy Speaker, that I would be failing in my duty, since I know this is the first time — under very trying circumstances, and very sad ones — that you are occupying the Chair during your span of time in this august Assembly, if I did not give you the assurance and reassure you that we on this side are going to co-operate with the Chair

at all levels so as to make what I know can be a very difficult task sometimes as easy as possible for you. I am quite sure I say this for all my colleagues on this side.

I beg to move that Standing Orders Nos. 6, 16, 18, 20, 42(5) and 44(1) be suspended for the remainder of today's sitting.

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

Mr. L. E. SANDIFORD: Mr. Deputy Speaker, needless to say, I endorse the words of the Leader of the House in respect of the co-operation which will naturally be yours as you occupy the Chair. We will certainly continue to follow the rules from this side and co-operate in any way.

We are at the start of this session and we have a motion for the suspension of Standing Orders. There has been no intimation to this side as to the reasons why the Standing Orders would be suspended. I think we have the rules as set out in the Standing Order, and if there is some special reason today why the Standing Orders are to be suspended, I think we can start this session right, and I think the Leader of the House can be gracious enough to tell us why it is he will be suspending the Standing Orders.

On this side, we have not been given any reason why the Standing Orders should be suspended, and we have business, both in terms of questions and in terms of Private Members' Business.

But that apart, I believe that it should be a courtesy extended for the proper running of this House, that when the Standing Orders are being suspended some reason be given to the House why the Standing Orders are being suspended. I think courtesy demands that.

Hon. L. S. CRAIG: Mr. Deputy Speaker, I am going to be more than gracious in replying to you. I cannot ever remember, since I have been Leader of the House, ever giving the other side a reason why the Standing Orders are to be suspended.

You have been a Government Minister for several years and the demands of Government business at some time would demand the suspension of the Standing Orders.

What I thought you may have mentioned is that on more than one occasion I had given the assurance that during the course of the day we would try to accommodate you with Private Members' Business. I think this is what you would have hoped to hear.

I am very gracious in giving you a reply, but I know it is not customary for me to say why Government business demands it on this occasion.

Mr. B. M. TAITT: Mr. Deputy Speaker, on this matter before the House, I wish, first of all, to say it is a pleasure to see you in the Chair.

It is well known that it is the right of the Government to suspend the Standing Orders or to ask leave of the House to suspend the Standing Orders. It is also known, Sir, that the Government side, whichever side it is, will have the numbers, if the matter go to a vote, to have the Standing Orders suspended.

But, Sir, there is a matter on the Order Paper from this side of the House which is of grave importance to the people of Barbados. The business which we have to do today, according to the Order Paper which has been circulated, suggests that all of us have some idea of what the priorities are, and we are suggesting on this occasion, while the Minister can say Government Business demands it, that some assurance as to Private Members' Business within a proper time period, be given.
12.40 p.m.

It is useless, if we are going to deal with a matter concerning the people of Barbados, to deal with that matter at 7.30 p.m. this evening. That would be totally useless and I think, Sir, all honourable Members in this Honourable House, who are familiar with the methodology of debate and the cut and thrust, would appreciate that the matter which has been pending, and which has been held over, is of sufficient importance that the Leader of the House could accommodate us in a better way.

Mr. DEPUTY SPEAKER: Are you asking

Hon. L. S. CRAIG: Mr. Deputy

Mr. DEPUTY SPEAKER: Are you asking the Leader of the House to find time to accommodate a Private Member's motion during the course of the day?

Mr. B. M. TAITT: Yes, Mr. Deputy Speaker, if he is suspending the Orders, we would like Private Members' Business to fall in the normal time spot it would have had had the Standing Orders not been suspended.

If we had had an opportunity to discuss this we might be able to say to the honourable Member

Mr. DEPUTY SPEAKER: What you are really asking is that there will be time for discussion between the two sides as to when Private Members' Business will be taken during the course of the day. I am sure the Leader of the House will deal with that.

The question that the Standing Orders be now suspended was put and resolved in the affirmative without division.

On the motion of Hon. L. S. CRAIG, seconded by Hon. L. B. BRATHWAITE, Mr. DEPUTY SPEAKER left the Chair and the House went into Committee of Supply, Mr. J. G. ODLE in the Chair.

COMMITTEE OF SUPPLY

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

SUPPLEMENTARY ESTIMATES 1982-83 No. 13 — \$78 629 HEAD 14 — ESTABLISHMENTS

Hon. H. B. St. JOHN: Mr. Chairman, Sir, this Head, and a number of subsequent Heads, contain provision to implement a decision that has been taken by the Government as a result of negotiations with trade unions and the Civil Service to increase the travelling allowance of civil servants from July 1, 1981.

Obviously, Sir, provision was not made, there the exact agreement not being known at the time of the preparation of the last Estimates. It is now the last quarter of the Financial Year and supplementary provision will have to be provided if the respective votes are not to be exhausted.

I beg to move that Head 14, Subhead 2, do now stand part, Sir.

Hon. Dr. R. L. CHELTENHAM: I beg to second that.

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

HEAD 18 — AUDIT

Hon. H. B. St. JOHN: Sir, there is a slightly different explanation; it is for the same purpose.

I think honourable Members are aware that the Auditor-General has been on sick leave for a considerable period of time and it is necessary that special provision be made for the payment of the Acting Auditor-General, the requisite allowance that would be paid to the Auditor-General for travelling and for entertainment allowance.

The Auditor-General is not deprived of his entertainment allowance while he has been ill, and he gets a certain part of his travelling too, Sir. The explanation sets it out.

We cannot say exactly when the situation will change but we want to make provision for this. The explanation is set out under Item 2 and under Item 6.

I beg to move, Sir, that Head 18 do now stand part, Sir.

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

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

HEAD 19 — MINISTRY OF FINANCE AND PLANNING

Hon. H. B. St. JOHN: There is a similar explanation, Sir, with respect to this Head, Sir.

I beg to move that Head 19 do now stand part.

Hon. Dr. R. L. CHELTENHAM: I beg to second that.

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

Mr. B. M. TAITT: Mr. Chairman, Sir since all of these matters have the same explanation, I thought I would wait until we got to the Ministry of Finance to ask this question.

I am told by a number of civil servants, who are in the travel schedule, that, in the last year or so, in particular, but especially during the last two years, some considerable time has been elapsing from the time the officers submit their claims for their travel expenses and the time they actually receive their emoluments under this Head.

Now, Sir, I am also told that it has brought a considerable amount of distress among a number of these officers, precisely because they tend to operate on a systematic basis with their respective gas stations *et cetera*. Many of them have had their credit cut off and, in the present economic situation, you will appreciate that that can add untold burdens to a household.

I wonder if the Minister would take this opportunity to, first of all, establish whether what I have said is factual, secondly, to explain to this Chamber why this situation occurs, if it occurs, and, thirdly, what he proposes to do to ensure that, when this Honourable Chamber says to the civil servants that they are entitled to a travelling allowance, they will get that travelling allowance in a reasonable time and within a time period that would be acceptable to reasonable persons.

That is the query I will raise at this time, Sir.

Rt. Hon. J. M. G. M. ADAMS: The honourable Member is asking a very difficult question indeed. He is asking me to confirm whether or not something which he says is true. I would have some difficulty with that, but I would promise the honourable Member to investigate most carefully any allegations of late payment in respect of travel allowance.

HEAD 33 – PROBATION DEPARTMENT –\$10 000

Rt. Hon. J. M. G. M. ADAMS: I beg to move that Head 33 stand part.

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

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

SUPPLEMENTARY ESTIMATES 1982–83 No. 14

HEAD 75 – MINISTRY OF THE ATTORNEY
GENERAL – REGIONAL POLICE
TRAINING CENTRE – \$41 716

Rt. Hon. J. M. G. M. ADAMS: Sir, it appears that the kitchen at the Regional Police Training Centre has never been entirely satisfactory. The floor was never adequately graded, the ventilation system was ineffective, at the time when the kitchen was condemned, when 70 closed properly, and there were a number of defects in the ceiling. Maybe that was with the passage of time, Sir, but they provided abundant breeding ground for various insects.

The Ministry of Health, on visiting the premises to see whether they could obtain a licence under the Health Service (Food Hygiene) Regulations, were obliged to condemn the kitchen entirely. Rather than close it down at the time when the Kitchen was condemned, when 70 recruits were being trained and also a Sergeants' Course going on, the Government asked the Medical Officer of Health to hold her hand and undertook to upgrade the kitchen.

The Ministry of Transport and Works has examined the facility and they have given an estimate of \$41 000 for doing the work. The kitchen floor will be regraded, a proper exhaust system with extractor fans will be put over the cooking and heating appliances, all the working surfaces and tables that have deteriorated will be replaced with stainless steel or other durable material, cupboards will be built and rebuilt to provide adequate storage for the utensils, a new sink will be installed, a new hot water system will be installed and relocated outside the kitchen, and proper grease traps and drainage arrangements will be made. There will also be re-tiling.

This is very necessary repair, Mr. Chairman. Fortunately, the people who attend the Regional Police Training Centre are strong young men and women and have not suffered any outbreaks of disease occasioned by the inadequate premises, but we really cannot let it go on any longer, and the Government should, of course, set the example.

We are therefore asking for a supplement of \$41 000 for upgrading the kitchen at the Regional Police Training Centre.

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

Mr. TAITT: Mr. Chairman, Sir, I listened very carefully to the Prime Minister, who spoke about the Regional Police Training College in very restrained tones, but there was a sentence he uttered which mystified me. He said that the Ministry of Health had condemned the kitchen – I am sure I heard him say that – but that the Government had told the doctor, the lady in charge, the chief, to hold her hand.

Coming on top of another statement where I saw that the Minister of Health is now the person who pronounces on illness at the hospital, I am beginning to be a little concerned about how this Government actually sees itself. Not how it functions; I have my position on that clear already – it does not; how it sees itself.

I cannot understand how it is possible for the Ministry of Health to hold its hand if, in fact, the kitchen was as the Prime Minister said. It was either condemned or not condemned.

When the Public Health Inspector goes to the little shops in Baxters Road or the other places and he condemns them, at the same time a bar goes across the door – shut down, close, kaput. Now we hear from the Prime Minister that the kitchen at the Regional Training Centre was condemned but they, somehow, got the lady to hold her hand.

I do not understand that. I will go no higher than to say I do not understand how you can get the health authorities, who are professionals, and who do not rely on ministerial direction for carrying out that aspect of their duty, to hold their hands. I do not understand it.
1.10 p.m.

While I am speaking on the Regional Police Training Centre, I would also like to ask the Prime Minister, since I see that this is a new Subhead 7, Renovations and Improvements, what is the position in regard to the policy statement, made on more than one occasion by that Government, about a Police Training College.

It would seem to me that, in the context of upgrading the Centre, the whole question of a Training College has been mooted. I remember that some time last year, early last year, at a Passing Out Parade, the Head of State was made to say that there would soon be a Police Training College. One got the impression that this was a

matter that had been decided and would be put in train during the year 1982.

On the occasion of the last Passing Out Parade — I happened to have a good young friend who was becoming a policeman and I went up to see the Passing Out Parade — I again heard some talk of the regional nature of the Centre, and, also, that it would be upgraded to the level of College.

I would like to ask the Prime Minister, since the Minister responsible for Police Affairs is not in the House at the moment, whether he is in a position to tell us what precisely the people of Barbados can expect in terms of the upgrading of the training of police officers in Barbados.

I think it would be tripe to attempt from the floor of the House to make any political hay of the new quality which has come to this Police Department. I think it is good for Barbados. But I do not think that it is unreasonable to say that at the moment, the officers at the top in the Royal Barbados Police Force probably constitute the best quality at that level the Force has ever had at any one time.

The first four officers of the Force now are reputed, among their colleagues, to be among the best policemen the Force has seen. But they have reached that pinnacle on more than one occasion because of their own initiative, and not necessarily because the facilities which are provided, and which have been promised by the former Attorney-General, are at the level which would allow that quality of training.

It would seem to me that crime has reached a new and sophisticated level. There may be, perhaps, the same quantity of crime, but there is a different quality of crime in Barbados today. I do not believe that now is the time to look for reasons, but we can deal with the facts. There are new and different kinds of crimes in Barbados and they require new and different approaches from the Police, which, in turn, suggest that we would need new and different means of training the police in Barbados.

It seems to me that there ought not to be too much difficulty in upgrading the level of the Training Centre so that persons would not feel that they have to go overseas for two-week courses, or two-month courses, in order to be competent, or at least to be acknowledged as competent, to operate at certain levels in the policing of Barbados.

It is well known, for example, that, in the Force, a man who passes the level of Inspector considers it the epitome of his career if he can get to be picked for a course at Bramshill Police College. There are varying and

sundry courses at Bramshill — persons have gone to do the Command Course and others have gone to do other courses — but the point is that going to that institution has become a very important thing in the minds of police officers. Having other courses overseas, with the accent on "overseas", has always been a star in the crown of an officer, if he is so selected.

I believe that we have reached the stage in Barbados where, while we would not do away with overseas courses where those courses can supplement our own training and our own expertise, we ought to have the highest possible level of training, we ought to have the highest possible quality of instruction and we ought to be able to foresee. There should be an element of foreseeability in the training of the senior officers and those who, from their potential, appear that they will go into the ranks of senior officers. We ought to be able to give them exposure and the level of training in the Caribbean that will assist us in the prevention of crime, to say nothing of the detection of crime.

I think it is remarkable, Mr. Chairman, that we have the Law Faculty in Barbados. Now, according to the law, all persons, or nearly all persons — because Trinidad and Tobago is now a law unto itself and they have gone off on a frolic of their own — almost all persons who are to become lawyers in Barbados have to pass through the Law Faculty and then go off to training in one of the two schools.

Therefore, it must be assumed that at least a percentage of the persons who are instructors and teachers at the Law Faculty would be capable of imparting some aspects of the law to other people. And yet, no provision is made in the training at the Police Training Centre, as far as I know, for any systematic exchange or systematic cross-fertilization of views between those who train the policemen in the practical aspect of crime detection and those who train what might be called their natural antagonists in the court room, but who, really, are after the same thing, or who are supposed to be after the same thing — in search of justice and the prevention of crime and the rule of law. It is remarkable.

I feel that some effort should be made. If the level of the Police Training Centre was raised to that of "college", and if a careful look was taken by the administrators, then the quality of training at the Police Training Centre would be bound to improve, and that in itself must redound to the credit of the community as a whole.

As I said, the Governor-General in his statement a year ago said that it was anticipated that the Training Centre would soon be raised to the level of 'college'. Since then we have heard nothing of that. Indeed, as I said, I heard some indication that the administrations in the various Caricom countries that still use the Centre

for training their policemen had not, in fact, seen the Centre seriously. If I remember correctly, the Attorney-General in his statement indicated that many of them had not been paying their dues, paying their share of the cost to train their policemen.

1.20 p.m.

I believe that a serious attempt has to be made, a serious commitment to upgrading the quality of policing in the region and more particularly in Barbados, and I hope that we will get some indication that is beyond the rhetoric from the Government that they are (a) taking this matter seriously, and (b) are in a position to tell us what we can expect in the not too distant future.

Hon. L. B. BRATHWAITE: Mr. Chairman, I rise to just address the points raised on the question of the health condition, which was pointed out by the last honourable Member (Mr. Taitt), at the Police Training Centre.

I want to make this abundantly clear, as some people like to be always very sensational when they make speeches. There was no question of any business place in Baxters Road being barred up as soon as an offence is committed, or a person fails to comply with the health regulations. It is only after long and very prolonged.....

Mr. B. M. TAITT: On a point of order: the honourable Member must have heard my speech, and I did not say that any place is barred up after an offence. What I said is where it is condemned. Surely the Minister of Health knows the difference between a condemned place and an offence under the Health Act, and I think it is misrepresentation to suggest that I said or indicated that a place is barred up on the commission of an offence.

Hon. L. B. BRATHWAITE: The honourable Member must talk. He is trying to outdo himself, and probably the honourable Member for St. Michael South Central, by rising to speak on all matters, but I am going to say exactly what I am prepared to say.

When a place is condemned, it is when the enforcement order is made. The enforcement order is made under the Public Health Regulations after the inspectors have gone in on a number of occasions; and not only go in to look, but also to write and say what is the position. It is when people fail to comply after a number of requests have been made that the enforcement order is made. It is not lightly made.

There is something further than that, Mr. Chairman. The Health Services Act and the Regulations bind the Crown, and the Crown cannot escape from the obligations under the Act and the Regulations. If a request is made on going in to discover that something is wrong in an institution.....

There are many business places in Barbados which have not complied with the health regulations of this country, and warning was issued to them from the floor of this House asking them to put their houses in order or else action would be taken, and there can be no flinching from the responsibility which I have.

The honourable Member said that he discovered, or he said that I am responsible for the health conditions of people in the Queen Elizabeth Hospital. It is not only in the Queen Elizabeth Hospital. The Minister of Health is responsible for the total health of the community and not only the Queen Elizabeth Hospital. I was being modest when I put it that way, because the reporter who was questioning me was dealing with a specific matter.

The District Medical Officer can in her discretion decide that, even though the conditions within an institution are bad, she would allow them to carry on provided that they work within a framework of a stipulated programme which is put forward.

We have had a situation with BARPAC, and I am happy to say that BARPAC has come a long way and they have progressed well. At one stage while I was in the Ministry of Agriculture, Food and Consumer Affairs, I invited the honourable Minister of Health then, the honourable Member for the City, to join me in a surprise visit to BARPAC to observe the conditions there after we were getting a number of adverse reports. We went and saw the conditions and we decided then that we would put a number of things in train so that the standards could be brought up to a point where the Ministries of Health and Agriculture would be satisfied, and that was done.

It might be a question of screening the area where the food is provided; it might be a question of the floors not being in the best condition; it might be a question of whether you might see the droppings of rats or something like that, and therefore you decide that these are not the best conditions under which to have food being cooked for people's consumption.

The Medical Officer of Health may therefore very well write a serious letter. To use the word "condemn" might be very strong language. As a matter of fact, I heard it has been used. It might not be the correct language to use, but, in truth and in fact, a letter might be sent and it might be very strongly worded calling for corrective action. But so long as you can see an effort is made to put the conditions right, you will not pursue the persons or you will not enforce the order, and that is the situation as it stands.

There is no question of exempting the Crown, because the Crown is bound under the Act. There is no question of exempting a hotel, no matter how mighty it

is, and going down into Baxters Road in order to put bars across any shop. I have never seen it; I do not know if it has ever happened.

I do not like to come on the floor of the House to make statements unless I can very well back them up. What I will do, Mr. Chairman, is to find out how many shops, if any, have been barred up within the past seven years or so in Baxters Road. I want to help him out because that might have a special interest to him. You know, I am always willing to address the problems which you raise and to give satisfaction as best as I possibly can to you and to your constituents and to your friends largely. Certainly, I will look at these problems and I will come back and make a report to the House — I cannot be sure I will make it to you directly. But I am not aware that during my time there was any such question, unless it was beyond the point where there was no coming back in terms of putting things right, anywhere in the country, where people were forced to go out of business. The enforcement order is only a last resort.

Hon. H. deB. FORDE: Mr. Chairman, I wish to make a very brief contribution under the Head of the Regional Police Training College and perhaps to follow on on some of the statements made by the honourable Member for St. Michael West.

I think, Sir, it is necessary to retrace the history of the Regional Police Training College and to refresh our memories that this college was established in 1956 with a grant from the then C. D. & W. At that stage it was established as a genuine Regional Training College.

Since then, the history of the political fragmentation of the Caribbean has resulted in a contraction of those persons making use of the Regional Police Training College and, indeed, has resulted as well in the Regional Training College being a charge on the Consolidated Fund of Barbados since, by and large, the Training College is funded essentially by Barbados. It also gets some refund of fees from the territories who still use part of the facilities of the College.

Most of the people who pass through the Regional Training College are Barbadians. Indeed, up to, I think, the year 1980 or 1981, there was one particular course, at the Constables' level, in which every single person attending that course was a Barbadian, and the highest number of recruits to have graduated at any one time, eighty-eight, graduated through the College then.

The arrears which are due to the Regional Police Training College have been accumulating over several years. They are nothing new. In fact, in 1976 the arrears were close to \$1 million. Steps were made, by quiet diplomacy, to collect those arrears and I think a substan-

tial amount of the arrears in excess of \$600,000, was collected from some of the Eastern Caribbean governments.

1.30 p.m.

The arrangement was that the British Government made funds available to the particular Eastern Caribbean Governments, which, in turn, would pay the fees of their recruits who came to the College. We asked the British Government at the time to look at this procedure since it seemed that it would be preferable for the funds to be paid directly to the Training College rather than going through the particular Eastern Caribbean Government.

A revision of this procedure assisted the Government of Barbados in collecting the outstanding arrears, but I believe that the arrears are still in excess of \$400 000. There are some Governments however which have made an effort to pay up the arrears and I cite particularly the Government of Dominica which, despite the financial stringency facing that Government, under the present Prime Minister made every effort to pay up the arrears.

It is obvious that the Regional Police Training College cannot expand at the rate that modern police training facilities are needed in the Caribbean unless there is made available to the College a substantial sum of money on both capital and current account. It is also obvious that the Regional Police Training College can never be outfitted to answer all of the needs of a modern Police Force, even in the Eastern Caribbean, because the throughput of members will not justify certain courses being made available at the Regional Police Training College.

In 1977, Mr. Deputy Speaker, the Government recognised that there had to be a development programme embracing the development of training facilities for police beyond the level of Constable. So, we entered into negotiations with the Government of the United Kingdom in 1977 for upgrading the police training facilities, and the British Development Division made available to us an expert, who set out to write a brief for the architects and the other professionals in devising a modern training college.

During this period, the Government also selected an area of 15 acres of land near to the Caribbean Broadcasting Corporation, which had been set aside for the establishment of the new Police Training College, and negotiations were entered into with the British Government in the hope of getting the college constructed on a turn-key basis, with the Government paying the capital cost over a period of years.

The adverse economic conditions confronting the British Government, plus almost every Government in the

world today in both East and West, have forced the delay in the implementation of that project. The British Government does not have an excess of funds to make some readily available even to Eastern Caribbean countries, and it is a fact that we cannot get money for this type of project from any world financial institution.

It must therefore be essentially built out of our own resources and, therefore, the Government must await the period when there is enough money on the surplus account to be able to finance this type of project. Even if we could borrow the money for it internally, it would be a problem of getting the foreign exchange costs involved in the project.

It had been hoped that that project would have been begun already in this year. I understand the most recent estimate is that it will begin in the Financial Year, 1984 - 85.

Mr. Deputy Speaker, Sir, in the meantime, short-term proposals were developed to help with upgrading the courses available at the College. Certainly in 1980, I believe that is the exact year, for the first time courses were introduced at the level of Inspectorate and also at the level of Sergeant, courses that had not been available before, while some of the courses that had been run before and had been discontinued were re-instituted again.

In addition, an effort has been made to broaden the curriculum available in police subjects and in other subjects and, quite sensibly - I think that I agree with the honourable member (Mr. Taitt) - to integrate some of the teaching there with teaching at the Cave Hill Campus, although I must confess that that arrangement is an ad hoc arrangement and has not yet been established on any proper basis.

There is a great contribution which the University of the West Indies, Cave Hill Campus, can make to some of our other tertiary institutions, and I whole-heartedly agree with the honourable Member that it can be made in this field of policing, particularly in law subjects and subjects dealing with criminology.

The Regional Police Training College has had the benefit of assistance, quite a lot of technical assistance, from the British Government. At present there is a Mr. Marvin at the College. He has been running selective courses in criminal investigation methods and has been devising and refining the College curriculum in general. His contract with the Government of Barbados will come to an end in February, and I hope that, in keeping with the good relations which were established with the British Government in this sphere, the British Government will see it fit to renew not necessarily his contract, but existing arrangements between the parties.

Mr. Deputy Speaker, there is a strong case for upgrading training facilities for the Police Forces in Barbados and in the Eastern Caribbean. Attendant on this is a very heavy money cost. For instance, we have no proper forensic laboratory there. Obviously, such a laboratory would be of use not only to Barbados, but the other territories. The new college, it is hoped, will incorporate these facilities, as well as other facilities to assist in dealing with the investigation of serious crime.

It is a fact, Mr. Deputy Speaker, that the nature of criminal activities has been changing. This should not surprise anyone. The development of the world in the last fifty years has been no less than phenomenal.

Today, it is easy to watch television or to communicate by satellite, and the method of transportation by criminals has changed significantly. They no longer rely on their feet or bicycle to get away from the scene of an accident. Indeed, we must also anticipate that computer crime will develop at a terrific rate within the next twenty years.

I expect that planners will have to take these developments and plan properly for them in the future. It is because the Government recognised this in the period 1976 and onwards, certainly under the time when I was in the Ministry, that we began to lay the plans; but these will take some time to be put into effect.

We have, for instance, in Barbados a ratio of one policeman to 240 members of the population. As compared with other developed countries, this is a reasonable ratio, but it is only a workable ratio if the Police Force at the same time has the necessary equipment to cope with the problems confronting it. That has been recognised, too.

The response of successive Governments has not been as quick as it should have been to these needs, but it is a fact that in the period since 1977, the Government began to respond positively to these needs, but as I have said in this House before, it will take some years before this planning can come to fruition at a proper level.

I believe that the Royal Barbados Police Force has done a very good job in the years, with the resources available to it, in trying to contain crime. It is quite easy for people to shoot down the Royal Barbados Police Force and to make all sorts of allegations against them, because it is easier to throw bricks than to make straw. But, with whatever limited resources that they have had available to them, they have tried to combat the changing nature of crime.

We have, during the period from 1977 as well, always faced up to the reality that we had to double the training effort, and more people have been trained in the

Police Force, at the sort of level needed in this country, between the period of 1978 to 1981 than were ever trained at any time in the history of the Royal Barbados Police Force.

1.40 p.m.

I believe that, at the top of the Force, we have a Commissioner equal to any in other parts of the world. From quite early it was recognised that he had the potential to give the leadership qualities that one saw in people as Mr. Farmer — a very firm disciplinarian, but at the same time a person who would stand up for his force.

He cannot however do this alone. Indeed, the Force itself cannot combat crime in this country alone unless it has the support of the public of Barbados, and, what is more important, that the approach to these matters is based on a non-partisan attitude.

It would be a pity if the Police Force feels that either political party at any time may use whatever difficulties confront us in dealing with criminal activities for short term political gain. That is why, Mr. Chairman, that I have stoutly defended the Police Force during the time that I had responsibility for the department, and I will continue to defend them now as I defended them before.

Law and order is as much a part of the economic development of this island as is tourism or manufacturing. It is folly to believe that money spent in widening the base of the manufacturing sector is money well spent, but money spent on improving the police services is money badly spent. Because no matter how strong a tourism or how strong a manufacturing sector you have, if you do not have the basis for the protective services to exercise law and order within the parameters of the existing law, all that could fall to pieces within a short time.

For this reason, I will hope that in the future, when we have Resolutions such as this, on all sides of the House we would be urging the Government from time to time to make a bit more money available; in fact, much more money available, despite the stringent economic conditions facing most of our countries, to continue to build the Police Force.

Let me say, however, that when once the Police has done their job, the job is turned over to the law courts. People who are charged with crime deserve fair trials, but once they have been found guilty, in my view it is necessary also for the law to respond positively with fitting the sentence to suit the crime. There is nothing more frustrating than to see people who have committed serious crimes being lightly treated, except for those cases that deserve consideration based on the normal principals that we would apply in instances such as those.

I hope, therefore, that not only the public, but all members of Barbados will support the Force at this time and give it as strong an encouragement as could ever be given to any one involved in the arduous task of protecting the lives and properties of Barbadians at large.

Rt. Hon. E. W. BARROW: Well, Sir, quite a recitation. As a matter of fact, at one time I thought I was listening to an address I heard from the honourable Member to the Police Association some six or seven years ago, but I may be mistaken. Sometimes, we get these well-prepared recitations, dust them off and bring them into the House.

Hon. H. deB. FORDE: You can be assured that I could be more resourceful than having to prepare. I could speak *ad lib* and respond.

Rt. Hon. E. W. BARROW: I must congratulate the honourable Member on making an *ad lib* speech sounding like a recitation.

But I am on a more serious note, Sir. The honourable Member for St. Michael West was a bit concerned, as I was at first, when the Prime Minister, in introducing the Resolution, did mention that the kitchen, which is really the subject matter that we are discussing here and not the Police Association words of comfort, had been condemned, and then that either the Minister, because we did have a lady Minister, or the Director, Chief Medical Officer, who is also a lady — God bless them all, the long, short and the tall — you know, had granted a dispensation and said, "well no man was condemned, you can continue."

I said how could this happen, because I must support the honourable Member for St. Michael West, because I have known instances in which small restaurants, particularly in Baxters Road area, probably there are more small restaurants there, have been closed down after having been served with this notice. But then I remembered that, perhaps, the Prime Minister forgot to mention that he had invoked the services of the Privy Council — the honourable Member for St. Michael West is not a member of the Privy Council — seeing that the Privy Council really has the right, like in this case where the cockroaches had been sentenced to death, to grant a reprieve or to commute the sentence of the cockroaches to one of life imprisonment in the kitchen of the Regional Police Training School. So, it is not a big mystery to me anymore.

But I think that the constitutional point which is being made is this, that the Government should not be above the law. And if you apply certain restrictions or certain penalties against members of the general public, business people and so on, it is injurious to the health of the trainees at the Police College that any extensions or reprieve should be given for the extermination of the insects which the right honourable Prime Minister described in the course of his address.

The Resolution has our unqualified support. We did not build the kitchen. The kitchen has been there a long time. The kitchen should have been probably renovated a long time ago. Certainly if a report had come to our Government that the kitchen was in this parlous state — we did have a survey made of the Training Centre and what we did was to replace all of the cots with proper beds. I knew about this from going to Antigua and hearing the complaints in Antigua that they did not have proper beds at the Regional Training Police School. But nobody drew the condition of the kitchen to the attention of the Government at that time, and it is also possible that nobody drew it to the attention of this Government in time.

Once the Ministry of Health moved in, what they should have done then was to go out to contract for the catering and close down the kitchen immediately, because what I heard here today horrified me.

We have outbreaks, from time to time, of dengue fever, and the latest, last week, is typhoid. Typhoid is the kind of thing that can be transmitted more easily through insanitary conditions. I am not a medical expert — the only one in here has temporarily vacated his chair, so I cannot even appeal to him — but you know that in our days, Sir, we used to have in the elementary schools a lot of pictures about the dangers of typhoid, the Aedes Egypti and malaria and that kind of thing, from what I can remember, typhoid is more likely to be transmitted by insanitary conditions, pollution of water and that kind of thing.

I do not know if cockroaches can be, but certainly when you find that you have this kind of a situation, the same way you close down a hotel kitchen, a restaurant kitchen, a Government kitchen should set an example. I am not criticising the Government on this score — only for not closing it down — but I am criticising the authorities for not investigating the situation before.

If it is as bad as the right honourable Prime Minister has said, I doubt that \$41 000 could remedy the conditions and bring them up to the standards of stainless steel and so on that he has described would be desirable. Certainly we will support the Resolution.

The other problem is that I believe that the catering is done on the premises, but not by Government employees. Perhaps the people who were awarded the contract for the cooking and so on felt that, if they complained too much, the tenders Committee might say that these people are troublesome; don't let us award the contract to them again. There are all of these considerations.

I hope that, in the future, we do not have any government department or Ministry trying to inveigle the Ministry of Health to grant them and their cockroaches a reprieve which may be injurious to the health of the young people who we want to serve this community.
1.50 p.m.

The question that Head 75 stand part was put and resolved in the affirmative without division.

HEAD 50 — POST OFFICE

Rt. Hon. J. M. G. M. ADAMS: Mr. Chairman, Sir, under this Head there are a number of Items. The first is Travel, which is the standard supplementary; the second is Utilities, which relates to unpaid electricity bills and phone charges; and the third relates to Operating Expenses.

I do not think any explanation is needed about the arrears of telephone and electricity, but I would say this under Operating Expenses. The amount seems very substantial, Sir, — \$277 000 on a provision of \$1 million — but this is the Head of the Post Office Estimates under which provision is made for the printing of stamps. During the year, there were two commemorative issues one of which was royal in character, relating to Princess Diana — I think her 21st birthday. But whatever it was, Sir, it has been a theme that has been followed by Post Offices around the world, perhaps the most successful stamp theme ever exploited, and honourable Members will wish to know that the \$264 000 plus has generated over \$1 million in revenue from sales of the relevant stamps.

The issues have been very successful indeed. The Crown Agents have promoted them with all the Crown Agent stamp issues for these royal occasions, and the sales, which are still continuing, have so far been abundant. Therefore, this supplementary does not really represent a burden upon the expenditure of the Post Office at all. It merely represents what has had to be spent in order to generate what will probably be the highest revenue that the Post Office has ever enjoyed.

I therefore beg to move that Head 50 stand part.

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

Rt. Hon. E. W. BARROW: Mr. Chairman, I think that the Prime Minister is probably the greatest expert in this Chamber on the question of stamps, so I do not think I should have to warn him that we will make money out of the commemorative issue of stamps for a limited period. I, myself, have been a bit surprised that we have had so many different issues coming out during the course of the past 18 months or so. It is like debasing the coinage.

This is what I understand; he will have to enlighten me. We have a Philatelic Centre, and I suppose that the Prime Minister will be advised by the Philatelic Centre, and if you keep on bringing out issues like this all the time, you will make money — and I know he needs money badly — but you will make money for now, but by the end of 1983 or in 1984, the collectors will begin to say that Barbados is bringing out a stamp issue every eight or nine weeks and we do not worry with Barbados' stamps any more.

I like to listen to him on stamps because I know he is an authority on stamps, but soon we will find ourselves in the position like places like St. Vincent. They rely so heavily on stamps that they have people there doing nothing else but printing stamps. That is so. The Prime Minister should know about that, because he is very close to the St. Vincent Government. We should never get in the position where we bring people in Barbados to sit down, whose sole job is not actually to design but to put out contracts for the printing of stamps as a way of raising money.

I am very serious. I would prefer to pay a little more Income Tax, although I am paying too much already, than to see Barbados having to bring out a stamp issue every week, like Grenada tried at one time. I honestly would like to hear the Prime Minister on this, because I have a tremendous amount of respect for him when it comes to stamps, full stop. I like to hear him on stamps.

What I am saying, Mr. Chairman, now, it sounds as if I am being jocular, but I would really like to hear how the Philatelic Bureau is run.

I would just like to say that I did not really condone the picture of the President, of the United States — I could put up with his picture — but I never voted for Mr. Reagan so I do not see why he should grace our stamps. Could you not find somebody else? You could have put on our own Governor-General.

I think perhaps we ought to have another advisory committee, headed by the Prime Minister, bi-partisan, so that we will not get any public criticism when we get these frequent issues and get them with people like Mr. Reagan, a very nice actor; coming out with the profile of his face on our stamps like that all the time.

And the flag of the United States! I never really agreed with this either. There was one stamp with only the flag of the United States. I did not know we were part of the Confederation.

Rt. Hon. J. M. G. M. ADAMS: I am not giving a final reply, Sir, although I had hoped that this matter would not detain the House for a long time. The Leader

of the Opposition has, with one of his outbreaks of customary good sense, put his finger on a problem.

It is possible in the short term, as has been done in some small Caribbean islands and other parts of the world, to make a lot of money out of the printing of stamps. But there are a whole set of infelicities that can result. For one thing, collectors do get tired, and, for another thing, there are all kinds of unfortunate concomitants of this stamp business.

You only have to look around the world and look at small countries like the Cook Islands where not only the two successive Ministers responsible for the Post Office went to prison, for fraud relating to the printing of stamps, but the entire Government was overthrown on an election petition relating to the misuse of the funds of the Stamp Bureau.

The ex-Prime Minister, who I used to know, Sir Albert Henry, lost his seat in Parliament, and the Leader of the Opposition was put in power due to the misuse by the Government of funds that were generated by the sale of Cook Islands stamps. I do assure the honourable Member that I will give him no such opportunity in Barbados.

Grenada and St. Vincent, as the honourable Member has said, have perhaps printed so many stamps that people do not take them seriously. In Grenada, stamp revenue, which appeared so much at first, is now in decline, and the country's stamp issuing policy is entirely in the hands of foreigners who pay little attention to Grenadian institutions, or Grenadian susceptibilities, in relation to the issue of stamps.

2.00 p.m.

We are trying to avoid this in Barbados and, to some extent, the number of stamp issues owe something to the dichotomy between the wish of the Post Office and the Stamp Advisory Committee to celebrate local occasions, and the wish of the advisors of the Philatelic Bureau to celebrate international occasions, which are known money spinners. So in one year you get four stamps showing some very extremely ugly Black Belly sheep, which are likely to be of little interest outside of Barbados — and I do not believe that they sold very well — and, on the other hand, you also get four stamps showing the flags of the United States and of Barbados, which can give rise to the feelings of patriotism recited by the right honourable Member for St. John; and some feelings of resentment, perhaps, but at the same time will make a very great deal of money because American collectors buy them.

I welcome the opportunity to make a very short statement about the two pictures which appeared on the labels attached to those stamps.

The entire issue was never placed before the Cabinet. It came up so suddenly, decisions had to be taken so suddenly, that, apparently, the Stamp Advisory Committee gave a *carte blanche* to the Crown Agents in London to design a set of stamps for President Reagan's visit to Barbados. There was no time for the designs to be sent back to Barbados to be approved in the ordinary way.

This Government is totally against the showing of any living politician on any stamp of Barbados - I believe this is also true of the Opposition - and I would never have authorized my picture to appear even on the label. I do give honourable Members the assurance that the first that I knew that my picture was on the labels was when I saw a photograph in the *Advocate* of the stamp labels.

I have been inundated with requests from all over, from stamp collectors who know me, to autograph the sheet. I have had to refuse to do so on the ground of principle and I have had to put a statement in the stamp newspapers in the United States and in Britain saying that the photographs not only of President Reagan but of the Prime Minister of Barbados were not authorized. So not even my own collection will contain an autographed sheet of the issue, because I am not signing any.

I was very interested when the honourable Member said he objected to having President Reagan's picture on the label because he had not voted for him. The implication that he had voted for the other person who was on the label, Sir, is a very interesting one, and I will say a word to the honourable Minister of Agriculture, who I do not now observe in his seat, but who, I believe, was one of the candidates in the constituency where the right honourable Member voted in the last election. I think we will have to look at him in a different light.

The Princess Diana stamp is, I suppose, the most successful stamp issue that the world has ever seen. The countries in the world that have issued stamps of Princess Diana, it makes the imagination boggle. Many people's republics have issued pictures of Prince William and Princess Diana, some recognisable, some not. All over Africa; virtually every African country, whether a former British colony or a former French colony, have issued stamps. I think all the former Spanish colonies issued stamps showing Princess Diana.

It is a phenomenally successful issue and I do not believe that the honourable Member's strictures about multiplication of issues would apply to that, because it is very unlikely that the Prince of Wales is going to make it a habit of getting married; so the occasion may not arise again until Prince William himself, in thirty years' time, also takes a bride. I do not think that that particular issue

is one that would be regarded as one that is high in the perforation stakes.

But the point made by the honourable Member is well taken. I can assure him that the Minister and Post Master General fully agree with his sentiments, as does the Government, and we are not intending to have Barbados become one of these printing stations, where a printer somewhere in London devotes one printing machine to do nothing but the stamps, the wallpaper virtually, of small islands.

I think that the additional issues, which are indeed those two which were identified, the Reagan visit and Princess Diana, related to important international events that affected Barbados and the rest of the world, and they have brought in a great deal of revenue to Barbados. But I am sure the Stamp Advisory Committee, which was set up by the honourable Member during his term in office, will bear the expressions uttered during this debate in mind when they analyse future stamp issue programmes.

I beg to move that Head 50 stand part.

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

The question that Head 50 stand part was put and resolved in the affirmative without division.

MOTION TO REPORT PROGRESS

Hon. L. S. CRAIG: Mr. Chairman, I beg that you do now report progress and ask for leave to sit again.

Mr. A. TRUSS: I beg to second that.

The question was put and resolved in the affirmative, and Mr. DEPUTY SPEAKER resumed the Chair and reported accordingly.

SUSPENSION OF SITTING

Hon. L. S. CRAIG: Mr. Deputy Speaker, I beg to move that the sitting be suspended until 2.45 p.m. today.

Mr. A. TRUSS: I beg to second that.

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

On Resumption:

Mr. DEPUTY SPEAKER: This sitting is now resumed.

QUESTION TIME

Mr. DEPUTY SPEAKER: It is now Question Time. Parliamentary Question No. 18, standing in the name of the honourable Member for St. John.

Rt. Hon. E. W. BARROW: Mr. Deputy Speaker, I understood that the reply to Question No. 17 was ready.

Mr. DEPUTY SPEAKER: As I understand it, we are going to take Question No. 18 first and then we will do Question No. 17.

QUESTION RE ASSISTANCE FROM REPUBLIC OF CHINA

Rt. Hon. E. W. BARROW: Mr. Deputy Speaker, the Question reads as follows:

To ask the Rt. Hon. Prime Minister and Minister of Finance and Planning: Will the Minister state what financial and technical assistance has been received by the Government of Barbados from the People's Republic of China towards the construction of the proposed extension of the East Coast road?

Rt. Hon. J. M. G. M. ADAMS: Mr. Deputy Speaker, the reply to Parliamentary Question No. 18 is as follows:

"No specific request has been made to the People's Republic of China for financial or technical assistance for the project referred to by the right honourable Member and no such aid has been received."

Mr. DEPUTY SPEAKER: Parliamentary Question No. 17, standing in the name of the honourable Member for St. John.

QUESTION RE SALE OF SHRIMP TRAWLERS

Rt. Hon. E. W. BARROW: Mr. Deputy Speaker, the Question reads as follows:

To ask the Minister of Agriculture, Food and Consumer Affairs: Will the Minister state: (a) how many shrimp trawlers formerly the property of International Seafoods Ltd., have been sold (b) the prices for which they were sold, and (c) the amount of money actually received in respect of such sales?

Hon. Dr. R. L. CHELTENHAM: Mr. Deputy Speaker, the reply to Parliamentary Question No. 17 is as follows:

"Fourteen Trawlers have been sold.

The prices for which they were sold are —

Latin American Distributors Incorporated Ltd. — (4 purchases) at a cumulative cost of Bds.\$550 000 prices varied between Bds.\$70 000 and Bds.\$160 000 per trawler.

Mr. Brawley (one purchase) Bds.\$180 000.

Barbados Fisheries Limited (nine purchases) at a cumulative cost of Bds.\$1 220 000 with the price per trawler varying between Bds.\$50 000 and Bds.\$220 000 per trawler.

The amount of money actually received in respect of such sales is Bds.\$1 850 000."

Rt. Hon. E. W. BARROW: As a supplementary, will the Minister state whether he received any money for the trawlers that were converted into coast guard vessels? If so, how much?

Hon. Dr. R. L. CHELTENHAM: I am advised that money has been received for the two trawlers and that we have received \$175 000 for each.

Mr. DEPUTY SPEAKER: If there are no more supplementary questions, we go to Parliamentary Question No. 19 which stands in the name of the same honourable Member.

QUESTION RE VALUE OF MILK EXPORTS TO CHINA

Rt. Hon. E. W. BARROW: Mr. Deputy Speaker, the question reads as follows:

To ask the Minister of Trade, Tourism and Industry: Will the Minister state: (a) the value of milk products, if any, sold to the People's Republic of China by the Pine Hill Dairy during the past five years, and (b) the C.I.F. value of imports from the People's Republic of China during the same period?

Hon. H. B. St. JOHN: Mr. Deputy Speaker, the reply to Parliamentary Question No. 19 is as follows:

The Ministry of Trade is not responsible for the Pine Hill Dairy nor are we responsible for the importation of the Government of Barbados, so that as far as (b) is concerned, I am not in a position to answer that.

Rt. Hon. E. W. BARROW: Mr. Deputy Speaker, is the Minister seriously suggesting that the question of trade between the People's Republic of China and Barbados, an agency of the Barbados Government, to be

more specific, is not the concern of the Ministry of Trade? Is that what the Minister is saying? And is the Minister of Trade also saying that he is not concerned about imports into Barbados.

Mr. DEPUTY SPEAKER: Perhaps if the honourable Member would ask one supplementary at a time.....

Rt. Hon. E. W. BARROW: I am just trying to save time.....

Mr. DEPUTY SPEAKER: We will deal with it from this side.

Rt. Hon. E. W. BARROW: I bow to Your Honour's ruling. I will get up and ask him again, but you will get the same negative answer anyhow.

Hon. H. B. St. JOHN: The Import Export Restrictions Act since 1976 is the responsibility of the Ministry of Consumer Affairs. That is all I am saying. If you direct your question there, you will get the correct answer; not to me.

Rt. Hon. E. W. BARROW: Mr. Deputy Speaker, I was not speaking about restrictions; I was speaking about expansion of trade. I think we all know the answer, Sir, so I will not worry to press the Minister anymore. He is embarrassed and I feel embarrassed for him too.

MOTION RE SUPPLEMENTARY RE QUESTION NO. 17

Hon. Dr. R. L. CHELTENHAM: Mr. Deputy Speaker, I have just discovered that my reply to the supplementary posed by the right honourable member was incorrect.

Mr. DEPUTY SPEAKER: Are we going back to Question No. 17?

Hon. Dr. R. L. CHELTENHAM: That is what I am asking, Sir, for leave to reopen that question.

Mr. DEPUTY SPEAKER: If there is no objection, leave is granted the Honourable Minister.

Hon. Dr. R. L. CHELTENHAM: The correct answer really should have been that the two trawlers taken over by the Coast Guard were really taken over for \$700 000.

Rt. Hon. E. W. BARROW: I presume that is a book entry because I would find it difficult to believe, Mr. Deputy Speaker — I am not making a speech — that the Barbados Government would have to pay \$350 000 for its own trawlers and you could sell similar trawlers to Trinidad for \$150 000.

Hon. Dr. R. L. CHELTENHAM: You are absolutely correct. No money was actually passed over to the company. The note says "book entry only".

Mr. DEPUTY SPEAKER: That brings us to the end of Question Time.

MOTION TO REVERT TO GOVERNMENT NOTICES

Hon. L. S. CRAIG: Mr. Deputy Speaker, I am seeking Your Honour's leave to reopen "Orders of the Day" since I have a supplementary Notice Paper from which I would like to give notice of two Bills. I am seeking the leave of the House.

Mr. DEPUTY SPEAKER: The Leader of the House is seeking permission to reopen part of this morning's proceedings.

If there are no objections, leave will be granted.
3.00 p.m.

GOVERNMENT NOTICES

Hon. L. S. CRAIG: Sir, I beg to give notice of:

A Bill to amend the Stamp Duty Act, and

A Bill to provide for the imposition of a tax on the assets of a bank and for related matters.

FIRST READINGS OF BILLS

On the motion of Hon. L. S. CRAIG, seconded by Hon. L. B. BRATHWAITE, a Bill to amend the Stamp Duty Act was read a first time.

On the motion of Hon. L. S. CRAIG, seconded by Hon. L. B. BRATHWAITE, a Bill to provide for the imposition of a tax on the assets of a bank and for related matters was read a first time.

GOVERNMENT BUSINESS

On the motion of Hon. L. S. CRAIG, seconded by Hon. L. B. BRATHWAITE, Mr. DEPUTY 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 of Supply.

On the motion of Hon. L. S. CRAIG, seconded by Hon. L. B. BRATHWAITE, Mr. CHAIRMAN reported the

passing of three money Resolutions in Committee, and Mr. DEPUTY SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Hon. L. S. CRAIG, seconded by Hon. L. B. BRATHWAITE, the Resolutions were read a first time, second time and passed.

MOTION RE ITEM NOT ON ORDER PAPER

Hon. L. S. CRAIG: Sir, earlier in the day, I intimated to the House that there is an item which we propose to do in all of its stages today.

It is at this point, Mr. Deputy Speaker, that I now propose to deal with this matter, Sir.

RESOLUTION TO ANNUL RESOLUTION 76/1982

The second Order of the Day was called – To move the passing of the Resolution to annul Resolution 76/1982.

Rt. Hon. J. M. G. M. ADAMS: Mr. Deputy Speaker, Sir, early in December, we passed a Resolution to approve the borrowing of US \$13 million by the Government from the Barbados National Bank from the Morgan Guaranty Trust Company and a number of associated banks for financing the purchase of the assets of Mobil Exploration Barbados Ltd., and the common stock of Mobil Exploration Barbados Inc.

That Resolution arose out of an offer made by Morgan Guaranty, through the Barbados National Bank to the Government of Barbados, to finance the Mobil purchase. But, following its passage through both Houses of Parliament and its assent by the Governor-General, we had a great deal of difficulty negotiating with Morgan Guaranty.

Morgan Guaranty and the associated banks apparently are among those banks which have been badly burned in the making of loans to various Latin American countries, and they appeared to have some difficulty delivering on their commitment, which had been communicated to the Barbados National Bank.
3.10 p.m.

We had to go into a great deal of trouble of escrow funds for repayment and so on, and then the bank said that it was having much difficulty with the associated banks that already had very considerable exposure south of Florida. We really became fed up, Mr. Deputy Speaker, with the long continuation of this matter.

When, therefore, the Royal Bank Offshore Branch communicated with us and indicated that they would be happy to lend us all the money, on basically better terms

than the syndicate was trying to put together, we decided to break off negotiations with the Morgan Guaranty Trust and accept the offer from the Royal Bank.

The second Resolution, which I shall move very briefly indeed after I have spoken on this, indicates the terms. The interest rate is very, very slightly higher – instead of 7/8 of one per cent over the LIBOR offered rate, it is one per cent over the LIBOR; so it is a difference of 1/8 of one per cent. But to get rid of all the difficulties which we were having with Morgan Guaranty – special accounts for repayment, special terms, inquiries as to how exactly each repayment would be met – to get rid of all of that, we were very happy indeed to accept the Royal Bank's offer.

Now it is very important to let it be known that this is not the Royal Bank of Canada in Broad Street which is lending us the money. It is the Royal Bank of Canada's Offshore Branch which is lending us the money. I would like to thank the Royal Bank of Canada, its Offshore Branch, and its management generally, for the confidence which it has shown in Barbados at a difficult time, notwithstanding all the terrible barrage of lies that have been told on the Government of Barbados about its financial position.

(Asides.)

Rt. Hon. J. M. G. M. ADAMS: The honourable Member for St. Michael West is not in this. He must not try to get into it. Nobody needs his defence, and I don't want him to put himself any worse with his party by encouraging him to drive the knife any further into anybody's back.

The Royal Bank of Canada's Offshore Branch in Barbados has been a very successful offshore bank indeed. I believe that it has written more than US\$500 million business during 1982, which means its assets are larger than all the banks in Barbados combined; it is operating from within our territory; and I am really quite exceptionally happy to say that what was envisaged when we introduced off shore banking into this country, namely, that the Government would have improved access to development loans from offshore sources, has come about.

Those who know us best, who know the Government, who know what our financial position is, who are aware of the capacity of mischievous persons to throw dust in the eyes of the public, have made it clear that no dust will be thrown into their eyes – and they have fully supported the Government in this particular matter.

I am really much happier to be dealing with a bank in Barbados, easily available at the end of the telephone and easily available for face to face discussions as they

arise, than to deal with banks which, perhaps, as a result of their own mistakes in the past, have found themselves in an awkward financial position.

And I would advise the Barbados National Bank not to be afraid of the commercial banks which operate in Barbados and, in particular, of the off shore banks which operate in Barbados. May be there was some feeling of competition, that they should not move directly to syndication with banks with which they appear to be competing locally.

But we have had two examples now, Mr. Deputy Speaker, of the fact that your friends are the people who know you best. We have had the assistance of Barclays Bank in two most important matters; one relating to the development of the sugar industry and the other relating to the purchase of Aero Services Limited as a joint venture between that bank and the Government of Barbados.

We now have the example of the Royal Bank, which I can reveal, which not only made this offer in respect of a medium term loan for the purchase of Mobil, but has also made bridging finance available just on a telephone call. I mean, they just wrote a cheque for US\$13 million and that was the end of that, and, indeed, that is the current situation.

Of course, we have to pay it back. I am not suggesting that the Royal Bank of Canada has given Barbados US\$13 million; it has to be repaid. But the results from the National Petroleum Corporation operation of the drilling production facilities at Mobil suggest that we will pay it back without any difficulty.

It certainly, Mr. Deputy Speaker, ought to be a revelation to those who say that, when you go to the International Monetary Fund, your credit is adversely affected, and those who suggest that Barbados was on its last legs, to see that there are banks operating from within Barbados that can do business of this sort, instantly, with the Government, on the basis of the trust which the Government has inspired and engendered in the local banking community.

It is not my place to comment on the difficulties of the banking system of the United States. But it is common place that very, very, large sums of money have been lent out to Governments where the prospect of repayment now appears more remote than a prudent banker would wish.

I would refer honourable Members to *Time Magazine's* study of the debt profiles of different Latin American countries. The Brazilians have had a tremendous

amount of internal development. They have unlimited agriculture resources, they have become one of the greatest agricultural exporters in the world, and the import substitution which their borrowings have enabled them to carry out should, in theory, have greatly reduced their import bill – but they are still paying over half of the value of their exports of goods and services in interest and debt repayments. Half of every dollar they earn, considerably more than that, is going to service their debt.

3.20 p.m.

(Asides)

Rt. Hon. J. M. G. M. ADAMS: The honourable Deputy Prime Minister is more up to date than I am. He has pointed out that if they were paying all their debts it would be 122 per cent of their exports.

Barbados is paying 4 per cent, 5 per cent, 6 per cent, depending on which measure you use, whether Government debt or private debt or whatever. Jamaica, 50 per cent. You heard in the news this morning that Chile borrowed \$900 million from the IMF. What are the conditions? Devaluation, budgetary constraints and so on, and so on and so forth. Their debt service, I believe, is something like 60 per cent. And yet have to be attacked in Barbados for what is called secret Government, bad management, and so on, that we are paying 6 per cent, even on our reduced exports of services plus goods, to service our foreign debt.

These Resolutions coming before the House are in recognition, I repeat, Mr. Deputy Speaker, of the confidence which the banking system can have in Barbados, those parts of the banking system which know the true position and are not going to run around in circles, like some members of the public and the Press, following paper chases, running after rumour that has no foundation in fact.

Mr. Deputy Speaker, the only thing I would say in conclusion on this Resolution of Morgan would be to give some element of the timetable. We had to act very quickly, we could not let this matter hang fire any longer. The Vice President of Morgan Guaranty on December 24 spoke to the President of the Barbados National Bank about this matter regarding Morgan's difficulties, and we decided that it was time enough to go to other sources.

We were a little discomfited for a day or two, but honourable Members perhaps would be interested to hear that, even as far as Morgan is concerned, the very money we were seeking to borrow from Morgan in the end would have been our own money, because the Central Bank has enough on deposit at Morgan Guaranty to cover the very amount which Morgan.....

Mr. B. M. TAITT: What are you borrowing for then?

Rt. Hon. J. M. G. M. ADAMS: The honourable Member for St. Michael West asked what we were borrowing for. That, perhaps, is the reason why he is no longer the Opposition spokesman on finance. You do not write a cheque for U.S. \$26 million to buy an asset that is going to be an asset for another 20 years; you try to spread it. Let the asset itself generate the repayment. We have the money deposited, we leave the money deposited and allow the National Petroleum Corporation to generate its own repayment schedule.

Mr. Deputy Speaker, I beg to move that this Resolution do now pass.

Hon. H. B. St. JOHN: Mr. Deputy Speaker, I beg to second this Resolution. I think this Resolution ought to be a very clear lesson to the Barbados National Bank. The National Bank in this country has to have a look at itself and examine its own mind. It must cast off all the legacy of its former President; and if in this case it had looked at itself and within Barbados, it would not find itself in the embarrassing position of delivering a commitment to the Government of Barbados and then saying that its corresponding bank subsequently notified it that it was unable to raise the money. That is what they did.

If they were following the situation abroad, they would have known that the President of the United States of America, within the last two months, has changed course dramatically in relation to multilateral lending institutions. If their Research Department was reading newspapers, they would have discovered that the first fifty banks in the United States of America are so committed to Latin America, Brazil, Chile, Mexico, the Argentine, that President Reagan now has changed his tune, and has said you must give the multi-lateral institutions more money. It is no longer the sphere of operation of the private banking institutions, because those first fifty banks in the United States of America are so committed that they, themselves, have to face the SEC and disclose that they have had debts among those countries. That is the whole position. It is open and it is very clear.

Now the Canadian banks are in a much better position, because the Canadian Government bailed them out when they were in trouble with Dome Petroleum, so now they are more liquid. In this particular case, I can see the attractions of Canadian banks, for let us not forget that the Government of Canada is committed to giving the Government of Barbados technological assistance for the exploitation of our natural resources.

I will tell the honourable Member something. There was another syndicate that was out there too, ready to

operate, but we gave the National Bank full opportunity. It is our institution, we want to see it grow up; it is time it grows up. I think the time has come when we must no longer be reticent and not say what we feel frankly about it. We must say things openly, that is the only way they are going to improve. They must not feel that they are not under scrutiny, they must be told when they have let the side down that they have let the side down. I am not afraid to say that, I am disappointed in the fact that, up to this day, the Barbados National Bank has not circularize fellow banks in Barbados and asked them to participate. That is foolishness.

3.30 p.m.

You know something? It is really funny. The honourable member's chief canvasser a couple of years ago was the boss of the National Bank, you know.

Laughter.

Hon. H. B. ST. JOHN: It was yours? I thought it was the honourable Member for St. Michael South. I thought it was there. I did not know it was yours.

(*Aside* — Mr. B. M. TAITT: He knew what he was doing).

Hon. H. B. St. JOHN: He was? Oh ho.

Anyway, the position is that the transaction is now complete and I am very glad to see that the whole of this has been concluded in a manner satisfactory to us all.

Dr. R. C. HAYNES: Mr. Deputy Speaker, this is a most embarrassing situation for the Parliament of this country. Just a few weeks ago, we agreed to enter into the guaranteeing of a loan from the Morgan Guaranty. Today, we are being asked to approve a Resolution which seeks to nullify that previous Resolution.

What is very clear, Sir, is that this is another instance of considerable confusion in the Ministry of Finance, another indication of gross incompetence on the part of the Minister of Finance, particularly in the area of banking. Indeed, Sir, I have checked with many older parliamentarians, who are no longer members of this Parliament, and it is certainly not within their experience, probably since the turn of the century, that Parliament approved a Resolution for the guaranteeing of a loan and then had to return to Parliament because the person or the organisation providing the money has backed down. And let us face it, they have backed down.

We are being told today, Sir, that the fact that the Government can seek to nullify that previous Reso-

lution and go to an offshore bank is evidence of the credit worthiness of this Government.

It is most interesting, Sir, to look at the House of Assembly Debates, the Official Report, Wednesday, December 1, 1982, when the honourable Member for St. Michael Central had this to say:—

“Look at what happened in Mexico. Mexico has practically driven Japan bankrupt because they cannot repay Japan the US\$27 billion which they owe on short term.

Yet, to show the creditability of this Government and of this country, we were able to go to a United States bank and put together a Euro-dollar syndication.”

Sir, four weeks ago it was an indication of the credit worthiness of Barbados that they were able to go to Morgan Guaranty and arrange these funds. Four weeks later, it is evidence of the credit worthiness of Barbados that you are abandoning this and having to resort to offshore dealings from a bank located here in Barbados.

It is not surprising, Sir, that the honourable Minister of Finance was not sure whether he was attacking or defending. In fact, he did not give the true reason as to why this situation has come about, and the House must be grateful once again to the honourable Deputy Prime Minister, who got up and told it candidly, told us exactly what has happened.

I will tell you this, Sir. I am not in the business of attacking departments of Government. When we are in here, we will deal with those persons who are responsible for the particular department. What the honourable Minister of Finance is discovering is that just as Santa Claus did not go to Latin America at the behest of Reagan or anyone else, similarly Santa Claus has not come to Barbados in the form of the International Monetary Fund. That is what is happening now.

Mr. Deputy Speaker, when you look at that last debate in December, Members will note very carefully that I did not deal particularly with the financial aspects of that matter — for two reasons. One, I wanted to see it in the broader perspective of the external loan permission which the Government had obtained from the International Monetary Fund and, secondly, Sir, most important, at the very time that debate was going on, there were two important studies being done in the

United States. Who did the studies? The Morgan Guaranty Trust itself and Wharton Econometrics. They did the studies themselves.

I wish to refer those who revert to *Time Magazine*, to the *Economist*. They will pick up certain things in the *Economist*, but I got the information on the Report of the Morgan Guaranty and on Wharton Econometrics before it appeared in the *Economist Magazine*.

The Morgan Guaranty Trust, Sir, was one of the organizations in the United States which indicated the extent of over-exposure of some 1 600 banks in the United States in respect of loans to the Andean countries. This, Sir, was adequately supported by the Wharton Econometrics Study, which demonstrated not only the extent of exposure, but also the extent to which over 50 major banks had loaned more than half of their capital to those Latin American countries, and that the International Monetary Fund itself was highly culpable in that they did not inform the lending organizations in the United States of the precarious position of those particular countries.

Normally, Sir, when the IMF introduces its draconian policies on Third World non-oil producing developing countries, and when they slap that ceiling, Sir, on the external debts commitment which you can get involved in, and when you add to that, Sir, the very important consideration that the fact of entering into an IMF agreement was regarded by the international banking system as a major umbrella for the protection of those countries that had already made loans to the recipient developing country — what has happened, Sir, in the last two months is that that umbrella protection has gone and, for the first time in its history, the International Monetary Fund, in looking at the total situation in Latin America, is calling on the banks to provide co-financing along with them in order to meet the short-term capital in-flows of those developing countries. Hence, you will find that there will be a tremendous shortage of funds for new lending to developing countries in that current situation.

3.40 p.m.

The Morgan Guaranty Trust and all American banks will now have as their first obligation to provide the co-financing with the International Monetary Fund in order to protect the money that they have already lent to the Latin American countries, and which has resulted in the heavy exposure.

Now, Sir, this means that the Government and the Minister of Finance must have been totally ignorant of what was going on in the international financial world, otherwise he would have known, or ought to have known, of the Morgan Guaranty Trust Company study, he should

have known of the Wharton Econometrics study and he should have known that there would be a high probability that Morgan Guaranty Trust would not come up with this money. Also, he should have known that the intrinsic character of the relationship between a developing country and the IMF, which previously represented an element of guarantee for credit worthiness in relation to further lending, was blown apart in mid-December. It no longer exists. It is as simple and straightforward as all that.

(Hon. H. B. St. JOHN: You have just contradicted yourself.)

Dr. R. C. HAYNES: I have said that in the past. Once the IMF came in, no matter how much credit worthiness you had lost, with the fact that they put a ceiling on foreign borrowing, what happened then is that because the country was forced to follow the IMF policy, within what was allowed under a particular agreement, then the foreign banks would permit capital flows into the country. In other words, what I am saying is that the IMF's credibility itself and its capacity to handle the existing international financial crisis is being highly questioned.

The fact that this is before us, Sir, is an indication that the Morgan Guaranty Trust Company is concerned about the credit worthiness of Barbados. I saw all sorts of things across the television screen while I was trying to enjoy an Old Year's party or something like that. There was not enough time to read what was said, but the words "credit worthiness" related to two other variables, and those two variables have changed for the worst since the June 1982 World Bank Report, in that GDP has contracted and that external public debt and public guaranteed debt have increased. Make no mistake about that. So that kind of presentation is to fool those who do not really follow the details of what is going on from day to day in relation to government finances.

Indeed, Sir, I find this whole matter an insult to Parliament, that we should have gone off — in fact we came back here to approve that Resolution — we went off to spend our quiet Christmas holidays, and then you open the newspapers and you discover that the agreement was signed with some other organisation. We approved a loan from the Morgan Guaranty Bank — and you open the newspaper and see a final agreement was made with another organisation.

What is Parliament coming to? Surely the decent thing would have been to wait at least until today and come before Parliament and tell us that you had made a mess of the situation once again and seek the approval of Parliament before that kind of public disclosure was made, because it made a fool of every single

parliamentarian. I would say that. It certainly made a fool of me.

When I was asked about it, I said this could not possibly be true. I could not see the Government coming to Parliament and asking us to agree to a guarantee from one organisation and then publishing that they have entered into an arrangement with another organisation — without having the courtesy of coming back to Parliament first. But alas, Sir, when I came in here this morning I discovered that it was true.

I would hope that Members on the other side would recognise that this is no proper way to conduct public business, and that that kind of manoeuvring is destructive of the democratic system of this country, and, furthermore, that if we continue to handle the fiscal affairs of Barbados in that manner, then we will go more rapidly in the direction in which we are already going, Mr. Deputy Speaker.

We have had exhaustive debates on off-shore banking in Barbados. I do not wish to indulge in this again. There are many peripheral matters that have been raised. For example, the amount of employment to be generated, the social consequences, the possible inflationary effects, on small countries and so on; these are all peripheral matters. But in such financial and economic terms, the greatest danger, and I repeat, the greatest danger in financial and economic terms from having an off-shore presence in a small economy like Barbados is the danger of contamination; the freedom of the movement of funds from the offshore jurisdiction into the domestic jurisdiction. And often highlighting this and spearheading this is the easy access to Government of these offshore facilities.

I came in here during the last session with about twenty to thirty references — I rattled them off, I produced them to Parliament — and every single expert on offshore banking has come to the conclusion that what we are doing today in financial and economic terms is perhaps the worst thing that we could be doing. The fact that we have access to easy offshore banking, the fact that, very often, offshore banks do not subject project lending to the same type of scrutiny that you will get from the world financial institutions or from other major banks which have experience in these areas, is one of the ways in which a Government can find itself in major difficulties in handling its financial affairs.

My fears today, Sir, are not as great as they were, in a sense, prior to the IMF intervention, because there is a ceiling on the amount of debt that Government can contract. But I am saying this, that if each time you go to a recognised institution to borrow money and you have that kind of difficulty, then you rush to the offshore

banking sector here in Barbados, you are going to find that you are going to damage your position far more than would have happened in the past, largely due to easy access. And very often, the offshore bank itself has not got the infrastructural facility for assessing the true basis of the loan, and, indeed, they are not particularly concerned about that once they know that, ultimately, the taxpayers of this country will have to pay, or the country would be excluded from the western financial system.

It is a warning that I sound here on the floor of this House, because if you look very carefully and you see how all the developing countries are finding themselves in this kind of situation today, it is because they did not understand, as has been recently pointed out by one authority, that money does not mean wealth.

Ready access to offshore banking facilities does not mean the creation of wealth in a country. Indeed, Sir, arising out of the Wharton Econometrics study, it was clearly demonstrated that were it not for the massive escalation of Euro-dollars within the banking system, and the ease that Mexico experienced in getting access to those Euro dollars, the Mexican external foreign debt today would be approximately \$40 billion instead of \$80 billion, and they would not now be forced under an IMF stand-by arrangement, to accept an 8 percent to 9 percent decline in the standard of living of the country, because they could live with the \$40 billion without the extra \$40 billion that they got through offshore banks.

I am not impressed at all because I know that the genesis of the present international, financial crisis has been the rapid increases in oil prices and the rapid increase in the earnings of Euro-dollars by the oil producing countries, and the ease with which the developing countries have been able to have those Euro-dollars funnelled into their economies through offshore banking. 3.50 p.m.

So, all this business about Barbados' credit worthiness being demonstrated by the fact that you can get up on a telephone and make a loan from an offshore bank is nothing; almost anybody can. That is no test of your credit worthiness.

As a matter of fact, at the present moment the offshore banks are facing a very serious problem, that many of their short-term deposits have been loaned at interest rates far higher than they are able to command on the international market today. Because whilst there has been no significant drop in long-term interest rates, or in real interest rates, there has been a significant drop in short-term interest rates. So they find themselves in a situation where they have to have a rapid turnover at lower interest rates in order that they can remain viable.

I am sure the Royal Bank of Canada in Barbados will be having grave difficulties in finding clients to borrow the money that was passing through the offshore banks. They would have difficulties. There is the international world recession. There is a significant reduction in demand in those sectors of the international economy which were the largest consumers of Eurodollars, and with severe limitations on borrowings by — I would imagine it may well be probably over 40 to 50 Third World countries who have been heavy consumers of Eurodollars over the years, they would be looking for a market for their money.

I am not surprised that they are happy to off-load US\$13 million on the people of Barbados in this situation. It is not so easy to lend Eurodollars at the moment. Not so easy. Not so easy.

Aside.

Dr. R. C. HAYNES: Off-load is the correct word.

If you look at the accounts, and some are beginning to come out now, of the Eurodollar offshore businesses, even of Canadian banks, you will see this back up in their business. And any Government that can come along, so long as they can satisfy them that they can tax the taxpayers enough in due course to pay them back, they would be very glad to dish out the money. Make no mistake about that. So it is nothing to be boasting about.

Let me tell you something, the Royal Bank of Canada is not doing Barbados any favour. This is part of their normal business activity.....

(Hon. Dr. R. L. CHELTENHAM: They never do you a favour.)

Dr. R. C. HAYNES: But this is the impression that the Minister of Finance was trying to convey. He was trying to convey that Barbados'.....

(Rt. Hon. J. M. G. M. ADAMS: If they are lending so much money, why do they not lend to Mexico, you idiot?)

Dr. R. C. HAYNES: You will soon have things about here worse than Mexico.

As a matter of fact, it is interesting that the first thing the Mexican Government did was to fire all their Cambridge and Oxford economists, who qualified 20 or 30 years ago, and it replaced them with economists from Cambridge, Massachusetts. That is one of the first things that the new Government did. That is a fact. (Rt. Hon. J. M. G. ADAMS: What did they do with their doctors who never qualified?)

Dr. R. C. HAYNES: That is the first thing they did, fire all the Oxford and Cambridge economists and replace them with economists from Cambridge, Massachussets.

(Rt. Hon. J. M. G. M. ADAMS: What about the economists who never qualified?)

Dr. R. C. HAYNES: I will give you the authority for it. The authority for it....

Mr. DEPUTY SPEAKER: Can we have a debate...

Dr. R. C. HAYNES: Mr. Deputy Speaker, I think I should give you the authority for it.

Mr. DEPUTY SPEAKER: Can we have a debate on the Resolution which is before the Honourable House and not about Oxford and Cambridge economists or doctors, please.

Dr. R. C. HAYNES: But Mr. Deputy Speaker, I would just like to read into the record.....

Mr. DEPUTY SPEAKER: Are you going to produce that and make it a document of the House?

Dr. R. C. HAYNES: Yes, Sir, I would be very happy to do so.

Mr. DEPUTY SPEAKER: What are you going to read about, before you go on?

Dr. R. C. HAYNES: I have referred to it before.

Mr. DEPUTY SPEAKER: What are you going to read about now?

Dr. R. C. HAYNES: I am not going to read about it, but I am going to reinforce the main line of argument.....

Mr. DEPUTY SPEAKER: What are you going to read about?

Dr. R. C. HAYNES: I will see if I can find the section on the economists. I will have to search here for it.

Mr. DEPUTY SPEAKER: We are not debating economists at this time.

Dr. R. C. HAYNES: Would you prefer me not to make it a document of the House?

Mr. DEPUTY SPEAKER: If we would debate the Resolution, please.

Dr. R. C. HAYNES: Thank you, very much, Mr. Deputy Speaker.

There is one final area to which I would like to refer. I already said I wanted to congratulate the Deputy Prime Minister for telling us the truth, that it was a complete mess up, and he has had an opportunity to have his say in relation to the Barbados National Bank, which he did not get the opportunity to do when he left the House during the particular debate last year. I understood the way he felt about the whole thing.

But, Sir, what the right honourable Prime Minister sought to convey is that we have a Canadian bank, that we have Petro-Canada of Canada and, therefore, all is well. But this House should be reminded that, whereas I would not like to challenge the technological skills of Petro-Canada, it was in the energy sector that the major Canadian banks were threatened only about nine months to one year ago.

It is a fact that the Canadian Central Bank had to move in in order to rescue two American banks. And I go further and say this, Sir, I subsequently discovered that the Bank of International Settlements also had to intervene in relation to the problems of the Canadian bank. It spilled over from a clearly domestic domain of Canada and, in fact, part of the rescuing operation had to come through the Bank of International Settlements. I would also say this that at the root of that problem was not only Dome Petroleum, but also Petro-Canada of Canada itself. So, do not try to convey the impression that because Petro-Canada is involved and Canada is involved and an offshore bank of the Canadian system is involved, that combination means anything whatsoever in terms of either confidence in the borrower or the capability of the lender in terms of the overall Canadian banking system.

It is only when, Sir, you seek to analyse those kinds of statements, and only when you have accumulated sufficient information, that you recognise the plausibility of them. And when you try to go below the surface, you discover that the particular statement is meant to convey to this Parliament a situation which does not really exist.

I do not wish, Sir, to get into the merits or demerits of the purchase of Mobil's assets. We have expressed our views on that. Both sides differ on it, not in principle, but on the amount of money that is being paid and on the purchase of certain aspects of what is said to constitute assets owned by Mobil, as distinct from assets owned by the people of Barbados. We have our clear differences on that particular area.

But, Sir, I would like to wind up and say this. I do not propose even to refer to the word, "depreciation".

I would not refer to the words "devaluation" or "depreciation" or "appreciation". They are three words that are not in the part of my dictionary. The Rt. Hon. Minister of Finance likes to refer to these matters very, very frequently, but he is not talking to fools. Just let me just put across one or two concepts to him, which he will understand.

4.00 p.m.

There is a demand side and there is a supply side. There are wages; there are reductions in real incomes, there is a reduction in demand, and because of the reduction in demand and the reduction of wages, there is a possibility of an influence on the supply side. Devaluation or depreciation, if you like, because you know the options that were available to you and which one you opted for. You know what you opted for.

Asides.

Dr. R. C. HAYNES: What am I talking about? You know what I am talking about all right, because you know perfectly well that, apart from a depreciation of the financial assets of Barbados, there is no significant difference in the long term between the devaluation and the kind of wages policies that you have imposed on this country; apart from an overall depreciation of the financial assets of this country. You would know what I am talking about.

Mr. DEPUTY SPEAKER: Would the honourable Member please stick to the Resolution before the House.

Dr. R. C. HAYNES: I am trying my best Sir, but I want to be very careful. I will not use those words at all. This is the last occasion you will hear me refer to it, the very last occasion.

So at this point, Sir, I will say that this is a very, very sad day, a very sad day, in the history of the parliamentary life in this country; it certainly is a bad reflection on the competence of the Government itself and, ultimately, I hope that the people of Barbados will recognize the gross incompetence in the Ministry of Finance and many of its departments.

I, once again, congratulate the Deputy Prime Minister for telling this House the truth; that it was a mess up, that the Government is to blame, and when the Deputy Prime Minister says that it should teach the Minister of Finance a lesson, what he is saying is that a department under your control has messed up — and you have messed up, too. That is what he is telling you.

I can respond to the kind of language and the kind of dimensions of the Deputy Prime Minister with no difficulty, because there is no deviousness about it. There is no attempt to conceal the main issues at stake. It is

an honest attempt to tell the country we have made a gross error, that we have made the country a laughing stock of the international financial world, and we come into you honestly today and tell you that the thing emanated from the Barbados National Bank. That is what he has said, and it is in complete contradistinction from what the Hon. Minister of Finance has said.

Thank you, Mr. Deputy Speaker.

Hon. Dr. R. L. CHELTENHAM: Mr. Deputy Speaker, Sir, I think that we are all relieved that the last honourable Member who spoke has indeed sat down, Sir, and I think that, in particular, his own side was becoming more and more embarrassed with every passing sentence.

I, myself, am finding it extremely difficult of late, Mr. Deputy Speaker, to respond to the interventions of the honourable Member for St. Michael South Central, and that is because he is very much like the student, who we have known both at high school and at the university, who, notwithstanding the fact that he had knowledge, consistently got a "C" grade for his essays because he had no sense of relevance and was unable to marshal his material. That is precisely what happened to the last honourable speaker.

In the end, to put it crudely, Mr. Deputy Speaker, he just confused himself. I think we must all agree that he started well but in the end contradicted and confused himself, and, in so doing, has continued to confuse the issue. To that extent, it is important that we return to an identification of the issues under discussion here.

The fact is, Mr. Deputy Speaker, that this Parliament, before the Christmas recess, approved the action of the Government in accepting a syndicated loan for the purchase of the assets of Mobil. Morgan Guaranty was the lead bank in that exercise, a reputable financial institution, and they committed themselves to the Government of Barbados, and we in turn expressed that commitment to Parliament, to the effect that they would be able to deliver. It so happened that after that Resolution seeking the guarantee of Parliament was approved, passed by both Houses, Morgan Guaranty indicated that they were finding difficulty in delivering the loan to the Government of Barbados.

What are the facts behind the difficulty which they experienced? In the first place, the international financial scene is in a very chaotic state. There are developments of grave significance that are taking place almost every day. Many banks that were in a healthy financial state have found themselves, in a matter of weeks, in a weak financial state because of the sudden inability of many countries, otherwise regarded as prosperous — Mexico, Argentina, Brazil — to repay their loans.

Since this House approved the guarantee, the banks in the United States of America have decided, as a matter of policy, that they will not offer any loans or make any loans to countries south of Florida. Barbados was caught in that position. It has nothing to do with the fact that we have borrowed from the International Monetary Fund or anything of the sort. The countries south of Florida owe the banks in the United States so much money — Mexico, Argentina, Chile, Brazil — that they have decided as a matter of policy that the countries south of Florida would not lend any money. It was in those circumstances that the Morgan Guaranty Bank was reluctant to honour the commitment which they gave to the Government of Barbados with respect to this syndicated loan in which they were playing a lead role.

4.10 p.m.

So it is no reflection on the competence of the Prime Minister and Minister of Finance that we are in this position here today. It is a reflection, if anything, on Morgan Guaranty Bank, which gave a commitment to a sovereign country and then reneged on it, and it is certainly a commentary on the times in which we are living, in particular the difficulties in the international financial markets and the crises that are confronting the international banking system. It is a commentary on that, but it has nothing to do with the right honourable Prime Minister and Minister of Finance.

So, Mr. Deputy Speaker, much as we anticipated that the principal spokesman on financial matters in the Opposition was bound to forge a linkage between our borrowing from the International Monetary Fund and the failure of Morgan Guaranty Bank to honour their commitment, we have to say emphatically that there is no connection whatsoever with the fact that the Government of Barbados is borrowing from the International Monetary Fund and the failure of this syndicated loan to come through. It has no connection whatsoever. It is absolutely no reflection on our credit worthiness.

In fact, this point needs to be made. Going to the International Monetary Fund has always given a country a stamp of approval as far as the management of its finances thereafter is concerned. I am hearing the last speaker make that point over and over again. When Britain went to the International Monetary Fund in 1967, when Italy went, Brazil has had to go on several occasions, when India went, it did not diminish the credit worthiness; it restored it, and that is why a number of those countries were able to turn the corner afterward.

Dr. R. C. HAYNES: If the honourable Member will give way on a point of elucidation, I made the very point that, since about December 15, that situation has changed somewhat because of the conflict between the international banks and the IMF and the demand by the

IMF to go in only if they get financing, so that umbrella arrangement has changed in the last three weeks.

Hon. Dr. R. L. CHELTENHAM: Mr. Deputy Speaker, that only demonstrates the thesis on which I begun, that the honourable Member has confused himself. He has no understanding of relevance. There are two separate issues there. Let me identify them for the benefit of Members.

The first question is whether going to the International Monetary Fund gives a borrowing country a seal of approval and, as a result, helps to restore and strengthen its credit worthiness, or whether it diminishes its credit worthiness. I am saying that any study of the history of lending by the International Monetary Fund will demonstrate conclusively that going to the International Monetary Fund gives a country a seal of approval, it adds to its credit worthiness. That is the first point.

The second point, which is the one that he mentioned in his speech, is that the view has been for years that the International Monetary Fund is more concerned with bailing out banks than with helping the borrowing countries to restore their economies, and, as I understand it, the honourable Member is saying that within the last three weeks the Bank has taken the view that their role is not so much to bail out the banks, because if they make bad loans they must bear some of the losses. Perhaps we can accept that, but that has nothing to do with the issue before us.

The basic point that I am making is that it is impossible to forge any linkage between the failure of the Morgan Guaranty Bank to deliver on their commitment and the fact that the Barbados Government is in the hands of the International Monetary Fund. The two things have no connection whatsoever. If the last honourable speaker is correct, is the Royal Bank offshore bank not part of the international financial community? If it is true that, because we are in the hands of the International Monetary Fund, Morgan Guaranty Bank and the other parties to the syndicated loan pulled out, what happened to the bank that has now moved in their place with enthusiasm and speed? Are they not part of the international financial community too? Is the Morgan Guaranty Company likely to know something that another bank does not know? If we are tainted in the eyes of Morgan Guaranty and in the international financial community, why are we not tainted in the eyes of the Royal Bank's Offshore Branch? Are they operating on Mars? Are they not part of the international financial community here on earth too?

His argument is contradictory and goes to demonstrate what I am contending, Mr. Deputy Speaker, that the failure of Morgan Guaranty and the other parties to

the syndicated loan, to deliver and honour their commitment, has nothing to do with the fact that Barbados is borrowing from the International Monetary Fund.

But, Mr. Deputy Speaker, we ought not to be too concerned over the fact that that first arrangement did not go through, because as the right honourable Prime Minister has pointed out, we have not suffered anything as a result. The terms and conditions of the loan which we have been offered by the Royal Bank Offshore Branch are arguably better than the terms and conditions which we were offered by the Morgan Guaranty and the other parties to the syndicated loan.

This is a five year loan repayable in nine instalments, and here the point must be made that the Royal Bank Offshore Branch is not concerned with having any specific indications as to precisely how each and every instalment is likely to be made, so I am only demonstrating, Mr. Deputy Speaker, that, in many respects, the terms are less onerous.

We would have had to put money into an escrow account in order to satisfy the terms and conditions of the syndicated loan. We do not have to put money into any escrow account in order to satisfy the terms of the Royal Bank loan. Had we decided to prepay, we would have suffered a penalty, once we prepaid in excess of a million dollars. In this instance, we can prepay up to \$2 million without attracting a penalty, and there are many other respects in which this second offer may be regarded as far less onerous than the first, even though the interest is one-eighth of one per cent higher. As you will recall, the syndicated loan was seven-eighths of one per cent over LIBOR. In this particular case, we are paying one per cent over the London Inter-Bank rate.

I think the point made by the Deputy Prime Minister is an important point. It is one that I have made for many years, and that is that when we come to the question of raising money – and this is one of the lessons of the experience – first, look around you. You do not have to be rushing to London, to New York, to Chicago and Los Angeles when quite often you can walk into Broad Street, or pick up the phone, talk to the managers and the money can be raised. If not locally through the managers, they can help you to raise it outside.

4.20 p.m.

So it reflects, to some extent, our colonial past, our pre-independence days, when the first thing when you wanted money was to get on a plane, go and speak to the Crown Agents in London and see if they could raise the loan on the London market on your behalf. We are now operating in a different setting at a different stage of our development, and one of the lessons that we have got to appreciate is that the first place to look is within.

We must not forget, Mr. Deputy Speaker, that the purpose for which we are guaranteeing this loan is unquestionably admirable and in the best national interest. It is necessary that the people of Barbados should own the assets of Mobil. We are satisfied, totally satisfied, that we have got the assets of Mobil for a good price, and it would be foolish of us, short-sighted, unwise, not to go ahead and accept the offer of Mobil to purchase their assets. In the end, where the money comes from is a secondary question. The purpose for which the money is being used is so overridingly sound that, in the end, that must be regarded as the important issue.

I, Mr. Deputy Speaker, would like to conclude very much as I began, by repeating with emphasis that the failure of the Morgan Guaranty Bank and the other banks to the syndicated loan to honour their commitment.... Here it was that a reputable international bank leading a syndicate had given a commitment to the Government of Barbados through the Barbados National Bank. How was the Prime Minister possibly to predict that in their dealings with a sovereign country of the highest regard in financial circles – do not mind we are small, we have never reneged on any loans to anybody yet; we have the highest regard in financial circles – ...you have been part of the Government in your time and it has never happened in your time and it has never happened in ours, and we hope that it will never happen; that is what we as citizens of this country can be proud of....how was the Prime Minister to know that a reputable institution like that was going to dishonour their commitment – that is what it has done.

So that is no reflection on the Prime Minister or the Government. Equally, it has nothing to do with the fact that we are borrowing from the International Monetary Fund, and I think that they are the two points that need to be emphasized in this debate.

Mr. B. M. TAITT: Mr. Deputy Speaker, I believe that the honourable Member who has just sat down could get a grade of "B" for argumentation as opposed to the "C" which he would give out. I am a much more liberal marker in these things, but that would be for argumentation, Sir, because he attempted to do the near possible, and to some extent, to those who might not have been listening as carefully as they should, he may have seemed to succeed.

He sought, as I understand his argument, to demonstrate two things that the fact that we are, to quote his words, "in the hands of the IMF" is removed from the issue which is before us, that is, as I understood his position, that a reputable bank, Morgan Guaranty, made a solemn commitment to a sovereign Government and then reneged on that commitment.

The question that I would like to pose in this Honourable Chamber is why? Why did the Morgan Guaranty Trust Bank, a reputable institution on the international scene, after going through all the processes that were considered necessary and desirable, made a commitment to a sovereign country — why would that reputable institution renege?

After all, the decisions to make those kinds of loans are not normally made on the basis of an assessment of the individuals who are negotiating the loan. Decisions of this kind are not normally made on the basis of information that is irrelevant to finance and the financial situation. So I would like to suggest that when the honourable Member says that the credit worthiness of Barbados was not at issue, that the honourable Member is really begging the question.

He then later in his arguments suggested that an approach to the International Monetary Fund, rather than becoming an indicator of a lowered credit rating or credit worthiness, it becomes a bulwark. It strengthens and improves the credit worthiness of the recipient country.

There are a number of facts concerning the international institutions which, apparently, have not been thoroughly digested by a number of persons who talk about these institutions. The first and very important fact, Mr. Deputy Speaker, is that the International Monetary Fund is a lender of last resort. The second important fact, Mr. Deputy Speaker, is this: not each country which goes to the International Monetary Fund has the same problem and is dealt with in the same way for the same reason.

Mr. Deputy Speaker, the honourable Member mentioned Britain, that Britain went to the International Monetary Fund. I hope that it was inadvertent that he forgot to mention that Britain went to the International Monetary Fund with a foreseeable and acceptable guaranteed revenue from the North Sea oils, and that the British Government of the day had indicated not only to the International Monetary Fund but to the syndicate of the international institutions which agreed to support the loan, which, I believe, was £4 million, that it was clearly understood that the British Government foresaw substantial revenues which would emanate from the new oil finds in the North Sea. And so the question of Britain going to the International Monetary Fund is not *pari passu* with the question of Barbados going to the International Monetary Fund.

I go further, Sir. It is certain that when the negotiations for this loan began, that Morgan Guaranty Bank would not have been aware, or may not have been aware,

that Barbados was in fact going to the International Monetary Fund. If they were aware, they would have wanted to know what are the terms and conditions which would be set for the International Monetary Fund loan, and whether, in fact, the standby arrangements would have the usual conditions attached by the Fund in such arrangements for developing countries.

4.30 p.m.

Therefore, Mr. Deputy Speaker, it is clear that, because we went to the International Monetary Fund, the Morgan Guaranty Bank may have decided that they did not wish any part of the syndication. It is entirely possible.

No doubt we will have information that will demonstrate that this could not be so, and if in fact this can be demonstrated, then we have to be given some kind of speculative or probable reason why this same reputable institution, Morgan Guaranty, would terminate an arrangement between itself and an equally reputable sovereign country. Are they just plain malicious? Are they simply silly, or is it not possible that the criteria, which they used for determining whether they would embark on a syndication for a loan to a small developing country, would be more stringent than the criteria which may be used by banks whose business, although it is money, operate in a different sphere, at a different level from banks like the Morgan Guaranty.

Mr. Deputy Speaker, I am submitting that the fact that an offshore banking institution is more ready and more willing to lend may be a result of their understanding of their role and their having a lower threshold than banks like the Morgan Guaranty.

I must confess, Mr. Deputy Speaker, that I was very surprised when the first Resolution came before this Honourable House to see that the Morgan Guaranty Bank was going to be one of the banks listed as in the syndicate that would be raising this loan. I was very surprised, and I have no doubt that the reason why the Morgan Guaranty Bank was involved in the first place is tied in some ways to the concept of the CBI, which was very much in the air, and the concept of American institutions lending their weight to this area of the world; and I have no doubt that one department of that bank may have been willing to go in a certain direction while the other department of the same bank may have wanted to continue its rather conservative approach to these matters.

Indeed, Mr. Deputy Speaker, a Barbadian, who is employed in Wall Street, raised a question with me during the Christmas holidays, and before this information became known, as to how come Barbados had sought a loan from the Morgan Guaranty Bank; and his words were that people in Wall Street are looking with a certain amount of query, a certain amount of interest, at the

possibility of Barbados going to banks like the Morgan Guaranty. It was unusual, a very unusual step.

I am surprised, therefore, to hear the Deputy Prime Minister suggesting that the Barbados National Bank had in fact given a commitment on behalf of its correspondent. If that is so, Mr. Deputy Speaker, we have a bigger problem than any of us in this Honourable Chamber might have recognised. It means that we cannot be certain, when we are dealing with finances at that level, if the people who are responsible for the Barbados National Bank understand the nature of the business they are engaged in at this level. We have to be very certain in our minds that we are not fooling ourselves that we have bankers, where in fact all we have are bureaucrats.

Asides

Mr. B. M. TAITT: Put the Barbados National Bank in court, and you will find out if they understand what you are talking about, if they have given you a commitment for US\$13 million and then they renege on it. You ought to be in a position to determine if you can deal with them again.

Certainly as a bystander, if I observe that this Government which the honourable Member says has its credit worthiness at the same level as it has always had it, finds itself in a position where the Barbados National Bank does not consider itself willing to go to bat for it, then, something is either wrong with the Government or something is wrong with the bank. But I have reason to believe, Sir, that something is wrong with both.

Mr. Deputy Speaker, the honourable Member (Dr. Cheltenham) says we ought not to be too concerned that the arrangement did not go through, and he said words to the effect that how we pay the money or from whom we get the money, is not as important as what we are going to do with the money. I submit, Sir, that, to the extent that we need to own assets such as the natural gas and petroleum in Barbados, that on the face of it is a reasonable statement, but he has opened the way for us to raise some questions concerning the asset.

I find it very difficult to understand why Mobil, six months before this transaction, announced in Barbados that it was embarking on an \$11 million shallow drilling exploration. Six months before this transaction, Mobil announced in Barbados that it was embarking on an \$11 million shallow drilling development. I do not understand how a reputable company like Mobil will embark on a shallow drilling exercise in, say, July, and by December something happens which causes Mobil to decide that they wish no part of the operation.

Asides

Mr. B. M. TAITT: We dealt with it last time, but we did not get the answers. Perhaps we will get the answers now, because the honourable Member is saying that the asset is what counts in this situation, and we are saying that we would like some bankable assurances so that we can accept the premise that we ought to take what in essence is a rebuff, because on the international financial circuit, the fact that Morgan Guaranty has refused to hold a bargain with Barbados is going to operate to the detriment not of Morgan Guaranty Bank; the fact that the Prime Minister or Deputy Prime Minister or Minister of Agriculture of Barbados had something to say about Morgan Guaranty Bank in the House of Assembly of Barbados will not affect Morgan Guaranty Bank in New York; but the fact that Morgan Guaranty Bank considered that something had happened with Barbados to the extent that they had to withdraw their commitment will leave other financial institutions in the same market-place to raise questions about this country, Barbados, and the asset. That is the way, to my mind, the linkages between the credit worthiness of Barbados and the issue before us can be seen.

I end as I began. Why did Morgan Guaranty Bank renege on the loan? I ask the other question now. Why did the offshore bank of Royal Bank pick up the loan, and why did the honourable Member try to give us the impression — I really do not understand why, Mr. Deputy Speaker — that the facility with which they did it will offset the attitude of Morgan Guaranty?

He asked a series of questions until he came to the crescendo of his intervention. He said, does this mean that the other bank has different criteria? Does this mean that the other bank and he went on. I think it does. I think the answer to his questions is: that it does. It means that the Royal Bank has a vested interest in seeing that the Government of Barbados survives. I do not mean the political party; I mean the Government. You see, the Royal Bank of Canada in its entirety has been involved in Barbados for some considerable time, and it may indeed feel, since it has a leg up, as they say, on the offshore banking business in Barbados, that it is a new and very fertile area for its own operations.

4.40 p.m.

That same Royal Bank is the bank that sought to finance the Cement Plant in Barbados. That same Royal Bank is the bank that has a connection with the Orion Bank. That same Royal Bank has had long connections with certain persons in Barbados who are their advisers, representatives, *et cetera*.

I am not surprised that, for a measly Bds. \$26 million, US \$13 million, they could give the Prime Minister a cheque for bridging finance on a telephone call. That says nothing about the competence of the

Prime Minister or otherwise. But it does not say anything about the competence of the Royal Bank either. Because Mr. Deputy Speaker, you know that if a person is borrowing \$2 600 and a bank manager picks up the telephone and tells him "Sure, you can have it" — just so; even in our little, measly banks in Barbados, somebody would question the competence of that manager who gave it on the telephone.

I am not going to get caught in the trap of the Prime Minister, giving the impression of his waking up one morning and saying, "Lord, what has happened to this Morgan Guaranty Bank now?", pick up the phone and call somebody across the street and they said, "No problem, send for the cheque." And you got the US \$13 million.

Mr. Deputy Speaker, none of us are so simple as to accept that picture which he sought to paint, and which my good friend, the honourable Member for Christ Church East, sought to enhance. The fact is that the Royal Bank offshore company in Barbados has a vested interest in seeing that the Barbados National Bank's problems and that the Government's problems do not operate to make other people in the financial community believe that the Barbados financial situation has reached the stage where it would be risky to do business in Barbados.

Royal Bank's offshore bank has a vested interest in seeing that the reputation of Barbados, as a financial centre, as my friend likes to say, as a place where they have stable Government, as a place where you can come and be reasonably accommodated; Royal Bank has an interest in that, plus some very hard bargaining, persuasion and patrolling that would have been done by friends of Barbados in Barbados.

Mr. Deputy Speaker, the credit worthiness of Barbados is an issue when we have to come back to the House because a reputable institution says, "We are sorry, but we cannot lend you the money any more." There is one basic reason why a bank, whose business is money, will fail to lend — the bank itself has a question in its mind as to whether it will get its money back in the terms and conditions which it set out.

I do not think that even the honourable Member for Christ Church East will question that that is the basic criteria with which a bank operates. Whether it is lending \$500 to a shopkeeper or US \$13 million to a Government, its basic question is, "Will I be able to get all the terms and conditions which I laid down." He, himself, said that there were certain conditions laid down by the original, potential lender. They wanted to know how will each single installment be paid back. These words came from the honourable Member.

Now, Mr. Deputy Speaker, you know, Sir, that when a bank is about to lend you money and they start asking you to produce evidence, that you will be able to meet each and every instalment, and they are asking you to give them an essay on precisely how you will meet each instalment, they start off suspicious of you. And it is at some point along the way when they came to believe that you could not meet the criteria which they set out that they decided you were not worth their trouble. That is when they decided to do what you call, renege. But, from their point of view, they had taken a strong, sensible decision as a responsible bank. As the reputable bank they are, they were saying, "We are not taking any chances on you."

I am not saying from this position, Mr. Deputy Speaker, that I agree with them. I could not, as a good national of Barbados, feel that Morgan Guaranty Bank, or any other bank, could look at Barbados and renege on a simple figure of Bds\$26 million. It does not make me happy.

So I am not here bragging or pulling off political licks that we could not get Bds\$26 million from Morgan Guaranty Bank. I am saying, however, that we, as a responsible group of parliamentarians, should examine this in its entirety and not seek to pass it off. We cannot merely say that Morgan Guaranty reneged and that they are bad people. Their business is money. They are conservative, they are stringent, but you went to them. Or, is it that they sought you out?

(Hon. Dr. R. L. CHELTENHAM: They sought us.)

Mr. B. M. TAITT: They sought you out! And you mean to tell me then that this Government is so naive, so "babe in the woods", so unaccustomed to international finance that when Morgan Guaranty sought you out and said, "We have discovered that you have a loan that you have to pay, we are in the business of making loans, let us see how we can help you." For US\$13 million? I hardly think so, Sir.

I hardly think that they would have sought you out. I think that you might have been misled. You might have been given information by people who do not really know what they are doing. You might have been given information by people, who, because they have come face to face with this kind of operation for the first time, have given you information and advice that is at the best, bad.

(Hon. Dr. R. L. CHELTENHAM: Dynamic side.)

Mr. B. M. TAITT: The honourable Member is saying *sotto voce* that things are changing so rapidly that advice that is good on a Monday may be bad on a Tuesday. But I recall the same honourable Member saying that the test

of good management is to be able to calibrate and to be ready for the changes that should come. I remember the same honourable Member in here saying that you must be ready for the cloud burst, because when the cloud bursts, the sun will come shining through.

I will have to come to the conclusion then, Sir, that it is a question of management. It is a question of those whose responsibility it is to be able to assist the advice which they get, and again, Sir, we come to the argument that the honourable Member sought to put forward, that this issue had nothing to do with the competence of the Minister. But he, himself, is providing — maybe this is intentional, Sir, I do not know — the very basis on which one might question the competence of the decision made.

Presuming the decision-maker to be the Minister in this case, it means that he took bad advice. We are not dealing with a situation where, as we have seen in other legislation, somebody made an error with a comma, or a typographical error. We are dealing with a decision that was made in consultation with the financial wizards in Barbados. The error is not only on the side of Morgan Guaranty, the error would have to be on the side of the Barbados Government.

Finally, Mr. Deputy Speaker, this attempt to put distance between the Barbados Government and the Barbados National Bank is not acceptable, Sir. I do not believe that the Barbados National Bank was acting in a vacuum when it discussed this issue with the Government of Barbados.

You would recall, Sir, that, when the changes were coming about in the Barbados National Bank, the Minister himself made certain statements concerning the methodology that the bank should use. I cannot believe that the resources available to the Minister on the question of international finance were not available to the Barbados National Bank. I do not believe, Sir, that the Barbados National Bank would lightly and wantonly go into a commitment for US\$13 million unless they had what I have referred to as "bankable assurances". And, therefore, to the extent that the Barbados National Bank has reneged, the Barbados Government must carry part of the responsibility and part of the blame.

4.50 p.m.

I am saying in the end, Mr. Deputy Speaker, that there was incompetence at the level of the arrangements which caused this Parliament to agree and make the guarantee. There was, Mr. Deputy Speaker, mismanagement. We are not dealing with a simple matter. We are dealing with an issue. We are dealing with the finance of this country at a time when we are in a precarious situation.

I am asking, Sir, if the honourable Member is suggesting that other countries in the Caribbean, who had had a commitment with the Morgan Guaranty Bank, would have had the same problem, is he suggesting that Trinidad and Tobago, or Surinam before the coup, or Paraguay would have had the same problem, that Morgan Guaranty would have reneged?

I finish now, Mr. Deputy Speaker, with rebuttal of just one last point. The honourable Member trotted out Brazil and, I believe, Argentina and Mexico as examples to put next to Barbados — Chile.

(Asides)

Mr. B. M. TAITT: Chile — you are late.

The fact is, Mr. Deputy Speaker, that Brazil's economy has been in a situation of chaos for the last fifteen years. Brazil's rate of inflation has been in excess of 100 per cent for the last eleven years. Argentina's rate of inflation has just increased beyond 100 per cent and its recent excursion into the foolish War has left Argentina in a state where it is doubtful whether it will emerge before the turn of the century. How can any sensible person expect the people of Barbados to accept a comparison between Barbados and Brazil, a comparison of Barbados and Argentina, a comparison of Barbados and Mexico?

The Mexico problem is an entirely different problem from the Barbados problem. But the real problem is that the honourable Minister of Agriculture, and the Prime Minister and Minister of Finance, continue to behave as if Barbados is a producing country like Mexico. Mexico will get out of its problems because it has the resources, and the bankers like to know that they have resources, where they have their hands on the throats of Mexico's resources at the moment. But the resources are there.

This little importing country has been played around with by the current managers in a manner which suggests that it was strong and able. As one of them said, Sir, we will have a standard of living equivalent to the United States by the 1990's. The Prime Minister, Sir, has said it — a most irresponsible statement.

Mr. DEPUTY SPEAKER: The honourable Member has already exceeded his time.

Mr. B. M. TAITT: I am grateful. Just let me make a final statement. I am grateful to Your Honour for your indulgence. I am merely finishing with this point, Sir.

What we need in Barbados, Sir, is careful management of our resources and very careful management in terms of these kinds of exercises in international high

finance. We need to be a little more conservative in our acceptance of advice from persons who may have only come on the scene recently. Mr. Deputy Speaker, another opportunity will come for us to expand on that particular view.

Thank you.

Mr. A. TRUSS: Mr. Deputy Speaker, I rise, Sir, in support of this Resolution which seeks to annul Resolution 76 of 1982, which had gave approval for the Government to borrow US\$13 million from the Morgan Guaranty Trust Bank and associated banks.

I would like to give a brief and actual account of the events leading up to this new loan. It was first contemplated that the transaction would be completed by December 21 of last year. By December 20, officers of the National Petroleum Corporation contacted the Barbados National Bank inquiring why it was that no word was heard from Morgan in relation to the money so that the financial transaction could be concluded. On December 21, Morgan Guaranty contacted the Barbados National Bank and stated over the telephone that they had ran into certain difficulties in putting together a syndication and therefore, it was not possible to stick to the original agreement and let us have the money on that day.

On the following day, December 22, they called again and assured the Barbados National Bank's General Manager that, although the first attempt at syndication had failed, they were sure of success in the second attempt, because they were already putting together a second syndication, which, indeed, looked as though it would have been successful, but they needed a few more weeks in order to complete the entire transaction. That timetable, Sir, just did not suit the Government of Barbados.

The Parliamentary Secretary responsible for Energy in the Ministry of Finance and Planning was hard at work when the members of the Opposition, and indeed the members of this side, were enjoying themselves over the Christmas holidays, Sir, because the Morgan Guaranty loan fell through on December 22, and by December 24 a new loan was in place, the result of the hard work of Senator Griffith a member of the Other Place, and his staff in negotiating a new loan with the Royal Bank's offshore branch. On December 22, Sir, the first attempt of syndication by Morgan Guaranty failed, and by December 24 this Government was able to put together another loan and get cracking, because we have several other options open to us.

So when the honourable Members for St. Michael West and St. Michael South Central could state em-

phatically that that is their point of view, to which they are entitled, however wrong they may be, that it is their point of view that because it is perceived that the IMF is in Barbados the Morgan Guaranty Trust Company got cold feet and ran away from Barbados, we still had several options open to us — the Bank of Puerto Rico, the Bank of Trinidad, the Government of Trinidad and the Government of Barbados, the Government of Venezuela and the Government of Barbados and then, finally, the Royal Bank Trust Company. We are not a Government, Sir, that would put all our eggs in one basket.

I must say this, that in the very early stages, when the National Petroleum Corporation was formed and when it was first contemplated that the Government of Barbados should be involved in buying Mobil because Mobil wanted to sell, the reason Barbados National Bank went to Morgan is because Morgan Guaranty Trust Company is the corresponding bank of the Barbados National Bank. It is as simple and straightforward as that. The honourable Member for St. Michael South Central and the honourable Member for St. Michael West both understand what I mean when I say a "corresponding bank," they know what I mean. So it is automatic.

The point made by the honourable Deputy Prime Minister is a valid one, and in the future, perhaps, it is one which the Government could look at more closely, that, despite of the fact you may have corresponding banks, you must not forget to look at home. So one must not say that he is wrong to have said that, because that is a very valid point, and I hope it is driven home and we understand it. If there are any dealings in which I will have to be involved in the future, I will never forget it.

5.00 p.m.

The Morgan Guaranty Trust Company, contrary to what the honourable Member for St. Michael West has stated about wanting to get out of Barbados, is already involved in six or seven syndicated loans with the Government of Barbados. The Orion loan last year for \$30 million, Morgan Guaranty Trust was involved in the first place as the principal bank, and then when the Government of Barbados wanted to go to the Orion Bank, the Morgan Guaranty came in for a piece of the action and picked up piece of the syndication from the Orion Bank, because they wanted a piece of the Barbadian action.

It is not our fault, Mr. Deputy Speaker, that things have turned sour in South and Central America. I mentioned before that the honourable Member for St. Michael South Central quoted me when I said that a great country like Japan has been brought to its knees by Mexico because of a debt of US \$28 billion. If a great country like Japan can be brought to its knees by Mexico, what about

a small country like Barbados? Do you think that we in this small part of the world will be unaffected by the affairs of international economies?

Mexico has crumbled, and when you talk of not comparing Barbados with Brazil, Ecuador or Chile and Argentina, it is absolute rubbish. We are not a Utopia, we do not exist by ourselves, self-sufficient, dependent on ourselves; we are part and parcel of this entire structure, of this whole world, — it has been said time and time again that when North America sneezes we in Barbados catch a cold — and if the Mexican situation can be so crippling to a country like Japan and to a royal bank like the Morgan Guaranty Trust Company, because they are also heavily involved in Mexico, so heavily involved in fact that this is why the first syndication fell through, what about us?

But to say that they reneged on their commitment is not entirely true or fair, because they did assure us on the 22nd December that they were trying to put together a second syndication and that it looked good, but that they needed more time. The time, of course, did not suit us.

We made certain commitments to Mobil and we did not want to renege on our commitments to Mobil, and we proved the resilience of this Government by once again being able to go and get the money from some other source. So to say that, because the IMF is involved in Barbados we are being victimised or penalised is foolishness, because the very next Resolution is to borrow money from the Royal Bank of Canada, because we will be annulling the Resolution that was passed previously to borrow money from Morgan Guaranty Trust.

How can you say in one breath, Sir, that it is a reflection on the Government of Barbados because Morgan was unable to put together a syndication, and at the same time to say it is no big deal, anybody can borrow money? Royal Bank would lend money to anybody, and Mexico cannot get any. Let Grenada try to get money for the \$24 million radar project they are trying to install now. Let them try and get it. It is unavailable, Sir. Nobody wants to lend them money, but they will lend Barbados.

The point about Morgan Trust. On January 9, 1983 in the *Sunday Sun*, under the caption "Government to seek sanction", and I am quoting from a copy of the newspaper, Sir, the *Sunday Sun*, to prove my point: "A Caribbean News Agency (CANA) report quoted Charles Smith, a Vice President of the United States Company, as saying his institution had been advised by Barbados not to continue with the loan arrangement since it was getting the money from another source." So we are in the driver's seat, we are a sovereign Government;

we can decide to change from Royal to Royal if we so desire, providing the terms and conditions suit us.

We do not have to sit back and take the dictates of anybody. So Morgan could come to us and say that they are assured that a second syndication will be successful and we could tell them, 'We are very sorry, we have other plans.' We do not just stand around and wait for Morgan Guaranty, as big as they are, because we are bigger, we are a sovereign country, and that is the point which we must make. And the fact that we have raised the money proves the futile point that the Opposition members are trying to make about the IMF, and they try to make it time and time again.

The honourable Member for St. Michael South Central never ceases to amaze me. He will use every opportunity, and successfully so, Sir, to discuss the subject which he wishes to discuss regardless of what we are discussing. The honourable Member for Christ Church East gave his speech a grade C. I thought he was a bit generous, but I would go along with him, because he is a PhD. So if he gave him a grade C, who am I to argue with a PhD.?

Sir, questions were posed from that side which really cannot be answered by us. None of us on this side sits on the Board of Directors of Morgan, none of us can decide, or can tell the Opposition or the country in fact, why Morgan's first attempt at syndicating a loan failed after making a commitment. That is Morgan's business. Our business was to make sure that we took out sufficient insurance by way of proper planning to cover any eventuality, and as it turned out, Morgan was unable to find the money for us — and we found it from another source. That proves to me, not shoddy planning, Mr. Deputy Speaker, as has been mentioned by the honourable Member for St. Michael South Central, but proper planning, because within 48 hours we had another loan on the books and we were ready to roll.

On the 6th January, the Prime Minister signed a promissory note, because the money had already been drawn down subject to the terms and conditions to be agreed upon between the Government of Barbados and the Royal Bank, and the promissory note is subject to the approval of Parliament. So the honourable Member for St. Michael South Central cannot say that we acted in any sort of clandestine type way, passing one Resolution in the name of Morgan and signing an agreement in the name of the Royal Bank Trust Company. The agreement was signed in the form of a promissory note by the Minister of Finance, subject to the approval of Parliament.

Sir, I think that dispels the questions raised on that side about the credit worthiness of Barbados. I need not dwell on that too long. The reflections, if there are any,

are not reflections on Barbados, but reflections on Morgan Guaranty, because it was they who failed to fulfill their part of the bargain. If we, on the other hand, had failed to fulfill our part of the bargain, as we would have if we had given Morgan Guaranty the time they wanted, we would have reneged on our agreement with Mobil. Then, perhaps if Members on that side made that sort of argument, we would agree with them.

But, Sir, as I mentioned before, we are part and parcel of what is happening all over this world, and it is a vote of confidence in this Government, particularly this Government, in spite of the fact that the IMF is here, that we are able to raise this US\$13 million from Royal Bank Trust within 48 hours after the first syndication fell through.

5.10 p.m.

Not only did we do that, Sir, but we were able to accomplish a couple of pluses as well, because the original agreement between Morgan Guaranty and the Government of Barbados and the National Petroleum Corporation was harder than the agreement between the Royal Bank Trust Company and the Government of Barbados and the National Petroleum Corporation.

The escrow account which was demanded by Morgan meant, Sir, that when the Barbados National Oil Company, as it is now called, because since 7 January Mobil Oil Exploration Incorporated no longer existed — the Barbados National Oil Company now exists and the resources of fuel and associated gases are totally in the hands of Barbadians — what it meant was that when the Barbados National Oil Company sold its oil to the Mobil Oil Refinery, which is a second company, Mobil Oil Refinery was expected to put the proceeds into an escrow account and we, the Barbados National Oil Company, would be unable to touch that money until such time as the sums accumulated repaid Morgan Guaranty according to the terms and conditions of the original agreement.

There is no escrow account now. We will deliver oil to Mobil Refinery; Mobil Refinery will pay the Barbados National Oil Company for deliveries. The Barbados National Oil Company will make its own arrangements with its local bank to pay the Royal Bank Trust Company in respect of repayments as agreed between the Royal Bank Trust Company, the offshore company, and the Government of Barbados.

Another point, with reference to the escrow account, was that there was an escrow fee attached to the Morgan Guaranty Agreement. We are now saving that, Sir. We have no fee to pay, because there is no escrow account.

The repayments that have been mentioned, I believe, by the honourable Member for Christ Church East, the repayments were that we had to make the repayments in instalments of US\$2 million to Morgan. These instalments have now been reduced to \$1 million to Royal Bank, if we so desire.

All in all Sir, I would say that we are fortunate in many ways, because we have come out better than we expected, and it is not because we lacked foresight in the first place in negotiating a better deal — we were always looking for the best deal available, and at the time Morgan had the best deal available. Fortunately, Royal Bank's deal came through at a time that was appropriate for the Barbados Government to accept and, fortunately, it was a better deal.

So, therefore, Mr. Deputy Speaker, I have absolutely no reason at all not to support this Resolution to annul the approval which was first sought, and passed in the Honourable House, to borrow \$13 million from the Barbados National Bank, Morgan Guaranty Trust Company and associated banks.

I looked forward to dealing in the future with Morgan, because I am quite sure, like I said before, that they are involved in Barbados in syndicated loans — I think we are already involved in six or seven syndicated loans — and we will continue to have relationships. It is only that, on this particular occasion, the timetable of Morgan did not suit the timetable of the Government of Barbados.

Thank you, Mr. Deputy Speaker.

Mr. L. E. SANDIFORD: Mr. Deputy Speaker, I will not be long on this matter. I see my colleague and friend, the Member for Christ Church West, wishing to make another contribution today, and I will certainly give him that opportunity shortly.

I am not going into the financial aspect of this particular matter, because the three Ministers of Finance on that side, from the Front Bench, that is, have spoken on the matter. In that regard, I recognise the Prime Minister himself and, the Minister of Finance. I recognise the Deputy Prime Minister who acts as Minister of Finance when the Minister of Finance, himself, is not available, and I recognise..... (Mr. SISNETT: Talk man).

Mr. L. E. SANDIFORD: What is wrong with you, Sisnett?

Mr. DEPUTY SPEAKER: Order, order, please.

Mr. L. E. SANDIFORD: You want to tangle with me now?

Mr. DEPUTY SPEAKER: Order, please. The honourable Member is.....

Mr. L. E. SANDIFORD: I am very sorry, Mr. Deputy Speaker.

I also recognise the honourable Minister of Agriculture, who is also a Minister of Finance from time to time. I saw that he got a little piece of that Ministry recently. I do not know where my representative from St. James North was. I do not know where he was. I mean, acting in these things and I notice it by-passed him. He has delivered Budget speeches, replies to Budget speeches from over here, but out there on the Government side now, I do not know what has happened. I have a feeling that something has happened and that something is going wrong. I have that feeling.

Anyhow, in this particular case, I did not.

Asides.

Mr. L. E. SANDIFORD: No, no. The comedian is over there. I must have touched a nerve here, you know. I must have touched a nerve. Something is going wrong over there. I believe so.

I did not believe that this particular debate would have lasted so long. We gave early assurance, in a spirit of co-operation, that we would do the matter. We realized that it would be very embarrassing to the Government, and after the speech of the Deputy Prime Minister — I think he put everything so succinctly in a nutshell; he said that it is embarrassing for the Government to come back here so soon after December to come with a Resolution to annul what we did in December, and also to come to put another Resolution in its place. He asked the question — what was the reason — and he said it was the fault of the Barbados National Bank, and then he went on to say that the Ministry of Finance and the Minister of Finance should learn a lesson from that. They need to be taught, and I hope the PhD. would then give a mark — I do not know how much marks he gave to the Minister.

Asides

Mr. L. E. SANDIFORD: No marks! That is an 'E' to the Minister of Finance.

But he came to the defence of the Minister of Finance in this one, and I am very pleased to see that they are speaking up now for the Ministry in this particular regard.

We have virtually started out this year with the Government coming to correct some error which it made at the end of last year.

(Aside: It came).

Mr. L. E. SANDIFORD: Yes, it came and I am very pleased about it.

I am pleased in that it has come even though we are in the business of signing things before all of the documents appear to be in place. This happened some time ago last year, or the year before, when I believe it was in London that some loan, with the Orion Bank I think it was, was signed in London. The Minister of Finance was there, and I believe the Governor of the Central Bank was up there as well, and they were signing loans up there before the proper authorisation was given by this Parliament.

5.20 p.m.

(Rt. Hon. J. M. G. M. ADAMS: Is that a fact?)

Mr. L. E. SANDIFORD: If I am wrong I am certain the Minister will correct me. If I am wrong you will correct me, but I am certain that when we research these matters, if I am wrong I will get up and say that I made an error, because I am big enough to get up and say that, and I know that the Minister of Finance is also big enough to take the Government and the people of this country into his confidence on these kinds of matters, if not on other matters.

Mr. Deputy Speaker, this is embarrassing to the Government, it is embarrassing to Parliament, and it is embarrassing to the people of Barbados. I share the embarrassment. I share it, that you have relied, using your own judgment, because we were not part of the judgment and the decision..... If, as the honourable Member for St. Michael Central is saying, they knew all of this and they had all these long stops around, you may very well ask why you went there in the first place if you had all these options around.

I am not getting into the question for the purposes of the money, because we have spoken on that already. I know that some of the countries which are getting into problems are getting into problems because of oil, oil expansion and the attendant problems relating to that. Now we are borrowing this money precisely to go into that field which is now very hazardous, and I hope that this Barbados National Oil Company Limited will not be one of those statutory corporations in this country which end up as a drain on the resources of this country. I just give that warning, because I know you ignore the warnings that come from over here, but do not say that it was not given as a possibility.

I am making that particular point, but Mr. Deputy Speaker, we have the sins of commission and we have the sins of omission. I hope that the Government will now

really get its act in order and that it will not be having to continue with the kind of untidiness and sloppiness which we have been seeing over the recent past. I do hope that in this year, 1983, we can see a smoother approach to these problems in the management of Government business, and maybe we will see the front bench synchronising and working in a coordinated fashion.

I see the Minister of Agriculture was up today defending. I do not know; were you asked to do that?

Mr. Deputy Speaker, in this particular matter, again we have this position that we are not opposing the Resolution; we gave our assurances that we would be co-operative, but we would be failing in our duty if we did not point out, let me use the words, the infelicities in the way in which the Government find itself having to deal with Government business, a bit sloppy, a bit untidy, and I hope that in 1983 it will be able to get its act together.

Hon. H. deB. FORDE: Mr. Deputy Speaker, the honourable Member for St. Michael South is normally an extremely fluent speaker, with his facts well marshaled, no faltering at all in his presentation, but today I detected that he had no taste for this subject and he therefore restricted his comments to a general observation about how Government should be administered while not disagreeing with the Resolution before this Honourable House.

I support the Resolution. Sir, and I accept the assurances of the Government concerning the need to bring this Resolution to Parliament. Although it may be a bit of a surprise in a Parliament such as this, it is not unusual in the world of international finance for syndications of loans to Governments, statutory authorities or the private sector, not to mature or come to fruition on time, and as it is well known to those of us who advise in the world of economic finance for arrangements such as these, to be reversed and alternative stand-by arrangements made in circumstances such as this.

The gravamen of the charge of the Opposition on this occasion is that the reason why a stand-by arrangement such as this did not mature on the 21st December, 1982 is because the Government has had to take the stand-by compensatory financing credit available from the IMF, and I want to deal headlong with this.

If there is any one criticism that I would level against the Government, it is that the Government is at times acting as though it is not the Government, and taking what I consider to be in many events empty charges by the Opposition a little bit too seriously. The Government has to govern and it must govern in situations where the going is good and where the going

is rough. It must make that decision, it must tell the public about the decision and it must have no apologies for its actions. That is what I understand has to be done.

In circumstances where the world international economic situation has changed considerably, more drastically than it has ever changed in the period 1973-74, this Government has managed Barbados' finances as well as any Government in any part of the world could have managed the finances, and I seriously challenge whether the Opposition, as constituted in the period prior to 1976, or even as constituted now, would have the competence to have done as well as the Government has done.

Asides.

Hon. H. deB. FORDE: Mr. Deputy Speaker, the honourable Member must keep quiet for a little while. He can talk in reply. He had his day and his time and he must listen now; and he misused it when he had it. If he cannot marshal his arguments, I feel sorry for him.

There is no mystery in Barbados or any other country using the resources of the International Monetary Fund to which it has contributed. Now what has been the true reason for the Government having to do this? It is an undoubted fact that the price of sugar went to its rock bottom during the last financial year. It is an undoubted fact that there is a shortfall in the earnings of foreign exchange brought into this country by sugar, at a level let me say, that has been witnessed, I think, only on two occasions during the time that the Democratic Labour Party was in power. It is an undoubted fact that the world economic situation has so affected the major tourist destinations of Barbados that we cannot reach the level of tourism which we had reached in the years preceding 1982-83.

5.30 p.m.

(Dr. R. C. HAYNES: Like the Bahamas, Bermuda. You are talking foolishness, man.)

Hon. H. deB. FORDE: Today Canada is witnessing, for the first time in 40 years, the highest level of unemployment that it has witnessed. Today Canada is witnessing 6.5 per cent negative growth and it is well known that Canadian tourists to all destinations, including the United States, happen to be down. Therefore, if you lose a significant percentage of your tourist receipts from your major tourist destinations, no matter what may be the allegations about high tariffs in the hotel industry, it is obvious that Barbados could not import the level of goods and maintain its standard of living unless it sought borrowings on the exchange, either from the private banking sector or from international institutions.

Likewise, Mr. Deputy Speaker, it is a fact that, although non-sugar agriculture has done very well last year in this country, and the Government should publicise it, yet, it has not compensated for the shortfall in the receipts from sugar which we would have expected.

Mr. Deputy Speaker, in the manufacturing sector, we have managed to maintain some level of respectability and growth, particularly in the area of chips, people like Intel and so. But once again, the international trading arrangements have been such that protectionism has raised its head, affecting us not only in light industries and in garments and otherwise, but in sugar as well.

It would be a stupid Government, in my view, which did not take steps, not only by fiscal and other means to shore up its finances and to tighten up its expansion programmes, but at the same time to ensure that there were enough foreign borrowings, in order to pick up the shortfall that occurred in its foreign exchange assets.

Rather than criticising the Government, Barbadians must learn to understand their own economy. Barbadians must not only be people, when the sun is shining, who can shout to the skies. They must understand that when the rain is falling, they, themselves, must also make sure that their houses are secure and tight. They must understand to face adversity with determination, and to fight back, and not to find scapegoats for a draft international economic situation and not to look at trite and stupid answers being trotted out by people imagining that the International Monetary Fund is some tiger in all circumstances, to be eschewed in every turn of events in the economic history.

The Government must find the money where it can at the most reasonable rates and, at the same time, apply discipline in the economy even if it must be unpopular in so doing.

I have never been one in politics who believed that you must run away from tough decisions, Mr. Deputy Speaker, nor from criticisms. You must be able to stand up to them and say to the public, "I took that decision in what I considered, in my opinion, your best interest and our best interest." It may not be right. More often than not, it is right rather than wrong, but it has been honestly taken after good and wise advice, and the Government has nothing to be scared of in this country.

I believe that when we came to power in 1976, we faced a very difficult situation, and we took decisions that were not palatable. We took decisions that, perhaps, none of us would wish to have to take, but we took them and we succeeded, and I have no doubt that this Government taking decisions now — some tough ones,

still have to be taken — will succeed and bring this economy through once again.

Now, Mr. Deputy Speaker, in terms of the principle of this Resolution, there can be no quarrel with it. Certainly, I do not know anyone on either side of the House who would be against Barbados owning its own national resources, particularly petroleum and hydro-carbon resources. This is necessary. I wish it had been done sooner. I wish we had the expertise and resources that we could have moved on in curtailing the importation of oil.

Mr. Deputy Speaker, it must be remembered that, before the oil crisis, we were spending something like US \$7 million a year importing the oil which we needed. Up to last year, or the year before that, oil was costing us \$92 million. This year, I believe it is down to \$79 million, having regard to the fall of oil prices as well as to the increase in the production of our own resources. That has been a big drain on the foreign exchange of this island, bigger than the Democratic Labour Party faced, and we have managed to live with it without any noticeable falling off in the standard of living in this country.

I hear a lot of nonsense being trotted out that people are worse off today than they were before. Look around this island and you see the standard of living which, for a Third World country with limited natural resources, Barbados has managed to achieve consistently since we started fighting against the colonial yoke. It is a tribute to the people who went in the Thirties, and those who fought in the Fifties and the Sixties, that we have been able, whilst gaining the political pinnacles of our own affairs, to at the same time increase the standard of living of our own people. And this Government, both in its first term of office, in the Fifties, and now in its second term of office, has contributed most significantly to that development. We have had the courage to nationalise when we have had to nationalise. We have had the courage to reclaim our own resources.

We must have the courage now to take hard, economic decisions and not be afraid of doing that. I would hate to think that any of the colleagues associated with me in this great political party cannot stand up, justify and back the Minister of Finance in the situation where he has had to fight one of the worst international, economic situations since the 1920s, and the collapse of the economies of the world then.

The Democratic Labour Party never faced this challenge. They came in in the Sixties in a position of boom throughout the whole international, economic, financial world. It was able to maintain some standard without very much management of the economy. At the first taste of recession in 1973, they crumbled, and

they are no better now to manage the affairs of this country than they were in 1971-76.

I do not mind how much some of my colleagues and friends at Cave Hill may talk. Some of them constitutionally have an aversion of the IMF because it is the IMF. It is fashionable for some people nowadays to get on the newest fad. Some are afraid of the IMF. Some people in politics pretend they are more radical than others, just as some people believe that they must wear their hair long to justify their existence, and there is not a candour in approaching matters of this nature. We do not have to do that in this country. If we truly understand the nature of public affairs, we must be candid with those affairs.

Let me say that I do not see that there is anything spectacular when the Shadow Minister says that he is publishing a letter from the IMF and he has more. If he has more, let him reveal them. Anybody who knows how the International Monetary Fund or the World Bank works could go up and get a copy of any document. There is nothing so secret about it. Brazil has just published their Letter of Intent and Memorandum of Understanding.

It is only that one or two newspapers here, which do not seem to have the ability to analyse and to get out their own information, would believe that this is sensational enough to be a great fight between the Opposition and the Government. The newspapers, themselves, if they had a correspondent in Washington, could have gotten hold of the information which they want.

And, it is untrue, Mr. Deputy Speaker, to pretend that the Government was not releasing this information. I recall the right honourable Prime Minister speaking in this Honourable House about the terms of the IMF's Loan. The Opposition should have used this House, if they wanted additional information, to ask for the documents to be made documents of the House, rather than to create the scare atmosphere and pretend that they are scoring political points, no matter how much it may affect the financial credit worthiness of the country. They should have come in here, as any decent and proper Opposition would, and take the matter seriously, rather than carrying on what they believe is a battle in the newspaper to sensationalise what is a normal transaction between the Government and the International Monetary Fund.

Now, Mr. Deputy Speaker, Sir, I want to end on a few notes about a few countries, much more powerful and with much more resources than Barbados, who have had, in this time of international recession, to look very carefully at their economic programme and to seek

assistance from financial institutions. That is all the IMF is in many respects.

The honourable Member for St. Michael West said that one can discount Brazil and Mexico, but let me go back, Mr. Deputy Speaker, and remind this Honourable House that Britain went through a period when she was indebted to the IMF for several billions of dollars and had to accept conditionality in her public sector programme because of the limitation of her economies at the time — and that was not during an international recession, such as we are witnessing here. Mr. Deputy Speaker, the Republic of France went through a stringent programme, just in part of deGaulle's years, and after, with the International Monetary Fund. These are countries whose economies are more developed than the economy of Barbados.

I mentioned two in the developed world. Let me cite a few others in the underdeveloped world, much stronger, more pervasive, more widely based than the Barbados economy happens to be.
5.40 p.m.

The honourable Member decries Brazil. Today, Brazil is perhaps among the first fifteen leading industrial nations in the world. Despite the fact that it has abject poverty in some respects, yet the Brazilian economy is more widely based than any of the economies of the Caribbean countries. But yet Brazil has had to face the economic realities of a world in recession. Mexico, with all its oil supplies, has had to seek assistance.

In fact, Mr. Deputy Speaker, there are very few countries in the world, except those in Commicom — and even those in Commicom have gone to the IMF. Even China, not in Commicom, has gone to the IMF, because there are times when world trade turns so rough that every country has to borrow in order to get the resources to shore up its economy.

Therefore, Mr. Deputy Speaker, if I have one criticism of the Government, it would be merely to say that the Government has listened too strongly to the anti-mouthing of the shadow Minister of Finance.

The Government has nothing to be afraid of nor to be ashamed of, despite the problems confronting Barbados in the last year of international recession. Look around this country and you will see the transformation which is taking place, physically in Barbados. If you look, going down the south-west coast, you see the new road works there. If you look at the Pine, if you look at the developments of the polyclinics, if you look at education, if you look at health, if you look at housing, if you look at welfare, if you look at pensions, the Government has used the resources of this country well. And there is not one scandal that anybody can substantiate, despite

the lies one hears being thrown around, to show that the Government, any member of the Government, the Cabinet or outside of the Cabinet, has used the country's resources for their own benefit.

I feel very happy to defend this Government on this issue at any time, and assure the Government that it will have massive support if it stands up and don't cower. Stand up and let the public know without any fear, and try to help educate some of our journalists to analyse the economic data, which is easily available to them, rather than allow them to sensationalize a situation and, in the process do damage to the country's good name.

I have pleasure in supporting this Resolution.

Mr. DEPUTY SPEAKER: The question.....

Hon. L. B. BRATHWAITE: Mr. Deputy Speaker, I am not going to be long. I just want to touch on one or two brief things, particularly matters which I have not heard in connection with this Resolution.

This Government is a socialist government in its practice. From the time we came into office, and even while we were in office prior to 1961, we nationalized a number of things, or regularized a number of things, by investing them into the hands of the people of this country. You will recall, Sir, the famous Oil Rights Bill, in which the resources in oil were vested in the Crown, the first step in the nationalization of the transportation system in this country, and the final phase after the party was returned to office.

The Resolution under this question this afternoon is one which sets about to acquire a loan for the purchasing of certain assets of Mobil Oil Company. These assets are necessary and vital in the strategy of the Government and no Government in a developing country can feel entirely happy when its resources are controlled, and the manner in which they are developed must be dictated from abroad or by people who have only come in to get profits from those resources.

We have seen, very clearly, the improvement in the production of oil since Mobil was vested in the local petroleum company. Therefore, Mr. Deputy Speaker, we should applaud the Government and the Ministry of Finance for seeking every possible opportunity in order to purchase and vest in the Government and the people of Barbados the natural resources of this country. And, therefore, if for no other reason than that, we should have a united front here this afternoon rather than the harping and the nonsense we have heard this afternoon.

We have heard from the two spokesmen on finance of the Opposition benches, and what they have said on the Resolution before us is absolutely nothing that is

new. There can be no question that the country is credit worthy, because it is able to get loans from local and international bodies. The people have not yet failed to subscribe to bonds in this country, and that is testimony of the good faith of the people in the ability of the country and the Government of the day to control the country's finances.

When the prophets of doom, Mr. Deputy Speaker, felt that the bond issue for Sugar Factories Limited would not have been subscribed, we had this situation where they were fully subscribed.

When you look at the pattern of the world situation and the phenomenon we have found ourselves confronted with in the major capitals of the world, in terms of the economic shambles that they have found themselves in, Barbados, which is but a dot on the map, has been able to do very well and there is nothing that the Opposition can say in their effort to bring down the Government, and to make it look badly in the eyes of the world, especially in the economic markets that would cause the people in Barbados to fail to see that the Government, in this trying time, is doing its best to keep its head above the waters.

Very recently, Mr. Deputy Speaker, it was my good fortune to be addressing a group of people in my constituency, bordering on the Prime Minister's, and when I wished them the best for 1983 and I told them quite frankly that I did not see very much good because the clouds still looked dark, they said with one voice, and it was quite a large audience, — "Skipper, you all are doing well in the circumstances. The situation throughout the world is very bad and difficult and, therefore, we cannot expect you to be doing more than what you are doing."

But, Mr. Deputy Speaker, we have a problem in this country. No opportunity is lost by the Opposition to get up and seek to put the Government in a bad light. It is not only the Government which you are seeking to bring down, it is the whole country. When you reduce the country to ashes; when you leave it bare of all things — and God forbid you came and took over — what is going to be the fate of the wreck which you have created?
5.50 p.m.

There are some people who, in their mad effort to bring down the Prime Minister and the Government, will stop at nothing to pull the country to pieces.

We have no control in Barbados over the attitudes of international bodies. We cannot say that if today we make an agreement with a company, except for the legal measures which you may be able to introduce in order to bring them in line and in order, that at the end of the day they may carry through on their performances.

Normally, you enter into an agreement in good faith and you hope that those agreements are carried out. If a banking company or any company undertakes an agreement with you as an individual with our Government as a Government, you expect that they will carry out their side of the bargain, and when this is not done, the Government cannot be blamed.

On the one hand you are saying that the Government's credit worthiness in the international financial market is in trouble. Yet, as soon as there is a problem and somebody says they cannot carry through the agreement which we have made, another company, with local interests, is willing to come forward and say, "we are satisfied that this is a stable Government, a Government that respects law and order, a Government that is prepared to abide by certain commitments, and we are willing to give a loan to the Government."

The reason why I started out by saying that the loan is important in the sense that it is seeking to acquire assets, assets which are fundamental to the country by harnessing its natural resources, is because when you seek to tarnish the good name of the country with the financial institutions, you are creating problems for yourselves later, when you seek to have development financing in order to carry through your projects.

We have heard nothing, Mr. Deputy Speaker, other than cold soup warmed up here this afternoon by the Opposition, the same thing over and over again. The Government is in trouble, the IMF has come in.

Mr. Deputy Speaker, you only have to look all over the world today and see what is happening. We are not like Japan, we are not like South Africa — a name I hate to call, a name that chokes me when I am trying to call it — but nevertheless we cannot ignore the fact that South Africa is a powerful country in terms of its economy. Its economic situation has always been regarded as one that is comparatively stable. Today you have seen that South Africa went to the World Bank in order to get a huge loan, a loan of over a billion dollars. We have seen the position with Mexico and Brazil, and we heard about Chile today.

If those countries, with such large economies and major resources, can find themselves in trouble in these troubled and perilous times, how much more so Barbados, with a limited economy, its main resources of sugar and tourism not performing as well as in the past, but nonetheless your import bill is rising, and rising very steadily, even though your export bill is contracting. What must you expect from a situation such as this?

I think the time has come when the Opposition should forget looking at 1986, which is a long way off anyhow, and a lot of us might not even live to see it;

forget looking at 1986 and look at the present situation in the country as it is today, let us work towards the improvement of the country and try to see something good that is being done by this Government in order to propel the country along in these very difficult times.

Mr. Deputy Speaker, the Government is wise in pursuing this issue of this loan for the acquisition of the natural resources which are in the country and the assets of Mobil Limited. I want to applaud the Prime Minister and Minister of Finance for the very able way in which he has been managing the resources of this country, in the face of the difficulties besetting the whole world scene, in order to keep business and Government still propelling along. He has done well in these trying times and I am sure, given the opportunity to settle in and to have a united approach in all these matters.....

It is too much to expect the Opposition in the time of crisis to come out and say, "let us go forward together", we are too divided, we operate in a system of adversary politics, and we are not concerned with the effects which our adversary politics will have upon the economy of the country or any aspect of the country's development. But I would ask the Opposition, if they find it difficult to come to terms with their consciences in this matter, that they might look in the mirror and examine themselves, and recognise that politics is not all, and the hope to win power is not all, but the proper use of power and the need to see Barbados in a proper and progressive form.

Mr. Deputy Speaker, those are my few remarks and my small contribution to this debate.

Rt. Hon. J. M. G. M. ADAMS: Mr. Deputy Speaker, I have been in public life in this country, in one way or another, I suppose, fringes of it, active participation, for 20 years, but I do not recall any episode that has left me with a greater distaste for the tone of public life than the conduct of economic debate over the last month. It did my heart good to hear the contributions made by honourable Members on this side in the light of this Resolution which comes before the House at, admittedly, a difficult time for Barbados.

The Press of Barbados has done itself no credit in its approach to educating the public on economic problems during the past six weeks or two months. One newspaper was particularly bad, I believe that we have had changes in the newspaper since then, but it was part of the system that invest even great national occasions with elements of trivialisation and elements of contention that those national occasions do not have to carry.

I am not going to make a long speech about the economy, the International Monetary Fund and so on, because it is the intention of the Government to present a Resolution to the House, and to request the permission of the Speaker that the debate on that Resolution be televised over a period of two days, in which there can be a complete national debate on the economy and of the steps which the Government has recently taken to stabilise it, and I may have a little more to say upon that occasion than now.
6.00 p.m.

But we cannot expect to have honest debate on public affairs, on economic affairs, unless there is an educated public opinion being served by an educated Press. When a Press gives full latitude to demagoguery, to falsehood, to an appeal that is all based on human nature, essentially, these are the qualities which those who seek to drag down rather than to build up will demonstrate and exhibit.

I think we have had this in the last few weeks. We have even had attempts at it here today. I have never heard any speech made in here by a shadow spokesman on any subject that is more ridiculous than the contemptible nonsense I had to listen to from the honourable Member for St. Michael South Central.

He got up and looked the House full in the face and said that he had never spoken about devaluation, or appreciation or depreciation. At one time in his speech, he said we had no credit and that is why we could not get any money from Morgan Guaranty, and at another point in his speech he said that the banks are so full of money that they are running about looking for people to lend their money to.

Every conceivable argument, well-founded or not, that could be mobilized to catch a cheap headline was mobilized here today. I think that the complete failure of the honourable Member's speech was so patent to all that, eventually, it got home to him and he had to go and seek the solace of the dining room and its attendant stimulants.

This is a straightforward case before the House of a bank failing to deliver and the Government recovering its position in a proper manner and in good time, consonant with the requirements of the economy and of good Government.

I am not going into whether or not an IMF programme lends credibility or takes away credibility from a country. To my mind, a country's credibility does not depend on whether it goes or does not go to the IMF. It depends on continuing factors, such as the perception of the quality of the country's economic management on the part of those who know the country well and who

have to make such judgments from time to time. And judged on those factors, Mr. Deputy Speaker, Barbados must pass any test of credibility.

The international institutions who know us well continue to accept that Barbados is a credit worthy country, properly managed and carrying our policies which are not only in the best interest of its inhabitants, but in accordance with the best and most prudent economic principles.

I cannot handle, Mr. Deputy Speaker, a speech which says that the wages policies of the Government of Barbados has amounted to devaluation. A man who says that should be laughed out of the Mental Hospital far less out of the House of Assembly, and yet we had to put up with that in here. Wages have doubled for people at the bottom — they have more than doubled — and we have to hear, coming out in such a way that it sounds realistic, impressing those with no knowledge that the wages policy of the Government of Barbados is the same as devaluation.

Mr. Reynold Weekes when he was in here would have made a sounder speech on the subject than the honourable Member for St. Michael South Central. And I believe that others who have sat silent are not so fanciful and ridiculous in their foolishness, and would have contributed a little commonsense and relevance to the debate which is here today. I really wish we could do without these compounds of intellectual dishonesty, ignorance, irrelevance, that masquerade as argument.

This Resolution is the annulling Resolution. We have come back very quickly. I cannot understand the criticism for coming back quickly to Parliament to annul a Resolution which is *de facto* of no effect. It just goes to show that any argument is apparently considered worth repeating as long as words can be found to express it.

What were we to do? Were we to wait three months and then annul the Resolution? You are being quarrelled with for coming back quickly with another Resolution. If you take a long time to come back, you are quarrelled with for tardiness. But when you have to descend to these oratorical depths, when you have to scrape about in the bottom of the barrel for arguments that cannot hold water in a sieve, you can understand how weak the case really is.

Perhaps, Mr. Deputy Speaker, it comes down in the end, to the Press. If the Press makes a man a hero because the Press lacks the analytical capacity to see through his arguments.....

(Asides.)

Rt. Hon. J. M. G. M. ADAMS: I have just been told, Sir, that, on the Voice of Barbados, there is a headline that the reason why the loan has collapsed is because of the collapse of our credit-worthiness, quoting the honourable Member for St. Michael South Central.

Not even the efforts of the honourable Member for St. Michael South Central, strenuous though they have been over the last six weeks, can cause a collapse of the credit-worthiness of the Government. Not even that. But in the absence of a Press committed to intelligent comment, we are cheapening and debasing public life in this country.

If I am accurately reported, I call on the Voice of Barbados, if it does not want to get itself reported to the Press Council, to give a complete and accurate report of statements made in the House by honourable Members on this side. There are two sides in the House, and the Government is entitled to demand some decency and honesty and lack of corruption in reporting. I can only accuse the Voice of Barbados of intellectual corruption if it conceals this entire debate in terms of that particular headline. I will make it my business to insist that I get a copy of that News Bulletin.

6.10 p.m.

The country deserves better. Mr. Deputy Speaker, than a Press which we have been getting. I have had to warn people you can push a man too far and you can push a Government too far, and that is a warning I will give to certain members of the Press. That is a warning I will give.

Anyway, Sir, you cannot get blood out of stone. There are certain people that you cannot demand intelligent comment from because they lack the equipment to make such comments.

We have seen all these innuendoes about secrets. If there is one thing that you can rely on, it is that a politician in London, who said how the Government is keeping secrets from the public and he is going to publish them, and then went on to publish such ridiculous nonsense under the guise of the secrets, as the publication of the Letter of Intent, he would be laughed out of court; he would be laughed away to nothing; but in this country this passes for serious debate.

There is very little that can be added to the debate after the speeches of honourable Members on this side. The Government clearly has abundant credit worthiness, and it is an outright lie to suggest otherwise. If we were not credit worthy, we would not have the next Resolution, which I should not anticipate, and I can therefore only beg to move that this Resolution do now pass.

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

RESOLUTION TO BORROW THE SUM OF US \$13 MILLION (BDS \$26 MILLION) FROM ROYAL BANK OF CANADA (BARBADOS) LIMITED

Order No. 3 was called – To move the passing of a Resolution to approve the borrowing of US \$13 million (BDS \$26 million) from the Royal Bank of Canada (Barbados) Ltd. for on-lending to the National Petroleum Corporation for the purchase of the assets of Mobil Exploration Barbados Inc. and the common stock of Mobil Exploration Barbados Ltd.

Rt. Hon. J. M. G. M. ADAMS: Mr. Deputy Speaker, there will be no point in repeating the debate, and, therefore, I am going to beg to move that this Resolution do now pass.

This money is coming from the Royal Bank, the details have been given at length. It is a reflection on the credit worthiness of the Government that we were able to get this money so quickly, and a reflection on the truthfulness of the honourable Member for St. Michael South Central and of the corruption of those in the Press, over whom he has influence, that it could be reported otherwise.

I beg to move that this Resolution do now pass.

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

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

THE MARRIAGE (AMENDMENT) ACT, 1983

Order No. 4 was called – To move the first reading of a Bill to amend the Marriage Act, Cap. 218A.

Rt. Hon. J. M. G. M. ADAMS: Mr. Deputy Speaker, I beg to move that this Bill be read a first time.

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

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

Rt. Hon. J. M. G. M. ADAMS: Mr. Deputy Speaker, we passed the Marriage Act with a requirement that Marriage Officers pay a fee on registration. The Church has made representations about this matter and the honourable Member for St. James North, in particular, has pressed on behalf, I believe, of a particular Minister – he has asked me to say the Reverend MacPherson of the St. John the Baptist Church, who made the representations. The Government is now fully persuaded that the goodly

gentleman's arguments supported by my colleague, the honourable Member, are sound, and we propose to remove the requirement. This Bill sets out to do just that.

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

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

Mr. B. M. TAITT: Mr. Deputy Speaker, I shall not be long on this amending Bill. I just wish to say that this is symptomatic of something which I have spoken about in this Honourable Chamber before.

You may recall, Sir, that, when the Marriage Act came before this Honourable Chamber, we on this side, in the spirit of attempting to make sure than an Act that had no measure of controversy, no issue of partisanship in it be as acceptable an Act passed by this Honourable House as possible, made certain suggestions concerning the particular Bill.

Mr. Deputy Speaker, I recall that, drawing on my considerable time spent in the Anglican Church, I had pointed out, as did my colleague the right honourable Member for St. John and our first speaker on this, the honourable Member for Christ Church West Central, that there were certain anomalies obvious in requiring Marriage Officers to pay a fee.

I recall pointing out in some detail in Committee to the Attorney-General that it would create a conflict between those persons who were required by their religion to function as Marriage Officers in a particular way and the requirement to pay, and, indeed, that if, as the Act had called for, a Marriage Officer had failed to pay the fee, he would in fact be guilty of a criminal offence according to the Act.

We pointed out all this; we pointed it out carefully, and I am very sorry that I do not now see the honourable Attorney-General in his place in this Honourable House, because the attitude which he took on that occasion suggested that we were, if not stupid, at least seeking to make political hay; or if not that, at least delaying the time of the Honourable House *et cetera*.

We feel that there are some matters which come before this Honourable House, which really do not require a Barbados Labour Party way or a Democratic Labour Party way — and I wish to say that I am particularly pleased to hear that the honourable Member for St. James North is the person who has managed to persuade and convince the Cabinet that the decision made to impose a fee on Marriage Officers was a silly thing.

I am particularly pleased about that, because we have to ensure that, as a people, we separate, to the

extent that it is possible, the State from the Church. We as a people must ensure that, in Barbados, always those persons who wish to pursue their religion in their form, as long as they are not offensive to other people, be allowed to practise their religion in their form.
6.20 p.m.

That is something that is going to be important for Barbados for all time, and on the day when that ceases to be important, that is the day when Barbadian society would have sounded the death knell.

I do not understand why all of the paraphernalia, which makes up the Attorney-General's Chambers, or the people who are involved in framing legislation, would not have been persuaded before today or a few weeks ago that this issue was at the least offensive to certain religions in the community.

I, Sir, as I have said before represent the Church Parish of St. Leonard's in the Synod. It is a role which I am proud to fulfil, and I have said on one occasion — and it occasioned laughter, then — that, were I called upon to choose between representation of the secular group as opposed to representation in the spiritual sphere, I might very well choose representation in the spiritual sphere over the other.

It is not a declaration, Sir. It is only an indication of my firm belief that that which I do concerning my religious faith is rooted in good ground. I believe that it is not something to be ashamed of, to confess, christianity from time to time, and I do it every now and again. But I always do it from the political platform, too, Sir, so that if I have to deal with the other side, I can expect blessing nonetheless when the time should come.

Mr. Deputy Speaker, this requirement is a manifestation for the seventh time, this is the seventh time now that legislation which came before this Chamber, and on which Members on this side pointed out certain anomalies and/or inaccuracies, and for which there was great scoffing on the part on the Government side, has had, in the final analysis, to be brought back to this Honourable Chamber.

I have commented in the past that it is a waste of the taxpayers' money, but it is more than that, Sir. It is a waste of time and, to some extent, it is an insult to the integrity of honourable Members when persons, in good faith and out of goodwill, seek to point out obvious errors and obvious traps, only to be rebuffed and to be thrown back.

There is never any joy, if one is a public servant, in saying, "I told you so", when the, "I told you so" refers to something negative. There is no joy in saying

now to the Attorney-General and the Government, "I told you so."

But I will hope that this will be a lesson that, in the future when legislation comes down, especially legislation that is not controversial or legislation which does not seek to bloody the face of the Government, at least those who bring the legislation down will lend an ear and give a voice to reason.

Mr. Deputy Speaker, to speak longer on this issue might, in fact, be to do an injustice to the nature of the change which has been sought. This side can happily support this Resolution because it seeks to do something which, at the initial stages, we had asked the Government to do. And I am glad that the honourable Member for St. James North heard the voice of one whose still small voice of calm is probably more penetrative than ours over here and, further, that he was able to persuade his colleagues that it is a matter of sufficient importance and seriousness as to warrant this obvious reversal.

Thank you very much, Mr. Deputy Speaker.

On the motion of Hon. L. S. CRAIG, seconded by Hon. L. B. BRATHWAITE, Mr. DEPUTY SPEAKER left the Chair and the House went into Committee on the Bill, Mr. ODLE in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is in Committee.

Clauses 1 and 2 inclusive were called and passed.

On the motion of Hon. L. S. CRAIG, seconded by Hon. Dr. R. L. CHELTENHAM, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. DEPUTY SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Hon. L. S. CRAIG, seconded by Hon. Dr. R. L. CHELTENHAM, the Bill was read a third time and passed.

ADJOURNMENT

Hon. L. S. CRAIG: Mr. Deputy Speaker, that brings us to the end of Government Business for today and I beg to move, Sir, that this House do now stand adjourned until Tuesday, January 18, 1983 at 12.00 noon.

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

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