

THE House of Assembly Debates

(OFFICIAL REPORT)

SECOND SESSION 1981 – 86

HOUSE OF ASSEMBLY

Tuesday, January 29, 1985

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

PRESENT

His Honour C.L. Bolden, LL.B., (Speaker)

His Honour R. E. Brathwaite, (Deputy Speaker)

Hon. L. S. Craig, (Minister of Parliamentary Affairs and Leader of the House)

Hon. L. B. Brathwaite, (Minister of Housing and Lands)

Mr. J. G. Odle, B.Sc., (Chairman of Committees)

Hon. V. L. Johnson, M.A., (Minister of Transport and Works)

Hon. DeL. O. Bradshaw, (Minister of Labour, Social Security, Sport and Community Services)

Hon. Dr. R. L. Cheltenham, M.A., M.Sc., (Econ.), (Minister of Agriculture, Food and Consumer Affairs)

Hon. A. A. Truss, (Minister of State, Prime Minister's Office)

Mr. O. S. Arthur, M.Sc., (Econ.) (Parliamentary Secretary)

Prayers were read by Father D. Stapleton.

Dr. R. C. HAYNES and Mr. H. A. BLACKMAN entered the Chamber and took their seats.

MINUTES

Mr. SPEAKER: The Minutes of the meeting of Tuesday, January 22, 1985.

Hon. L. S. CRAIG: Mr. Speaker, I beg to move that the Minutes for Tuesday, January 22, 1985 be taken as read.

Mr. SPEAKER: If there are no observations or objections, let the Minutes stand confirmed.

ANNOUNCEMENTS BY HIS HONOUR

Mr. SPEAKER: I am to announce that I have received a Message from the Honourable The Senate re amendment to the Bill to provide for the licensing and control of private investigators and security guards.

Hon. L. S. CRAIG: Your Honour, out of your message, I hope that we will be able, during the course of today's sitting, to dispatch these amendments.

Mr. SPEAKER: If there are no objections, leave will be so granted.

PAPERS LAID

Hon. L. S. CRAIG: Mr. Speaker, I am commanded to lay on behalf of the Minister of Finance and Planning, the following:

The 15th Annual Report of the Barbados Development Bank 1983–1984.

The Customs (Amendment) Regulations, 1984.

Statement of Return of Output of Locally Produced Spirits during quarter ending December, 1984.

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

GOVERNMENT NOTICES

Hon. L. S. CRAIG: I beg to give notice of the following:

A Resolution to approve the policy, objectives, and strategies contained in the White Paper on Housing.

A Bill to amend the Barbados Development Bank Act.

FIRST READINGS OF BILLS

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

Mr. B. M. TAITT entered the Chamber and took his seat.

ORDERS OF THE DAY

SUSPENSION OF STANDING ORDERS

Hon. L. S. CRAIG: I beg to move that Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44 be suspended for the remainder of today's sitting.

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

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

GOVERNMENT BUSINESS

MOTION RE MESSAGE FROM OTHER PLACE

Hon. L. S. CRAIG: Sir, I indicated earlier that I would have the amendments out of a Message from the Other Place dealt with at this time, and I beg to move that the House concur in the amendments.

Mr. SPEAKER: The question is that this Honourable House concurs in the Message which came from the Other Place.

Mr. B. M. TAITT (St. Michael West): Mr. Speaker, with due respect, we are now trying to understand what the Message signifies. We will have no objection to it, but if the honourable Member could give us a few seconds to make sure what the Message from the Other Place is signifying, we will be ready in a minute.

Mr. SPEAKER: This is something which should have been discussed with the Leader of the House. During the announcement, the Honourable Leader said he would be dealing with the matter. This should have been settled before.

Mr. L. E. SANDIFORD (St. Michael South): Mr. Speaker, I do not think there is any contention over the matter. It has not yet been settled. What happened is that just before the meeting started, one of the Clerks came and told me that something had been put on my desk relating to amendments from the Other Place. We have not yet had the opportunity to look at them. In

fact, we are in the process now of consulting on them. The Standing Orders are suspended, and I suggest that some time later in the session we might be prepared to deal with the matter.

Hon. L. S. CRAIG: Sir, that is not an unreasonable request from my colleague from the Other Side, but in the light that the honourable Member for St. Michael West said that it would be dealt with within a few seconds, I would have felt that during the highlighting of the procedural problems the seconds would have elapsed.

I have no objection to dealing with this later in the day. It is no big thing with us.

Mr. SPEAKER: Is the Honourable Leader of the House then withdrawing the motion.

Hon. L. S. CRAIG: Yes, I will withdraw the motion.

Mr. SPEAKER: The motion is therefore withdrawn.

Hon. L. R. TULL and Hon. H. B. St. JOHN entered the Chamber and took their seats.

DENTAL REGISTRATION (AMENDMENT) ACT, 1984

Order No. 3 was called — To move the Second Reading of a Bill to amend the Dental Registration Act, Cap. 367.

Hon. L. R. TULL (St. George South): Mr. Speaker, the Dental Registration Act was passed in 1973, and that replaced the Dental Registration Act of 1920. However, since the passing of the Bill, it was necessary for a number of amendments to be made in 1974, and one of the amendments made it a requirement for persons registering as dental practitioners to satisfy the Dental Council of Barbados that they could read, write, spell and understand the English Language, in addition to other existing provisions, and that they were fit and proper persons to be admitted to practice that profession in this island.

There were other amendments pertaining to other quasi-dental duties, including those of the Dental Technicians, who were required to undergo a course of training that was approved by the Council. This Bill today seeks to bring a further amendment to regularize and indeed improve on the terms and conditions for practice for para-dental practitioners in Barbados.

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

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

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

On the motion of Hon. L. R. TULL, seconded by Hon. L. S. CRAIG, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. J. G. ODLE in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is in Committee.

Clause 1 was called.

Hon. L. R. TULL: Mr. Chairman, Sir, there are twenty clauses in this Bill and, in the interest of time, if there is no objection by honourable Members, I should like to suggest that we do it in parts.

I beg to move that Part I do now stand part.

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

Mr. B. M. TAITT: Section 2 in Part I says "child" described as a person eighteen years and under. It may be that that is the new drafting technique, but it would seem to me that, once you have reached eighteen, you have reached the age of majority. Is this Bill saying that for the purposes of this Bill only the age of majority is going to be changed? I am not sure. I am just raising it to draw it to honourable Members' attention. It says, "Eighteen years and under". It seems to me not to make sense.

Hon. L. R. TULL: Mr. Chairman, we are doing this now in clauses, so when we get to Clause 3, I will take the point.

(Mr. B. M. TAITT: You were doing it in parts.)

Hon. L. R. TULL: It has just been pointed out by the Clerk that the Bill is not in parts.

I beg to move that Clause 1 do now stand part.

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

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

Clause 2 was called and passed.

Clause 3 was called.

Hon. L. R. TULL: The honourable Member for St. Michael West raised the question of the definition of "child". I am perfectly in agreement with him on this occasion, and I beg to move that the clause be amended to read as follows:

"Child means an individual under eighteen years old."

I beg to move that Clause 3, as amended, do now stand part.

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

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

Clauses 4 to 8 inclusive were called and passed.

Clause 9 was called.

Hon. L. R. TULL: I beg to move that Clause 9 do now stand part.

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

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

Mr. B. M. TAITT: If the honourable Member does not mind, I would like this clause recommitted.

I want to speak on Clause 9.

Mr. CHAIRMAN: The question is that Clause 9 be recommitted. I see there is no objection to it. The honourable Member may proceed.

Mr. B. M. TAITT: I am not sure why in this particular Bill they would allow a failure of registration for three years. It seems to me that the new Clause 20(a) says:

"A person registered under this Act who has not for three years or more paid the prescribed annual registration fee referred to in Section 20 and who desire to practise dentistry thereafter shall apply for a re-registration."

Does it mean that you can get a free ride for three years? Can you not practise at all if you do not pay the licence fee? It does not seem to be too clear to me.

Asides

Mr. B. M. TAITT: All right, Mr. Chairman, my colleague is pleased with it.

The question that Clause 9 do now stand part was put and resolved in the affirmative without division.

Clauses 10 and 11 were called and passed.

Mr. H. A. BLACKMAN entered the Chamber and took his seat.

Clause 12 was called.

Hon. L. R. TULL: I beg to move that Clause 12 do now stand part.

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

Mr. L. A. WEEKES (St. Michael North West): Mr. Chairman, I was not in my place when the Minister introduced the Bill. This deals with examinations, but I cannot find anything anywhere in the Bill which deals with training. I do not know if the Minister made mention of training of these particular auxiliaries, but the latest report which I have, 1982, shows that there was only one person registered as a dental auxiliary then, compared to 1979, when there were about 17.

It is all right to have the examinations set, but I feel that provision for proper training of these auxiliaries should be made in this Bill, because workers in all the other paramedical services, as far as I know, have a formal type of training at the Community College. I believe that the falling-off in the numbers of this particular type of person may very well be as a result of the type of training that is available.

I wonder if the Minister, if he has not said so before, could say what type of training there would be and where, and if they intend to have a formal type of training, as for the pharmacists and those in the paramedical services, at the Community College.
12.35 p.m.

Hon. L. R. TULL: Mr. Chairman, this is just an amending Bill, and I am sure that if the honourable Member will check the Dental Registration Act, Cap. 367, he will see that the Minister has very wide powers to make regulations for a number of things, including training. Provisions for training dental auxiliaries are included under the substantive Act, Cap. 367. There is no necessity for it to appear in this amending Bill.

The question that Clause 12 do now stand part was put and resolved in the affirmative without division.

Clauses 13 to 20 inclusive were called and passed.

On the motion of Hon. L. R. TULL, seconded by Hon. L. S. CRAIG, Mr. CHAIRMAN reported the passing

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

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

GUARANTEE OF \$15 MILLION BOND ISSUE UNDER SUGAR INDUSTRY (SUPPORT PRICE) ACT, 1982

Order No. 2 was called – To move the passing of the Resolution to approve the guarantee by the Minister of Finance of the payment of the principal and of interest necessary for the redemption of the bond issue in the sum of \$15,000,000 under the Sugar Industry (Support Price) Act, 1982.

Hon. Dr. R. L. CHELTENHAM (Christ Church East): This is the third year in a row that Government has invited this Honourable House to lend its support to a Resolution which seeks to guarantee a bond issue to be raised by Sugar Industries Ltd. The bonds are designed to raise money in the local money market to pay growers and processors in relation to the 1984 crop. The support price for 1984 has been set at \$855 per tonne, and, as you know, the money is designed to bridge the gap of the level set for the support price and the difference between the ex-factory proceeds as earned from domestic and foreign sales. Three years ago, the bonds raised \$17 million. Two years ago, we raised \$10 million. For, 1984, we are intending to raise \$15 million.

I think it important to provide the House with the background circumstances and events that led Government to make the radical departure, new in the history of Government relations with the sugar industry in this country, and provide guaranteed support for the bond issues. In 1981 and 1982, the sugar industry in this country experienced a particularly sharp fall in the value of its sugar receipts from our principal market, the European Economic Community. This resulted directly from the strength of the American dollar, to which we are linked at a 2:1 ratio, against the basket of European currencies in which we are paid for our sugar under the Sugar Protocol under LOME. The value of the American dollar has continued to climb against European currencies, and the industry continues to lose quite a lot on our sales to Europe. In 1980, every tonne of sugar sold under the Sugar Protocol earned us some Bds \$900. Today, notwithstanding the modest price increases that we have had over the years, that said tonne of sugar earns us no more than some \$600. This gives some indication of the fall in earnings which we have experienced as a result of the strength of the American dollar in relation to the European currencies, and that basket of currencies in which we are paid for sugar under the Sugar Protocol known as the European units of account.
12.45 p.m.

The result of this steady fall in the price of our sugar on the European market plunged the industry into a financial crisis, which threatened even the liquidity of the banking system in this country. But it is not only a financial crisis that the industry experienced in the early 1980s, and is still experiencing. There was also a production crisis, a sharp fall in the level of production from a high of 135 000 tonnes in 1980 to a low of 85 000 tonnes in 1983. Because the overheads in the sugar industry in Barbados are high and fixed, unless you produce to a certain minimum level, at least 100 000 tonnes or beyond, it means that your unit cost of production grows until it becomes more and more inefficient.

I consider it important to mention the industrial dispute that took place at the beginning of the crop in 1981, which dragged on and was not settled until some time in March. There are important lessons to be learnt from that experience, lessons which I hope will not be repeated either on the part of Government or industry, or on the part of the workers, for a long time, if ever.

We realised 135 000 tonnes in 1980. The price for the sugar then was reasonably good and may be regarded, generally speaking, as high. Even though that good price came in the midst of a two year agreement between the Barbados Workers' Union and the sugar producers, as they were then called, the workers insisted that they had to share in what they regard as the prosperity of the industry, and they wanted something like \$5 million over and beyond what they had agreed on in their negotiations. The industry resisted and the workers held out, and it was not until late March that the issue was resolved, following the intervention of Government. The result was that the crop did not come to an end that year until August, and many, many plantation fields were unreaped at the end of the crop. We experienced the wettest April in recorded history, and there was considerable compaction as a result of the use of machinery for reaping on the wet soil. The growing period for the next crop was as a result reduced, and plantings in relation to the crop two years later, 1983, were not done on a scale that was anticipated. The result is that we moved from a high of 135 000 tonnes in 1980 to 96 000 tonnes in 1981, when the crop was projected then at 110 000 tonnes, to 85 000 tonnes in 1983. We returned to 100 000 tonnes last year, and it is confidently expected that, even with 1 500 acres less planted, we will realise a minimum of 100 000 tonnes this year.

What no party to the dispute appreciated then was the extent to which the character of the industry had changed. There was a time when it did not matter too much whether you started late or not, because even if you were caught by the rainy season, you were talking about a large amount of hand reaping and ox-drawn carts. But with the industry as mechanised as it is today, you have to do your utmost to avoid the onset of the

rainy season, because the machinery just cannot work during the rainy season; and if it does work at all, you have this concentrated hardening of the soil resulting from the weight of the machines, which is known as compaction. That was a self-inflicted wound which haemorrhaged enormously and lamed the health of the sugar industry for at least three to four years. When you consider that the amount in dispute was only \$5 million, we have paid dearly for that industrial dispute, several times \$5 million.

I was particularly glad over the weekend to issue a statement and to express my delight in seeing the crop start again in January. I hope that this will be the pattern more and more in the future, because given the scale of mechanisation now in the sugar industry, it is extremely important to do our utmost to avoid the rainy season come April and early May.

It was against that background, of the adverse movement of the prices, in the value of the European currencies in relation to the American dollar and the Barbadian dollar, and as a result too of that sharp decline in production, that Government decided to facilitate the industry by guaranteeing the bond issue. I think it is important to say something about what was intended by the price support, as it has come to be known, because there is a tendency abroad to suggest that the price support has not been as successful as was intended. I think that that conclusion arises from judging the price support scheme against goals which it was never intended to realise.

The underlying assumption then was that the liquidity crisis in the industry would have been short term, and that Government needed to facilitate the industry in raising money on the local money market, and that after a period of three or four years, the industry would have been restored to partial good health, if not total good health, to the extent that no more price support would have been necessary. With the passage of time, we now know that that assumption was too large. The crisis is a prolonged crisis, which is likely to be with us for the short and medium term, to say nothing about the long term. But it must be acknowledged that the price support played an important role in stabilising the financial situation in the industry, allowing the banks to expand their credit to the industry and so stave off the wave of bankruptcy which, otherwise, would have overtaken the industry. Even though the indebtedness of the industry to the banking system has grown over the last three years, the fact is that the banks, because of the price support, did not have to call their loans, and, as a result, the farms were able to continue under cultivation. I think that, in fairness, that must be said as to the role that the price support played over the last three years.

The price support was structured in such a way that the domestic sugar consumers paid or contributed to the

repayment of the interest and the principal on the bonds, because a sinking fund was set up and the proceeds from the increase in the domestic price of sugar went to pay off the interest and the principal. It is clear, however, that we cannot continue our price support system along those lines indefinitely. There is a limit to how much you can push up the cost of domestic sugar, and so it must be acknowledged that we have come to the end of that role. That formula served its purpose; it is now exhausted and we must think new thoughts. We must arrive for the future, with Government and industry working together, at a new formula of subsidy support, for the financial prices have deepened, and it is clear to us in Government that we must now arrive at a new formula of subsidy and support such as would allow the sugar industry to continue to function over the short and medium term, to say nothing of the long term.

12.55 p.m.

At this point I pose some questions. Why is it that the Government is continuing to invest support and resources behind the sugar industry? Is it not true that sugar as a foreign exchange earner and a generator of employment has been taken over by other sectors in the economy such as services, such as tourism and manufacturing, and such as Government itself? Has the time not come for us to go out of sugar completely and concentrate on other non-sugar crops? These are questions which are put to me from time to time. I think that there are important questions which need to be answered, because the answers to those questions give some indication of the thinking of the Government in support of continuing subsidy and support to the Barbados sugar industry.

I begin by conceding that sugar today does not make the same contribution to the total output of goods and services of our domestic product as it used to twenty, twenty-five or even fifteen years ago. A look at the statistics relating to our economy suggests that sugar's contribution to the Gross Domestic Product is now no more than 5.5 per cent. It is also true that sugar is not today the employer of labour that it was twenty-five years ago or even more. Indeed, twenty-five years ago, sugar was employing some 21 500 people. Today, at the height of the reaping season, and depending on the size of the crop, no more than 6 000 to 7 000 people are employed. But we run a risk of being misled by those statistics, particularly because we do not have in this country a sophisticated input/output matrix that would allow us to measure with certainty and with precision the contribution of the various sectors in their totality in the economy.

The facts are that we cannot sneeze at the contribution and the role of sugar in the Barbadian economy, because, up to last year, it contributed more than \$60

million in hard currency. Seventy per cent, at least, of the sugar dollar remains in Barbados, which compares very favourable with the other industries. For example, it is felt that 55 per cent to 60 per cent of the tourism dollar goes out of Barbados. Certainly in some sectors in industry, using American components and only having the labour added here in Barbados, perhaps as high a proportion of the industry dollar goes out of Barbados too.

In addition, there are important linkages between the sugar industry and the other sectors of the economy. The machine provision section of commerce in Bridgetown and the machine repair section are all directly affected and tied to the sugar industry. Those who sell herbicides, fungicides, pesticides and fertilizers remain in business because of the sugar industry. The banking system itself is largely dependent on the sugar industry. So we would be misleading ourselves simply to look at the bald statistics relating to the economy, relating to trade and relating to employment, to say that because the contribution of the industry is now no more than 5.5 per cent of the Gross Domestic Product, because it employs no more than 6 000 to 7 000 people, and because it has fallen as a foreign exchange earner, we ought to simply abandon our sugar industry and look for alternatives.

The point I make is that, in economic terms, the Barbados Sugar Industry continues to play an important and serious role in the well-being of the Barbados economy. And this analysis, thus far, says nothing about the large number of range of skills which exists in the sugar industry, and which could not easily be fitted elsewhere in the economy were the Barbados sugar industry to collapse. I am not talking of the thousands of labouring people across the island who still work in the sugar industry. I am talking about skills that are factory related, and some that are field related too, that could not in the absence of a sugar industry be easily placed in other areas.

We also have to consider our special circumstances in ecological terms in Barbados. Barbados' rainfall map shows a consistent pattern of mountains and valleys, ups and downs. That is a dominant feature of our rainfall profile, and we have found that, given the coral-based nature of our soil, and given the nature of our rainfall profile, only the grass sugar cane is ideally suited for the Barbadian conditions. We need a plant, if you want to put it that way, that would help us to combat erosion, to which we are susceptible, and only the grass sugar cane does that effectively. Only the grass sugar cane can withstand the mountains and the valleys in our rainfall profile. That does not mean that other crops cannot be successfully grown in the short term, such as peanuts, cotton, and vegetables, but they have to be rotated around the grass sugar cane.

From all the evidence that I have seen, I think that it is fair to say that, were we to abandon sugar in Barbados, Barbados would, from an environmental point of view, become an absolute and virtual waste land. So the economic considerations apart, there are powerful ecological considerations making it necessary for Barbados to continue to invest in the growing of sugar cane. It is the full appreciation of these facts, and the recognition on the part of the Government of these unavoidable and compelling considerations, that informed, and continues to inform, Government's attitude of uncompromising support for the continuation of a sugar industry in this country.

To return to the price support mechanism, I wish to remind this Honourable House of the four structural features which, from the outset, characterized the price support scheme, and even now characterise it. The first feature which I think we need to identify and remind ourselves of is the fact that it is off-budget. Money is not taken from the Barbados Treasury from the Consolidated Fund and given to the sugar industry. Government has lent its support by way of facilitating the raising of the money through bonds, by giving its guarantee. It is not in conventional terms, a subsidy. Though, as I said earlier, it has been useful in helping the industry to stave off a wave of bankruptcy in helping the farms to continue under cultivation, it has not reduced the indebtedness of the industry to the overall banking system. So the first point is its off-budget nature. 1.05 p.m.

The second feature is that payments made to the growers are in the form of a loan convertible into a grant, depending on production. In short, the Price Support Scheme has been used as an incentive to higher output. There is a very specific reason why it was so tailored. The reason relates to the fact that the crisis in the industry has been as much a crisis of liquidity, a financial crisis, as it has been a crisis of reduction. It was therefore important, if you were going to get our unit cost within reasonable parameters, to have increased output, given the high fixed overheads which the industry carries. This particular structural feature, the loan convertible into a grant, was designed to correct a structural weakness.

The third feature is that when given to the farmers, the price support goes directly into the Barbados National Bank, now serving the financial needs of the industry, along with Barclays Bank, on the ratio of 60 per cent to 35 per cent on the part of Barclays. About five per cent in the industry receive their finance from other sources. So we must recognize that the Barbados National Bank has emerged within recent years as the principal financier of the sugar industry in this country. And as long as the farmer qualifies for price support and at the same time owes the Barbados National Bank, the monies are credited to his account at the Barbados National Bank. That has been important, because it has allowed the bank to avoid

calling the loans and to expand its credit to the sugar industry.

The fourth and final structural feature of the price support scheme which I wish to mention is what has come to be known as conditionalities or linkages. Here, Government, as a guarantor of the bonds, is using its role to move the industry in certain desirable directions relating to organizational, institutional, technical and even administrative and managerial reforms. The linkages insisted upon by Government over the last three years have been evidently successful, and I wish to refer to some of them.

The first two linkages I should like to emphasize are the reform of the insurance scheme as it related to cane fires and the Green Cane Incentive Scheme, which was introduced about three years ago. You will recall that at the turn of the Eighties, the industry had a major crisis on its hands resulting from the fact that upwards of a quarter of the canes reaped were burnt rather than reaped green. That had an important bearing on the soil, and it occurred to us that the remedies proposed in the past could not work and that we needed to address the cane fire problem at the level of the pockets of those involved in the industry. In short, we had to give them a major incentive to police the canes and reap the cane green. As a result, the Green Cane Incentive Scheme was insisted upon by Government as a conditionality, and we also insisted on the reforms in the structure of fire insurance policies. The result is that we moved from a high in 1982 of 27 per cent of the canes and the trash being burnt to some six per cent in 1984. If we exclude the trash fields that were burnt, that figure as a 1982 high would be about 23 per cent, and as a 1984 low would be something like 4.3 per cent. So an important advance which we made in this country in recent years is controlling cane fires, and it illustrates, in part, the success of the conditionality which Government insisted upon as a structural feature of the Price Support Scheme.

We also insisted on the employment of liaison officers and a Small Holders Affairs Officer. I think that these officers, taken together, have encouraged farmers large and small to remain in sugar, and they have been directly responsible for the effective co-ordination between field and factory which we realized, in particular, in the last reaping season. It was as a result of that effective co-ordination between field and factories that the incidence of staleness of cane was minimized, and contributed directly to the excellent recovery rate of something like 8.1 net tonnes of cane producing a tonne of sugar which we realized last year.

We had a situation in the past where small holders, in particular, would cut their canes during the weekend, on Saturday and Sunday. As a result of that exposure, particularly to the sun, those canes would contract con-

siderably in weight, and they would lose their juice content. That conditionality of insisting on the Small Holder Affairs Officer and the Grower Liaison Officer I think contributed directly to the more effective co-ordination which we have been witnessing in the last year or so between field and factory operations.

We also insisted on the installation of juice scales and water inhibition meters. These are technical improvements which affected the processing process, and which were the direct result of the Government conditionality as insisted upon over the last three years in relation to the Price Support Scheme.

One feature which was introduced last year — it was not a structural feature, but it was a new element which was evidently successful and which is again part of the 1984 Price Support — was the exemption of small farmers, defined as farmers who produce less than 400 gross tonnes from the conversion formula of loan into grant. They get their price support as an outright grant. We believe that that has been helpful in stabilizing the situation among the small farmers, who a few years ago contributed up to 15 per cent of the total tonnage of cane received in the factory. In recent years, their production has fallen to nine or ten per cent, and we believe that had it not been for that, among other measures, we might have run the risk of completely losing the contribution of the small sugar growers.

1.15 p.m.

There are desirable changes which we have not expressed as conditionalities, but which we urge, as best we can, upon the industry, which I would like to mention. We feel it is necessary to diversify as much as possible the off-take and use of our sugar product. Indeed, if sugar is to have a long term future, it may very well be that we will have to look for new uses of sugar. That is no fundamental wisdom on my part; it seems to me that that is fairly obvious, and a matter on which we on both sides of this House have always agreed. It is simply that I have not agreed with my friends on the other side that the use of sugar in Barbados for gasohol purposes is necessarily a financial or desirable thing. That has been the point of disagreement between us, but it is a matter of common sense that, if sugar is to have any future in the long term, we will have to find a wide range of alternative uses for the sugar product.

In a modest way we have been insisting that the industry should look to prepare brown sugar for visitors who are leaving through our seaport and airport, and also for Barbadian consumers. The industry is in agreement that that move makes sense, and they have been experiencing with the packaging material so as to avoid what we call "gifting" in Barbados. I very much hope that they can get the technical aspect right quite shortly, so that we can see brown sugar being available to visitors and Barbadian consumers.

We have been pressing the industry to attend to its public relations and to its administrative and management systems. Again, we have not been insisting on these as conditionalities, but it goes without saying that when an industry is in difficulty, it is wise to look at all features of its operation, not only its technical features, but also its personnel and administration and, generally, its institutional character.

We are hoping that further requirements will be made in the green cane formula, principally by way of advances of wages to workers around the Easter period, to be paid back in the weeks after Easter before the crop concludes. Last year it was not possible to experiment with that requirement because Easter fell late, the crop concluded reasonably early, and I do not think that it continued any more than a week on some plantations after Easter. In those circumstances, no useful purpose would have been served in advancing payments to the workers to be paid back in the weeks following.

We feel that that is necessary because, traditionally, we have had fires in Barbados around the Easter period. That is the big festival for people who work and live around what I call 'the sugar belt', and one way of ensuring that they have a big pay pack around the Easter period is to cut and work with burnt canes. That has been always recognized. We feel that if, in addition to the formula we have in place, that requirement is implemented, we have a good chance of reducing the acreage of burnt canes which we reap in Barbados well below the four per cent mark which we realized last year.

In relation to this 1984 price support which we are discussing, there are two new features, to which I wish to draw the attention of this Honourable House. The first relates to idle lands. In addition to the operators or the growers registered acreage, if idle land is brought into cultivation, through purchase, lease or any other contractual arrangement, the operator may reduce his outstanding balance of sugar support loan by \$2 000 per acre, for each acre brought back into productive cultivation. This is intended to supplement the carrot and stick measures under the Idle Land Tax, already on the Statute Books. In addition, it is intended to speed up the process of returning idle land to production.

The second new feature is the provision whereby other crops, specifically named — cotton, peanuts, onions, egg-plant and sweet peppers for export, cherries, cut flowers, beef and mutton — I believe we are referring to the ginger lily under cut flowers — if grown on lands that formerly qualified for price support, will not affect the ability of growers to convert within the support scheme. In short, if you had 20 acres under cane in the past qualifying for price support, you may now take two or three acres and grow these specifically-named crops and still have that portion of the land taken out

of cane qualifying for the price support and for the conversion of a loan to a grant. The reason why that new element has been introduced will become clear in a moment.

I now wish to speak a little about our principal markets, the European Economic Community and the American market. Our export of sugar to the European Economic Community under the Sugar Protocol is 53 500 tonnes. The Sugar Protocol, I should add, is related to LOME, but it is separate and distinct. I particularly want, for the benefit of the Press, to be didactic for the moment, because we so often read that sugar has been re-negotiated under LOME; that as soon as the LOME comes up for re-negotiation, sugar, too, comes up for renegotiation. That is not true, and arises from a misunderstanding of what is the Sugar Protocol. The Sugar Protocol is related to LOME, but it is separate and apart, and it is of a definite duration. It does not come up for renegotiation every time that a LOME Convention expires and comes up for renegotiation.

The point I wish to make, however, and I consider it relevant to the debate, is that we will continue to experience unremunerative prices for sugar on the European market until, and unless, the American dollar weakens. Once we remain tied to the U.S. dollar, and once that dollar continues to move from one plateau of strength to another in relation to the European currencies, and once we in Barbados take a constant and deliberate policy to keep our dollar tied to the U.S. and to keep it strong, and defend our currency at its present level, it means that the sugar industry will suffer in relation to its European market. I should like to be didactic again, because this is another common error being reflected in the Press. We are not paid for our sugar exported to the European market in pounds. That comes over CBC with disgusting frequency. We are paid in a basket of currencies called the European units of account. That basket consists of several currencies, including the pound, but we are not paid in pounds.

1.25 p.m.

With respect to America, there are developments taking place in that market which have got to be watched anxiously and studied carefully. Up to a year ago, under the country by country provisions, we exported about 20 000 short tonnes of sugar to the United States. At the beginning of the last campaign year, which started in October, an announcement was made to the effect that America was cutting back on the quantum of imports of sugar into the United States, and that even though our proportion of the global quota will remain the same, 0.7 of one per cent, in effect, we would lose some 3 000 short tonnes, a short tonne being 2 000 pounds. We felt then that that decision might have been informed by domestic political considerations in a year of presidential elections, and that there was some hope that later on we

would have had that decision rescinded. It has turned out within recent weeks that the principal sweet drink operators, as we refer to them in Barbados, Pepsi and Coca-Cola, have decided to move away from the use of raw cane sugar and to use other natural sweeteners, the high fructose corn syrup, and that has cut back the demand for sugar in the United States by at least 600 000 tonnes. In addition, there is a deep divide in the United States as to whether they should continue with the quota system or whether they should abandon the quota system after 1986.

I mention these points because it is clear that unless we are fortunate, and unless we organise our voices within the Caribbean sugar producing region effectively, we are likely to be hurt even more in what is our best market. I regard it as our best market because we still get something like U.S. 20 cents for every pound of sugar sent to the United States of America.

In the course of the last year, the United States offered a CARICOM arrangement, not a CARICOM quota, whereby CARICOM sugar producing countries keep their individual quotas, but in the event of shortfalls within CARICOM, rather than the shortfalls being distributed on a global basis, they will now be distributed within CARICOM. So if, for example, Trinidad decides only to produce, as it is rumoured, sugar for domestic purposes, the Trinidad country by country quota to the United States, which is the same as ours, will become available to the other sugar producing countries within CARICOM to be distributed, rather than to be distributed globally as in the past. Under this arrangement, the CARICOM Secretariat assumes responsibility for the issuing of the certificates of eligibility, for administering the quotas and also for shipping.

I want to talk now, in conclusion, about the future. The first point I think we need to make is that the shape of the future will be different from the shape of the past. Even though it seems clear to me that we will continue to have sugar as a dominant crop in Barbados, it will only be the centrepiece of many crops which will be rotated around it. Increasingly I see a farm policy for the future where sugar has an important and dominant part, but where there is emphasis on other non-sugar crops such as cotton, peanuts, onions, vegetables and flowers. Also, where livestock can be reared, this will be emphasised. The hope is that those non-sugar crops will be profitable to the extent that they will be able to absorb some of the losses being experienced by sugar.

More than that, we have got to think new thoughts, and all the fundamental assumptions on which we have proceeded in the past may now have to be revisited and looked at afresh. Notions in relation to our high fixed overheads, we may very well have to ask ourselves whether the process of factory centralisation will not

have to go further, and whether we may not have to live with three factories rather than six, or five, or four as the case may be. We will have to ask ourselves whether the policy in relation to the marginal lands being used for sugar is a good policy, or whether it needs to be abandoned or refined.

The notions in relation to critical mass, an important consideration, will have to be analysed in the light of changing circumstances and may even have to be modified. I very much hope that in this co-operative exercise, which I am looking forward to between the Government and the industry, in finding a new way forward, there will be no persons either on the side or indeed on the side of industry so committed to the past as not to be able to accommodate new thoughts and to have new perspectives and new horizons.

The non-sugar effort has been going on apace. The agronomic work in relation to cotton, vegetables, onions and flowers has got to be stepped up, and I am particularly happy to be able to pay tribute to the outstanding work which is being carried on here in Barbados by the Israelis under a World Bank programme. The Israelis have here experts in mechanisation, hydrology, cotton, vegetables and in extension services, and already, after only about two years, we are beginning to feel the effects of their competence, skill and labours.

I will give one or two illustrations of the Israelis' work for the benefit of Members. For many years we had a problem with onions. The dominant view in Barbados for many years was that the soil here was sufficiently well equipped with phosphate and that there was no need to add phosphate to the soil. The result was it was never fertilised. It has been found now, as a result of the presence of the Israelis and because of their work, that whereas phosphate does exist in the soil, and to a fairly high degree, it is not available to the plants because the chemical reactions in the soil blocked up the phosphate. We have recently been applying fertilizer, and the result is that we have had something like a 40 per cent to 50 per cent increase in yield.

1.35 p.m.

Onions also suffered from a stress disease, and I think it has been found that, as a result of the addition of the phosphate, that disease has disappeared. We had a problem with only being able to produce the onions over a four month period. That period, as a result of recent trials and the introduction of new varieties, has been extended to eight months. So in that area alone, we get a feel of the extent to which the Israeli contribution in the agronomic field is paying off.

The same thing applies to peanuts, where the first and major problem was iron deficiency. In the past iron used to be applied to the foliage and it was broken down

by light, and as a result, unavailable to the plants. We are now applying the iron to the soil, either before or after. This has increased the yield, and last year the yield was about 2 800 pounds per acre. With this new approach farmers are realizing 4 000 pounds an acre and more.

We had to rely on the seeds for planting from the United States and elsewhere. The seeds often came late and then did not germinate. Now, we have developed, with the assistance of the Israelis, our own seed technology, and more and more we are providing our own seed material. This is just an indication of the extent to which agronomic work is going ahead, which, to my mind, needs speeding up, so that we can have a viable farm policy for the future involving both sugar and non-sugar crops.

There has been a tendency, as the financial crisis in the industry has deepened, for all concerned to go into a state, I think, of mild panic. I think that we must avoid that at all costs. It is a fact that the financial crisis has deepened, but all concerned, Government, the industry and the workers, must avoid going into a state of panic.

We must also avoid blame distribution, saying that it was X's fault or Y's fault. However much we may be able to distribute blame, however much we may be able to relate it to the immediate past and the presence of the Export Levy, no useful purpose would be served in walking that route.

I believe that the features of the present crisis, the requirements of the moment and indeed of the future, are well appreciated both by Government and by industry. I wish to assure the country once again that the Barbados Government, this Labour Party Government, has no interest in taking over the sugar plantations of this country. In some circles, that has been the cause of fear, anxiety and uncertainty, but we have neither the wish nor the will to take over the sugar plantations of this country. Indeed, it must be honestly said that we do not have the confidence to run any sugar plantations, so we want to see the sugar plantations continue to be owned by the private sector. We feel that we have a responsibility to help the industry, and I look forward to working along with the industry in arriving at a new formula of subsidy of support such as will ensure that the industry remains in existence and, with good luck, return to prosperity and viability in the immediate and long term.

Hon. L. B. BRATHWAITE (St. Andrew): Mr. Speaker, I rise to second this Resolution. In doing so, I wish to pay a tribute to my colleague, the honourable Member who has just sat down, for a very brilliant and wide ranging address, not only on sugar but on agriculture generally. I further want to issue my congratulations to him for the fact that he has exercised his fertile mind in the area of bringing great need to the industry as well.

The sugar industry has, over the years, been a football for political parties and other people. I think the time has come, as the honourable introducer of this Resolution has pointed out, when we should examine the industry properly and stop trying to apportion blame. I want to compliment the people who are in agriculture and who continue to be in it, despite the fact that it has been having several bad and serious knocks. Agriculture, to me, is a profession or a calling of love, and considering the blows which it has had over the past ten years or so, only people who love the industry as a profession or a calling would want to continue in it.

The history of the sugar industry and agriculture in this country is replete with ups and downs. It has had its knocks all over the years. There was a time in this country when actually all of the plantations went into bankruptcy and the whole future looked extremely bleak. But as the Minister quite correctly pointed out, if sugar cane is not grown in this country, we would eventually end up with barren lands, and the landscape of the country would be entirely spoiled. By virtue of our soil structure, as so lucidly pointed out by the Minister, we need to have a crop, as he very wisely said a grass, which would be able to withstand the type of weather which the country is known to have and still able to produce a good crop. The sugar industry has been able to do this for us.

Many of us, because we have short memories, even though a lot of us read our history, completely forget that there was a time in our history and development when we had only sugar cane to rely on, that it was the only means of livelihood and employment for thousands of Barbadians. The Minister referred to the fact that at one point some 21 500 people were employed in the sugar industry. I go further back and say that at one point more than 30 000 people in Barbados were employed in the sugar industry. The fact that we did not go under and become a Crown colony, as a result of British dole to us to carry out development in this land, is largely because of the benefits which came to us from the sugar industry. So we have got to be thankful and happy that we had, and have, sugar.

The people in this country are also aware there has been a lot of effort by the people who are involved in sugar — you can call them sugar barons or whatever you like — put into the rationalization of the sugar industry. They have looked at the mechanization and the reduction of the inefficient factory units. I think that with their effort, and with the assistance which this Administration has given to the industry, the industry, in the face of all the difficulties, is doing very well.

1.45 p.m.

We have got to recognize that Barbados is not in a special area. It is not insulated or isolated from the

problems of the world. We are having very serious problems in the marketing of our sugar and with the type of prices we get for the sugar. We are in the unfortunate position, as Dr. Eric Williams adequately and correctly pointed out in his book, "Negro In The Caribbean," where what we eat, we do not grow, and what we grow, we do not eat. We produce sugar, we export it, and we have no influence as far as the guaranteed price of the sugar which we sell to the European Community and on the world market. In the face of the fact that we produce a high priced commodity, and our sugar is one of the most expensive in the world to produce, we still have got to sell it at the same price as the people who are more efficient in cost of production than we are. Those are some of the factors which you have got to face when dealing with the sugar industry.

I know that in the past there was a feeling in Opposition circles that sugar should be entirely phased out. For some reason or another, that attitude has been changed to a point where it is thought that the Government should now move in and take over. It is unfortunate that at the time when the view was put abroad that the sugar industry should be phased out, that idea was not at all encouraged. But, I think that, to some extent, that idea was bearing some fruit, because I recall very vividly the question of the acquisition of the unproductive estates in the constituency which I have the honour to represent, when Haggatts and its group of estates were bought some time ago. Most of the estates that were bought at the time were regarded largely as unproductive units, and yet the Government went into the business of buying those plantations.

I agree entirely with the honourable introducer of this Resolution that the Government has no desire to get into the business of running any more estates. We have inherited some and we are dealing with them as best we can, but the Government has no desire to get into the business of running estates. The estates, in my view, have got people running them who have got the expertise, people with long traditions of dealing with estates, and we consider that these people are the best people to continue to run them. What the Government will do is to make sure that the industry continues to operate in an efficient way. We can only do this by giving assistance wherever possible.

From what I have seen of the industry, I do not think anybody can say that the people involved in the sugar industry are not trying to come to grips with the main problem. The same numbers of people who work in agriculture are not readily available to work in the industry again, because people consider agricultural work to be something of a devil's task. Faced with this development, the industry did not rest on its laurels. It set about to mechanize the whole system of cultivation and production, and upgrading the sugar factories in this island.

One would also discover from figures published, and what has been revealed in this House from time to time, that the industry has not only been concentrating heavily on sugar cane, but has been looking at other crops as well. Now, as the Minister said towards the final stages of his address, plantations are looking into the areas of diversification, so that instead of having onions which will come on stream for a short period in any one year, one would be able to double that period of production.

There was a time when we considered — we still do — that we were capable of producing all the vegetables required for local consumption. We have also been exporting vegetables on a large scale, so it cannot be said that the people involved in agriculture are only looking at the sugar industry, are trying to bleed anybody, and trying to put their burden upon the Government. Where else could they put it? Who else could they look to if they do not look to the Government?

The Government cannot stand idly by and allow a sector such as agriculture to suffer. We are strong believers in the agricultural system. We believe that any country that has lands and fails to utilize those lands for a productive purpose will eventually go under. When this party came into office in 1976, there was a tremendous amount of land that was formerly very productive lying idle all over this country. We, by a system of progressive legislation, set about to encourage people to get back into production of crops. As a result, we have seen all over the country a tremendous amount of lands that were formerly idle lands coming back into production.

It can reasonably be seen and acknowledged that this Government is bent on ensuring that all agriculture not only sugar is made to work in this country. In the past, there were people who thought that only the other industries were important and that agriculture was the Cinderella industry. This Government and this party do not feel so. We feel that all industries are important. We feel that agriculture is natural to us, and even if we develop the tourist trade or industrial sector, those sectors can go under at some point in time. But agriculture will always be there, the land will always be ours, and we will make every effort at all times to ensure the best is being produced.

1.55 p.m.

This Resolution is a very good Resolution, a resolution that needs the wholehearted support of every Barbadian. Any person who opposes a Resolution such as this is certainly unpatriotic and unwilling to support a measure which will bring about success in an industry that has long served this country, and served it well.

SUSPENSION

Hon. L. S. CRAIG: I beg to move that this sitting be now suspended until 2.45 p.m. for lunch.

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

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

2.00 p.m.

ON RESUMPTION

Mr. SPEAKER: This sitting is resumed.

Dr. R. C. HAYNES (St. Michael South Central): Mr. Speaker, during the earlier session, we listened to a long dissertation by the Honourable Minister of Agriculture, whom, I believe, spoke in good faith. I was pleased to see that, after three years of intervening on his behalf, I have been able to persuade his party to allow him to introduce a major measure dealing with sugar, and that although he could not bat out until 2 o'clock, a long stop came in and performed relatively efficiently.

I have asked for a debate on the sugar industry for many years, for a variety of reasons. I have always had my doubts over public policy in relation to the major problem facing the sugar industry. I thought that in view of a wide range of developments, both domestically and externally, it was necessary for this Parliament to get down to the serious business of debating the sugar industry. I am very glad that the Honourable Minister of Agriculture covered not only the sugar industry, but certain inter-relationships in agriculture, because I felt that this is probably one more momentous debate in this Parliament. It is absolutely necessary that all of us should address ourselves to this problem with objectivity and try as far as possible to avoid the politicizing that characterized previous debates on this issue over the years. It means that one must be seized of basic information and one must have the kind of vision of the sugar industry which was expressed with great clarity by the Democratic Labour Party over the years.

It has often been said that sugar made this country and sugar can break this country. I have always been in accord with that view. But today, what we are witnessing is the harvest of the Barbados Labour Party's mismanagement in respect of public policy, the harvest of misinformation which I shall define more specifically, and the harvest of thoughtless guidance to the sugar industry. I do not intend to politicize this, but I think certain facts must be addressed.

It has been suggested on many occasions that the Export Levy of 1975 resulted in serious decapitalization of the industry, so that the industry was unable to cope with the shocks which faced it in 1981. It is my humble submission that with the collapse of the Sugar Levy funds in 1981 and the allocation of those funds to the various segments of the sugar industry in order to correct certain

imbalances, particularly in the areas of short-term borrowing for long-term capital investment, the net flow to and from the sugar industry from the inception of the levies has been slightly positive in favour of the industry. I quote as my authority a work done and published in the Central Bank, I believe by someone called Peterson Haynes, who did, up to 1980, an analysis of the flow to and from the industry of the various sugar funds.

It has also been said that the Democratic Labour Party took lands out of sugar production, and that the Barbados Labour Party, between 1977 and 1981, have been able to bring back idle lands into sugar production. That statement is not borne out by the facts. I wish to refer to the Central Bank of Barbados Annual Statistical Digest 1982, page 153. If you were to look at the number of hectares under production in 1975, you will see it was 16.1 thousand, and up to 1982 it was still only 15.8 thousand. This year I gather that the total acreage amounted to something like 35,437 acres or 14,341 hectares actually cultivated in 1984. That is taken from the Barbados Sugar Industry Review issued by the Barbados Sugar Industry, Limited. So in fact there has been a progressive loss of lands under sugar under the Barbados Labour Party since 1977, and not an increase in the amount of land under cultivation. That is the first fact we have to face. Where I can give some credit is that, subsequent to 1981, the yield of sugar per tonne of cane has improved, but it has not reached the levels enjoyed in previous years under the Democratic Labour Party, where in some years it had reached as high as 9.7 tonnes per hectare. I think the figure is some 9.1 tonnes or thereabouts now.

Let us start off by understanding clearly what we are talking about. I believe that the failure of the Barbados Labour Party to give effect to its stated policy of bringing idle lands back under sugar has nothing to do with wickedness on their part, nor, indeed, the loss of some sugar lands under the Democratic Labour Party anything to do with wickedness on the part of the Democratic Labour Party. It has to do with the intrinsic economics of the industry, where there is a genuine problem in relation to marginal lands in terms of sugar production. This is a fact we have to face. Your failure, despite your stated policy, to bring those lands back into production, and the loss of some marginal lands to sugar production over the period, probably 1950 to 1976, is more connected, as I said, with the economics of the industry and in the inability of those marginal estates to survive under given circumstances.

Today, I propose to recommend to this House certain things, but those recommendations must be justified, because they will involve public funds. The sugar industry was never bankrupt under the Democratic Labour Party, nor did it require public support under the

Democratic Labour Party. Employment levels were high both in crop and out of crop under the Democratic Labour Party. There was no threat under the Democratic Labour Party to any financial institution in Barbados. Sugar workers enjoyed a statutory five day week, which they no longer enjoy. Plantation owners made a profit under the Democratic Labour Party. The factories in Barbados made a profit. Lockups were minimal under the Democratic Labour Party, and I will deal with this later. Of vital significance, the small farmer could grow canes at a profit in a free market without any public support of any kind. That is the situation which the Barbados Labour Party found when it came to office in 1976.

Between 1976 and 1980, the sugar industry benefited from relatively favourable prices within our protective markets, particularly in the European market, and in 1980, by the coincidence of good rainfalls, good sugar production and a very favourable price — I heard the figure of \$900 or so being mentioned today — but I think in the Central Bank statistics the average export sugar price was \$1,035 per tonne in 1980.....

Aside

Dr. R. C. HAYNES: I am saying what is in the same document to which I referred, and I refer to page 153, Central Bank of Barbados Annual Statistical Digest 1982. The figure quoted there is \$1 035 per tonne, under the heading Export Price of Sugar, Barbados dollars per tonne. The sources are the Barbados Statistical Service, Barbados Sugar Producers Association, Barbados Sugar Industry Review and the Barbados Fire Service. There are other statistics there as well.

(Hon. H. B. St. JOHN: That is c.i.f. or f.o.b.?)

Dr. R. C. HAYNES: I will address the Chair, as the Rules of this House indicate that I must at all times. I will not be sidetracked by the honourable Member, who had a supreme compliment paid to him, which he did not recognise as a compliment, which suggested that canes can be utilised effectively at the level of canes all year round, green or otherwise.

The sugar industry did very well during the period 1976 to 1980, due to good export prices, but certainly not due to an expansion of the acreage under production. This is important, because one could have seen in those years the beginning of the crisis that would eventually face the sugar prices. And during those years, since I came into this House in 1978, I have repeatedly pointed out to the Government not to allow itself to be misled by the prices fetched during those years because this might not well be a continuing factor.

Contrasted against the period under the Democratic Labour Party, there can be no doubt, let us call a spade a spade, that today the sugar industry is to all intents and purposes bankrupt. With it, there is a major crisis in agriculture in this country. The price support mechanism over the past two years has simply not dealt with the problem, it has simply postponed the problem, as we see from the increasing indebtedness of the industry at all levels. It is certainly not the answer to the sugar problems of Barbados, and should not be the main focus of public policy, as far as I can see.

We have always taken the view that once the industry got into trouble, which it got into in 1981, there was a clear case for diversification of the end product of canes, and that it was the proper course of public policy to have directed capital investment in the industry towards that end. Today, we would have been in a much happier position.

3.00 p.m.

I want to say a few words about the management and ownership of the sugar industry. In 1981 and 1982, looking at certain factors affecting the industry, I made certain remarks on this floor of the House that were critical of the management of the sugar industry. I was not afraid so to do, nor am I afraid today to stand on the floor of this House and say that between 1982-1985, the managers of the sugar industry have made a major effort to pull the industry together and they should be congratulated by the entire country. I have no difficulties in saying so. Having said so,.....

Asides

Dr. R. C. HAYNES: The honourable Member for St. Thomas recently discovered for the first time that grass grows quickly in Barbados. He said so during debate on Ilaro Court. Now he is beginning to learn something about agriculture since he has gone into landscaping.

When you look at the *modus operandi* in Barbados, I would say that the managers are now the best businessmen in this country, and I know what I am talking about. I was born and brought up in a sugar belt — I am not too sure whether at the very beginning I should not have declared my interest; I am not sure whether I have been expelled from membership of the Barbados Sugar Industries Ltd. or not, but, I do not get any correspondence now — and I am aware of what goes on within the industry. I originally got correspondence but I do not get any more invitations, so I have to check out whether or not, as a small shareholder, I am entitled to an invitation to the various meetings that take place.

My words on the management of Barbados have a very important bearing on a suggestion that was made recently outside of the Government, that because

plantations in Barbados are bankrupt and owe the banks well in excess of their market value, they should be taken over by the ADC or the ADC should act as some sort of agency. I am utterly opposed to any such suggestion, because it is totally disastrous. There is no question about that. Indeed, I am totally opposed to any further expansion of the public sector of Barbados at this point in time. I believe that that comment was made by someone who was looking at the sugar problem from the perspective of the directorship of a bank, which is closely associated with the sugar industry. Of course, it would be one way of clearing up the books of the Barbados National Bank if the debt owed by the sugar industry could, indeed, be fully denominated as the Barbados Government debt or the debt of one of its Government agencies. I could understand the reasoning behind the suggestion, but I think that, ultimately, it would create serious problems for Barbados as a whole.

(Rt. Hon. J. M. G. M. ADAMS: Who made the suggestion?)

Dr. R. C. HAYNES: I did not say that it came from within the Government. I said that it came from outside the Government. The Government must not be so hypersensitive. It is true that you have failed in your public policies and your public responsibilities towards the sugar industry, but, nevertheless, you just have to take your criticisms in the spirit in which the criticisms are made.

The Honourable Minister of Agriculture addressed the question as to whether or not the sugar industry should be retained in Barbados. I speak for the Democratic Labour Party when I say that the case for the retention of the sugar industry cannot be contradicted. The ecological arguments are clear. I do not need to repeat that. The Honourable Minister of Agriculture has been a long time bringing to the attention of this House what has been stated again and again by experts over the years in Barbados, the ecological arguments with which we are all very familiar. But I hasten to point out that the ecological argument for the preservation of the soil of Barbados, for the prevention of erosion, and for the orderly development of non-sugar agriculture stops at the production of canes, and we must not confuse or extend our ecological argument to what policies are taken after the canes have been grown. Let it be clear that the ecological argument goes only up to the growing of canes. Beyond that, it is a matter of macro-economic policy that touches on areas like energy and other areas of agricultural development, and I would be pleased to give Parliament and the country as a whole a general view of the thinking of the Democratic Labour Party, as has come across very clearly over the years.

We believe that it is for ecological reasons and for employment generation not only within the sugar

industry. I speak not only of people directly employed on the sugar plantations and people employed in the factories, because there is a large amount of spin-off employment in the commercial sector and elsewhere. Look at what has happened with the Barbados Foundry? Many people do not realize that, apart from other factors, one of the problems with the Barbados Foundry stemmed from the slackening of demand for work by the sugar factories and, to some extent, the consequences of re-organization of in-house work within the sugar industry. There are also matters which I dealt with previously and do not propose to go into today relating to Sucron Services and so on.

The sugar industry is important from the point of view of foreign exchange earnings, but the point is not always taken that foreign exchange savings can be as effective as foreign exchange earnings. With a proper integration of the total agriculture effort of this country away from the chaos which now exists, substantial foreign exchange savings could be made in relation to our total agricultural efforts, while, at the same time, we would be in a position to determine in any given year what we do with the canes that we grow. In other words, over the last three years, if in any given year we found that we made substantial losses by selling our sugar in markets where we had to face the adversity of prices, whether due to exchange rates or prices negotiated, then we should have been in a position to utilize our cane in various other ways. I will deal with those later on, because all of these different approaches would lead, eventually, to foreign exchange savings in Barbados, while guaranteeing good prices to the sugar producer, the grower of canes and to the factory.

3.10 p.m.

The sugar industry or the cane industry must be retained because of the high capital investment which already exists there. I gather that the assets are in excess of \$200 million. They are not assets that can be thrown away. We cannot allow a situation to develop where the sugar industry is run down, and then, four or five years from now, we have to face the consequences of rehabilitation. There are not many people who realize the cost of rehabilitating one thousand acres of land, far less rehabilitating forty thousand acres of land and rehabilitating an entire industry.

A strong case can also be made out for the role that the sugar industry has played in Barbados, over the years, in terms of inter-industry and intra-industry trade within Barbados. Many people do not realize the very close relationship between the sugar industry and a very broad spectrum of economic activity in Barbados. Indeed, I think that sometimes the sugar producers do not state their case fully enough by following the Government down the road and basing their case mainly on foreign exchange earnings, in addition, they do not look at the

multiplying effect of those earnings and of the industry itself on the totality of economic life in Barbados.

We also have all the resources in terms of knowledge and appropriate technology in Barbados, not only for the production of sugar, rum and molasses, but for the kind of diversification which could have taken place over the past four years and placed the sugar industry in a much more favourable position. In other words, the point I am making is that if the Government had heeded my pleadings, and had not arrogantly repeatedly stated that I was talking nonsense on the floor of the House, they would have looked a bit more at the whole question of diversification enhancement to the contribution of energy generation in Barbados, and today we might not have needed to be debating this in Barbados, because we would have done that capitalization and reorganization of the sugar industry at a time when the industry was not indebted to the extent that it is now.

I made a statement a little while ago that the sugar industry is bankrupt and that the price support mechanism has proven not to be the answer. Indeed, I think it has done more to maintain the viability of the Barbados National Bank than to enhance the viability in the long term of the sugar industry.

I do not know why it is so difficult to get information on the true levels of indebtedness of the sugar industry. It seems to be a major secret; nobody can get access to those figures, apart from the Government, a few institutions and some people. I do not know whether all the sugar money has come in as yet or not, but assuming that most of it has come in and I believe that it would have come in, because I see no reason why it should not have come in by the end of the year — it would seem to me that the total indebtedness of the industry is somewhere between \$120 million and \$130 million, with lockups of \$100 million or thereabouts. You are talking of lockups of \$100 million in relation to less than forty thousand acres of land owing away that kind of money. Just use your imagination and you will see what the prospects of the sugar industry are of ever repaying the price support money given, in the form in which it has been given, all the years.

That is not the only problem. The losses are not fully reflected in the present statement of indebtedness of the industry, because we must recall that, in 1980, there was an element of liquidity throughout the industry. It seems that those positive assets would have been wiped out over the years. So the losses are well in excess of \$120 million to \$130 million. This means that the price support, as offered by the Government, does little more than service the interest on those loans and keep the books of the Barbados National Bank looking in reasonable shape. This is reflected quite clearly.

One of the reasons why I was very careful to congratulate the owners and managers of the sugar industry is because these people have operated within the umbrella of the Government policy, which has, in fact, led to their properties being in more and more debt year after year. It could only be public spiritedness and hope that might have led them to have gone down that road. All the liquid assets of the sugar industry have been wiped out. In other words, the sugar industry is without a penny. It has no liquid assets. That is a fact. It is a well-known fact that the liquid assets are not there.

(Hon. Dr. R. L. CHELTENHAM: Why are you saying it so often?)

Dr. R. C. HAYNES: The liquid assets of the sugar industry, the cash in hand is not there. Sometimes I think the Government does not realize how serious the problem is facing the sugar industry, because you cannot have that level of indebtedness, the kind of prices that you have got for your sugar, and at the same time tell me that you have cash in hand. Those figures cannot look right. The cash they are working with must be advances from the banks and so on.

(Hon. V. L. JOHNSON: You said they stole the money from Portvale Factory.)

Laughter.

Dr. R. C. HAYNES: I have said that there was a fundamental error or series of errors made in 1981.

Asides.

(Hon. L. R. TULL: Back off!)

(Hon. V. L. JOHNSON: I am going to refreshen your memory.)

Dr. R. C. HAYNES: I say now, as I have said before — and I believe that the Prime Minister of this country said it when he had problems with the negotiations in 1981 — that there was a major error in the financing of the Portvale Factory, using short term money, or money for cultivation, for long term capital development. I think that situation was partially rescued by the Caribbean Development Bank in terms of further long term financing.

There can be no question, in my opinion, that it was a serious error to have built Portvale Factory at that time. In fact, all the canes that we have produced since 1981 could have been handled by the existing factories. The year before, the same factories handled 135 000 tonnes at a significant profit. Since the building of Portvale, with a capacity to produce 25 000 tonnes of sugar per year, the amount of sugar produced has hovered between 85 000 or 88 000 tonnes and 100 000 tonnes. So

it is common sense that the existing capital in terms of factories prior to 1981, prior to the building of Portvale, could have handled the 88 000 to 100 000 tonnes per year that we have produced. So how could they possibly argue that they could not deal with 88 000 tonnes to 100 000 tonnes per year in the following years? I opposed that capital investment. I think it was a mistake, but we have to live with that.
3.20 p.m.

There are many things that happened in 1981. We have dealt with those already, and I do not intend to go through them again, except to refer to one or two points made by the Honourable Minister of Agriculture.

The crisis in 1981 was principally a crisis of production. It is incorrect to say that the exchange rates in 1981 contributed very much to that pricing, because, in fact, if you were to look at 1981 prices as compared with 1980 prices, you will see that there was only a slight fall from about 1035 to about 900, according to the Central Bank statistics. I am talking about 1981, I am not talking about the impact of exchange rates in terms of 1984.

The production crisis in 1981 related to a whole series of other factors. There was the problem of mechanism and compaction. I have said again and again that I believe the technology is available where the risk of extensive compaction, due to harvesting with mechanical harvesters and heavy equipment during wet periods, can be minimized by the process of putting balloons on the tires and spreading the weight more evenly out through the cane fields. I believe that technology is available.

I think I have established certainly for Parliament and the country, (1) the status of the sugar industry (2) the commitment of the Democratic Labour Party to the sugar industry, and (3), that there are very good and sound reasons why it deserves public support. I have made it quite clear that, with the improvement of management, I feel as justifiable now in congratulating them as I felt in 1981 in making the comments that I made. Indeed, those on the other side made many of the same comments in 1982 that I made in 1981.

There is another problem facing the sugar industry. Much has been said about the impact of the technological gap, which in the long run might be a more serious problem for developing countries than the problems which we occupy ourselves from day to day, like balance of payments, debts, and this kind of thing. Our failure to bridge that technical gap between what obtains in developed countries and what obtains in the less developed countries may well be the major barrier to the development of the Third World. I believe we see evidence of this, and some of the decline in sugar is due

largely to our own failure to recognize that technological gap. When the Minister speaks of the impact which high fructose corn syrup might have on the marketing of Caribbean and Barbadian sugar in the U.S., what he is really talking about is the marketing of a relatively new technology in the U.S., which, not only for economic but for other reasons, have made sugar from that source more desirable than sugar from cane. Therefore, it is important for us to always be aware of and strive to bridge that gap in technology between ourselves and those people to whom we have to sell our products.

I have made the point very strongly that I believe there should be a cane industry in Barbados, and that it needs help. I believe that we have the capability, and will have the capability at all times, for the production of sugar. But we need not just sit down and say that we are at the mercies of the prices we obtain in our protected markets and our world markets — and now we are worried about the contraction of our market in the U.S. — and do nothing about it. I believe that several things can be done. I have advocated since 1981 and 1982 that we should look very critically at the production of alcohol from canes, and several things have happened between 1982 and today. I would just like to read a bit from Barbados Sugar Review, Barbados Sugar Industries Ltd., July — Dec. 1984, page 20. After dealing with the whole question of alcohol as a form of energy, Sir Frank Hudson, in dealing with the matter at a scientific level, and having compared his experiences elsewhere, dealt with the question of alcohol additives to gasoline, and he referred to what Texaco has been able to do:

"The concept caught on very well, and as a result, the demand for alcohol for blending with gasoline is far in excess of the supply. Texaco's alcohol gasoline blends are sold under the name of Texaco Star Power."

The same source reports:

"Ford and Volkswagon have gained much experience in the use of alcohol and blends, and neat forms, from their involvement in the Brazilian alcohol programme, and hence in the United States, they are paying more attention to alcohol blends and neat alcohol to increase their knowledge and experience. They are satisfied that the use of anhydrous alcohol — that is important — in blends ranging from five per cent to 20 per cent with gasoline works satisfactorily in standard gasoline engines without adjustments. There can be no question that alcohol will become of ever increasing importance as a motor fuel in the future. It has the great advantage of being produced from renewable resources, among them, sugar and corn."

3.30 p.m.

Before we went into Mobil and other exercises in energy, it was my humble submission that, with a small amount of capital expenditure on the rum refinery, or with the building, instead of Portvale, of an alcohol plant adjacent to a factory, the situation could have been very different. In this same article, on page 20, it is very interesting to see the point made here:

"If alcohol could be made in conjunction with the sugar factory, many expenses such as fuel, electricity, transportation of molasses, etc. could be eliminated and the cost would fall to about U.S. \$2.50 per gallon."

Asides.

Dr. R. C. HAYNES: I cannot get into arguments with people who do not understand scientific data, and who are unable even to conceptualise diversification of the end product of cane in the context of the Barbadian economy. It is one thing to get up and shoot your mouth off. What I can say today is that, for the investment we have made subsequent to 1982 in oil production, one would have to be very careful now to look in terms of the overall position of Barbados and see whether the suggestions I made back in 1982 would have the same feasibility now as then, but it might have that same feasibility in the future.

A modern alcohol plant would probably cost no more than \$6 million, and it would have the advantage that you probably could have committed a whole section of your cane crop to alcohol production. The cane could be reaped all year round if you wanted to, and you would have a lot more flexibility, if you wanted, in relation to how you handle that area. It would also have another important spinoff, and that is, when you get any burnt canes you would not lose anything, because the yield in the conversion to alcohol, depending on the technique used, is higher in burnt canes than in green canes. I am not advancing that as an argument for burnt canes, it is an argument that there was an alternative available to the Barbados Government, with a lesser capital outlay, in order to deal with this.

The facts are there, I have studied them. I have even looked very carefully at the amount of actual cane that you need to commit to that aspect of it. Of course, this is on the assumption that you are producing enough canes in any given year. It worked out to something like 120 000 tonnes of cane in 1982, and the price that could have been offered at that time without increasing the price of gasoline would have been \$1.10 per tonne to the primary producer.

I think the mistake the Government has been making all along is that they have been looking at the

Brazilian model in terms of diversification of cane output without recognising that the whole Brazilian effort, on the basis of scale in terms of a scientific input, is geared to produce a completely different result from what I am talking about. Indeed, since I introduced this debate to Parliament on alcohol from canes, I believe, from what I can gather, the Germans have now produced a diesel engine which utilises something like 90 per cent alcohol and 10 per cent diesel. Do you see what could be happening in Barbados with a diesel engine like that? Nevertheless, they know everything!

You could have guaranteed the primary producer, but not on the kind of basis that the price support guarantees cane producers a price. You waited until January 1985 to tell the people that you are going to give them a support for a crop in 1984. The planters want to know when they are planting their crop what price they will get, and that is one of the weaknesses in the price support mechanism. That has not been corrected. The only thing is that by offering inducement to non-cane agriculture within the plantation sector and allowing them to benefit from the price support mechanism, you have eliminated a major danger which the price support was creating at the plantation level. In order to benefit from the full conversion, planters found themselves in a position where they were not rotating their crops properly, where they were forcing back canes into third, fourth and fifth crop canes in the hope of getting that extra tonnage in order to benefit from it. I will say that one positive aspect of the structure of this year's price support is that it would not lead to the same bad growing and bargaining practices which the previous price support mechanism might well have encouraged.

Since I last spoke on the question of diversification, there can be no doubt that there is an increasing demand in the world for surgical alcohols that fetch good prices on the world market, apart from alcohol for mixture with gasoline and so on. By the way, before I get away from alcohol mixed with gasoline, the Barbados Labour Party has been so ignorant over the years that they do not realise that you call it gasohol only when it gets to 20 per cent alcohol mixed with gasoline, but in all the high octane mixtures you have in the United States, when you pay a penny or three cents more for a higher grade of gasoline, what you are paying for is gasoline with a higher percentage of anhydrous alcohol, that is alcohol without water. If it had water, it would clearly be immixable with the gasoline. So poor octane quality, five per cent; a higher octane quality, eight per cent; a higher octane quality, 10 per cent; but you still call it gasoline! Nevertheless, there is a market there, and also an export market, because make no mistake about it, the demand is going to be increasing, particularly with the kind of carburetors now being produced.

I can show the honourable Member how, if the fuel injection gives any little difficulty on the Mercedes, he can add a little anhydrous alcohol to the gasoline in the right proportion and get a much better performance in the car. This is known. That is called an octane booster. In terms of the United States market for alcohol, five per cent added to the gasoline, do you realise what tremendous export potential you have there?

A tremendous market is out there for refined sugars, but we have never got involved in that. There is a market for methanol production from bagasse. Indeed, in the area of energy, I do not think that we should be only confining ourselves to selling excess energy to the Barbados Light and Power for the national grid. According to the document which I read from on the floor of this House, you will see that from three factories — Portvale, Foursquare and Andrews — they sold just over a million kilowatt hours of electricity to the Light and Power. I have brought to their attention again and again the question of pelletisation of bagasse. Since I spoke in this Honourable House, it is my understanding that one Caribbean country has reduced its dependence on imported oil by the use of pelletisation of bagasse in the generation of electricity by about 30 per cent. I cannot quote from newspapers, but that particular country, I gather, imported some 12 million pounds per year, about 75 per cent of its energy needs, and through pelletisation it has reduced that by about 30 per cent. I also pointed out that the Theo H. Davies' Hawaiian Sugar Plantation supplied 15 per cent of Hawaii's electricity needs via pelletisation of bagasse; that is after you have squeezed the sugar out, the roughage that you are left with. That is one group of companies.

3.40 p.m.

I trust you see what I mean about flexibility in the diversification of the end product of cane and the importance that it would have in terms of foreign exchange savings when you are faced with adverse markets for the sale of sugar as a primary product. We should have taken advantage of these avenues up front, before we were \$130 million and over in debt and probably \$150 million in losses. We could have done it way back in 1981. But the hard-headed among us would not listen; they are too arrogant.

I want to address myself to another danger in the price support system without diversification. Essentially, it was a form of gambling, in the sense that you service the loans in the sugar industry and you do not know at the end of the day what price you get. So year after year, you commit public policy and public endorsement of borrowing by the sugar industry to a situation over which you have no control, and, in the long run, for which you have no answers. I would be much happier subsidizing the sugar industry if I had to pay the same price that I pay

today for gasolene, rather than subsidizing the Barbados National Oil Co., which represents a new investment of further borrowing and further increases in the national debt through the prices of gasolene, and the Mobil Oil Co. I would have much preferred to do that.

Your total dependence is on your EEC prices, on quotas, and prices in the United States, and, God help us, our market prices mean that you have a problem. The problem also brings us back to one that I have always queried as being a dangerous doctrine, this whole doctrine of critical mass in the sugar industry, in the context where you have marginal lands built into your productive base. The doctrine of critical mass is a scientific principle. If you add X amount of water to X amount of substance, a particular chemical reaction would take place — there is no third factor involved. That is true whether it is a schoolboy in a lab in Barbados or you are dealing with a nuclear reaction. The same does not apply to the sugar industry. If you produce 135 000 pounds of sugar cane this year and you had to off-load all that excess on the world market, you would have ended up in more debt, unless one thing happened, unless you had covered your production cost. I have challenged the Minister on two occasions on the floor of this House to pay a little more attention and bring a little more common sense to bear on that whole doctrine of critical mass. Transferring a fundamental scientific concept to an industry like the sugar industry is a little dangerous, and you can lead people down the drain on that principle, that variable at the end. In other words, the general reaction does not take place unless you cover production cost, as far as I can see, and, of course, all you do at this point in time is that you break even.

Much has been said about my position on the industry in 1981. I do not want to revert to that, but I am going to mention three key points that I considered important then and still important now. I believe that with any reconstruction of the industry, consideration must be given to the removal of agriculture from the portfolio of the Barbados National Bank. I say this not only for the reason that it has had an adverse effect on that bank — it has compromised its assets portfolio considerably when you realize that over 60 per cent of the loans to the sugar industry are held by the Barbados National Bank — but because I believe that banking in relation to agriculture is more to do with knowledge of agriculture than with banking. I believe that that is one of the reasons why the Sugar Industry Agricultural Bank never got into the same kind of trouble that the Agricultural Division of the National Bank got into.

I dealt with an aspect of financing which fueled some of the problems that I spoke about, that is, the extent of Central Bank financing in 1981/82, and I dealt with the question of unsupervised credit to the industry. I do not propose to traverse that ground, no matter what

they say on the other side. The fact is that what was said was true, what I said they said in 1982 and 1983, so we are in a position now where we can take a position on the future of the sugar industry.

Asides.

Dr. R. C. HAYNES: This is not a 50 over match. This is a test match. You had an opening batsman that came in here and poked, and another one that came in here and let go his hand for 15 minutes. But this is a test match, because these are important decisions to be taken here in Parliament.

I said that the sugar support price was not the answer. I said that, so far, the conversion formula has the potential to lead to bad farming practices. That has been corrected to some extent, and I think that the farmers should be grateful to that decision taken by the Minister today. I spoke on it in relation to the National Bank. I spoke on it in relation to the fact that it has led to a significant increase in the debt profile of the sugar industry, and also that one of your conditions, namely, the corporate reconstruction within the industry, has had certain advantages.

3.50 p.m.

I think that you will find that, inevitably, the manufacturing cost of sugar in Barbados will increase. In other words, the so-called twenty-sixth part will not suffice. I doubt the factories can make a profit at \$26 out of \$100 at the moment. I would be very surprised if they did. This has led — not only in terms of inappropriate capital expansion in 1981 or from the loans on current account or subsequent build up — to a progressive depletion of the capital of Barbados Sugar Industries Limited. That is a fact. Look at the numbers and you will see. At least up to 1983 — I do not know what the 1984 figures are — I know there would have been a progressive loss of capital. And, of course, that has been accompanied by significant job losses within the country.

So we reach the point where we ask the question, "What are we going to do about the industry?" I say it is useless to get involved in foreclosures. It does not make any sense. It is not the answer. We have to face the fact that the plantations cannot service the debts which have been built up over the years under the umbrella of the price support mechanism. The industry is drowning in that debt. It cannot pay off that debt.

(Aside: You said that already!)

(Hon. Dr. R. L. CHELTENHAM: Move forward!)

(Hon. L. R. TULL: You said there is no poor plantation owner!)

(Hon. V. L. JOHNSON: They say they take the money and buy race horses!)

Mr. SPEAKER: Order. Let the debate continue.

Dr. R. C. HAYNES: Am I entitled to be heard in silence under the Rules, Sir?

Mr. SPEAKER: Let the debate continue.

(Hon. L. S. CRAIG: He is a different man today, Sir. He is a human being today.)

Dr. R. C. HAYNES: We have a situation where the good and not so good farmers, the large and the small, the efficient, the upright in the use of credit and those who were not so upright in the past, are all losing money. Therefore, you must come to the conclusion that there is little they can do to increase their efficiency in order to wipe off that massive debt. I did not even add the debts accumulated in the context of Barbados Shipping and Trading, because I believe they finance their own sugar efforts.

I hope that no bank in Barbados makes it difficult for Shipping and Trading to have access to lending in agriculture, like any other farmer, because I believe the decision of the Chairman of BS&T was a correct decision in the interest of the shareholders. Where BS&T owned some of the most productive lands in Barbados and can chalk up debts in the region of \$10 million, you would know that things are wrong. I do not think that Mr. Douglas Lynch is a bad manager. As far as I know, it was his contribution in 1982 to the debate on burnt canes that has led to certain built-in conditions of the Government subsidy. Those relating to the terms of insurance and to the Green Cane Incentive Scheme was a direct consequence of the initial research done on BS&T's sugar plantations by Mr. Douglas Lynch. I believe it was further widened under the umbrella of Barbados Sugar Industries Limited, or some agency of Government. I am not quite sure.

I think we no longer have to look at price support. We believe that we have made a case for the continuation of sugar and a more effective public policy. We are satisfied that the management has improved its delivery in the sugar industry over the past three years. In this context, I believe it is but right, within the context of a total agricultural effort, with adequate diversification and integration of the total agricultural effort of Barbados, that there should be a direct subsidy to sugar at this time.

(Hon. L. B. BRATHWAITE: You speak for yourself.)

Certain remarks made by the honourable Member for St. Michael South Central at this stage were ordered to be expunged from the Record by Mr. SPEAKER.

Dr. R. C. HAYNES: I would say that any foreign exchange borrowing can be committed to the sugar industry in the form of a subsidy, on the very good grounds that I think there is a better justification to borrow foreign exchange to lend to the sugar industry, which already has a very high retention factor in terms of the earnings that are retained domestically. You are talking now of maintaining probably over 4 000 permanent jobs in the sugar industry rather than spending the money on bricks and mortar for other capital projects that can only employ a few people for a short period of time. So in order to maintain levels of employment in the sugar industry in Barbados and in agriculture, it is justifiable to offer the industry a subsidy at this time rather than a price support. The quantum of that subsidy is a matter that would have to be dealt with by Parliament, if such a Resolution should come before Parliament during the course of this debate or subsequently. If it does not come this year, it will come next year or the year after.

I believe that a good case could be made for the postponement of one or two capital projects that are absorptive of foreign exchange, that will become a future charge on current revenue, in order to give priority to restoring the sugar industry to viability and to securing its future. There is also a case for a five-year moratorium on interest payments owed by the sugar industry, to give the sugar industry an opportunity to recover a more reasonable capital structure over the next five years. Government always has the opportunity to recoup at times of excess earnings, over a prolonged period, by the sugar industry through taxation. So in the long run, if we are successful in restructuring the industry, it could be recouped down the line. I am not thinking of the sugar industry this year or next year only, but we are thinking down the line, and indeed looking back over the years.
4.00 p.m.

However unpopular a direct subsidy may be with the Government of Barbados, I think it is justifiable. I think that with the strengthening of the industry, the money will eventually find its way back into the Treasury, whilst, at the same time, a major sector of the Barbados economy, with very crucial inter-linkages, will have been rescued and, indeed, a major financial institution, namely the Barbados National Bank, would have been put on a more secure footing. As it now stands, when we total the transfers of the collapse of the levy funds, the price supports of 1982 and 1983 and the increase in the price of sugar sold domestically, which I gather services the interest on the price support, and now this \$15 million, you are talking \$78 million or thereabouts, if you include the transfer of the levy funds in 1981 as effected as a form of support. I am saying that money could be better used, and money we could recoup down the years.

So I plead with the Government to recognise that we speak in good faith on this side, that we have a comprehensive policy for sugar, that we can stand on the floor of the House and address major national issues and speak to them without being dragged into a partisan, political debate, that we understand the history, economic linkages and the importance of the sugar industry, and that we had a clear vision of the direction in which the sugar industry could have been helped with an effective public policy in 1981, which even at this late stage can still be done, in order to redirect and help the industry to rediversify its end product of canes. There is much more I can say, but they are matters that are probably best said in reply to a budget. I cannot get into matters that I may want to use in a budget reply at this stage.

Finally, I think the Honourable Minister of Agriculture seems to have learned something about sugar at long last, and we have heard the Honourable Minister of Housing, who I am sure knew something about agriculture when he was the Minister of Agriculture. As a matter of fact, he was the only person on that side who I could get any support when I made my enlighten views about the financing of small farmers and the sugar industries. He was the only person who would get up and speak, and actively support what I had said. So we have heard two contributions by people who know something about agriculture, one who always knew about agriculture and who like me loves agriculture, and one who has recently learned something about agriculture. I suspect from here on now you will hear the contributions of those who know nothing about agriculture on that side.

The Opposition's stance is clear. We have made out the case for a subsidy and for a moratorium on the interest payable by the sugar industry, and we have identified the possible sources of financing in the context of the demonstratively improved management of the sugar industry.

Thank you very much, Mr. Speaker.

Mr. O. S. ARTHUR (St. Peter): Mr. Speaker, while listening to the speech of the honourable Member for St. Michael South Central (Dr. R. C. Haynes), I could not help but notice the presence of a certain interest group, and I could not help but conclude that the speech of the honourable Member was perhaps written by a certain Stevie Wonder, and could have been captioned, "I just call to say I love you". I think this day will go down in our parliamentary history as a day on which this Chamber agreed that the Government should not nationalize the sugar industry, and also the day on which the Member of St. Michael South Central was nationalized by the Barbados Sugar Industries Ltd.

Before I put my case in support of the mechanism that has been brought to this House, I want to divest the

Chamber of some of the misleading impressions that might have been left behind in what the honourable Member had to say. He causes us to believe that, perhaps, we may have a romantic future in the production of alcohol for the use in the running of motor cars. But let us look at the numbers. We can with 1 tonne of cane derive 65 litres of alcohol. At a price of production of \$80 per tonne, that works out at \$1.25 per litre or \$5.00 – odd per gallon; the raw material cost of producing alcohol in this country would work out to \$5.00 – odd per gallon. When we add to that the cost of processing, perhaps we would end up in a situation in which we could truly afford to produce alcohol in this country to substitute for gasoline, but the only people who would be able to afford it would be persons of the wealth of the honourable Member for St. Michael South Central.

If we reach the stage of Brazil where our raw material cost, the cost of primary sugar cane, reaches \$30 per tonne, then it may be feasible for us to contemplate the production of alcohol, as suggested. Indeed, if we were to reach the stage where our cost of production was to fall to \$30 per tonne, we would not have to come to this House of Assembly to ask for a subsidy for the sugar industry, whether it be for the production of alcohol or the production of sugar as an export commodity. So the very argument he advances defeats his purpose; that he fails to recognize that the cost of producing sugar cane in Barbados stands in the way of our having a viable sugar industry, irrespective as to whether we are thinking in terms of the production of alcohol for the use in motor cars or whether we are thinking in terms of our sugar industry geared towards the production of sugar for our export market.

I want to put my case, and the case that I have to put stems from the fact that between 1974 and 1985, the Barbados sugar industry has had to operate within a radically changed market circumstance. In 1974, the Commonwealth Sugar Agreement came to an end. Under this, we were able to export annually 139 000 tonnes of sugar per year. The fact is, we lost markets between 1974 and 1981 not because of the shrinkage of international demand, but because of supply failures between 1971 and 1974, because between 1971 and 1974 Barbados failed to meet its quota allowed under the existing Commonwealth Sugar Agreement. Of the 139 000 tonnes we were entitled to send under the Commonwealth Agreement, we only managed to send 116 000 tonnes in 1971, 92 000 tonnes in 1972 and 109 000 tonnes in 1973. Unlike countries like Belize, Fiji, Mauritius and Swaziland, we were therefore not in a position to argue for higher quotas when the transmission was made from the Commonwealth Sugar undertaking to the EEC undertaking. As a result, rather than having a guaranteed market of 139 000 tonnes per year, the sugar industry now has to operate under tighter constraints, constraints within which its market outlets to the EEC are now only

53 000 tonnes and the guaranteed market in the United States amounts to only 17 000 tonnes.

We have to begin to understand the problems of the sugar industry by reference to the changes in the market conditions under which the industry has had to operate over the time period. It is no fault of this Government, because we cannot be held responsible for the fact that the Barbados sugar industry between 1971 and 1974 failed to take advantage of the market quotas that it was allowed under the Commonwealth Sugar Agreement, and as a result, when new arrangements had to be put in place to determine what was a reasonable quota, the quota allowed to us fell, whereas the quota allowed to other places such as Belize, Fiji, Mauritius and Swaziland, which at that point in time were serious about their industry, rose.

Why the sugar price support, Sir? In fact, the Barbados sugar industry represents a classic case of an industry operating on the basis of an over-valued exchange rate. It operates within an industrial context, where its costs of production are higher than the foreign exchange price that it is paid for the commodity it produces. One of the options we could have pursued would have been to devalue the Barbados dollar, because you will agree that if we were to give the sugar producers four dollars rather than two dollars for each U.S. dollar they earn, then perhaps their corporate problems would evaporate. But our Government recognises that you cannot change a national variable such as an exchange rate to deal with a problem in one sector. It would be synonymous with the case of a person who went to the honourable Member for St. Michael South Central with a headache and he prescribed a brain transplant. If the sugar industry has a problem, then we cannot change the national exchange rate in order to solve that problem, which is purely a sectoral problem. Obviously, the answer must be to find a means whereby the difference between the cost of producing in the sugar industry and the price that it fetches is narrowed.

The philosophy which went into the first round of sugar price supports was the philosophy which says that the domestic consumers of sugar should be called upon in order to meet the difference between the cost of production in Barbados and the price that we fetch on the EEC, U.S. and world markets for the commodity we export. But we recognise that it would be economically and socially unjustifiable to ask the consumers of Barbados to indefinitely subsidise the operation of the sugar industry to the level that they have been asked to do during the course of the last two years.

Our policy goes a bit further. Our concept is that the sugar industry is important to Barbados for both ecological and economic reasons. We cannot have a sound

agricultural sector unless we have a basic core of sugar production, for reasons which have been outlined by the Minister of Agriculture as well as the honourable Member for St. Michael South Central. The problem, however, is that we have to get the industry now involved in a process of integration with the rest of the agricultural sector and on this occasion, the price support mechanism has been so structured as to start the process of integration between the sugar industry and the rest of the agricultural system in this country.

My point is that we can afford a sugar industry in this society, and we need a sugar industry in this society, because of the value of the foreign exchange that it earns, as well as the fact that we need it for the purposes of ensuring that the productivity of our agricultural lands remains high through rotation of other commodities. We therefore have to get ourselves into a situation where higher income or profits earned by the rest of agriculture can be brought to bear as well as part of the salvation of the sugar industry which we need. In consequence, the sugar support price mechanism has been so structured as to allow those persons who are involved in sugar to reduce the interest payable on any loans that they will have under the mechanism by taking account of any income earned from the production of any other agricultural activity. By this means, we are asking our sugar producers to begin the process of meaningful integration between sugar production and non-sugar activity where the profits and incomes tend to be higher.

By the same token, if you were to study the provisions within this present price support system, you will notice that provision is also made for producers who are undertaking economic activity which does not allow for the rotation of crops with sugar, such as cotton, peanuts or onions, to reduce their liabilities under the price support mechanism by taking account of the acreage that is devoted to those alternative crops. Simply put, this year's price support mechanism is so designed that if you were to put acreage under cotton, peanuts or onions for the purposes of conversion from a loan into a grant, such acreage would be treated as if it was indeed sugar production.

Without the Opposition recognising it, the very design of the price support mechanism this year is intended to bring about the implementation of the concept of total farming in Barbados, total farming meaning that we need to have a sound agricultural sector as a whole, and within the context of that sound agricultural sector a sound industry which is leased by way of subsidy to the rest of the agricultural system. So our price support mechanism this year is designed to lead us in the direction of increased diversification while maintaining a critical core of sugar production, because

of its critical importance from the point of view of foreign exchange earnings and also because of its ecological importance to the society.

We should not see the salvation of the sugar industry pure in financial terms. Just as we need to operate in accordance with the concept of total farming, I do feel that the concept of total farmers also has to evolve and be put into effect. One of the real problems with the sugar industry is that it has perhaps remained in the plantation holding for too long, with the hierarchical division of labour and duties giving rise to a situation where, perhaps, its management overhead costs have been made a bit too high. On some estates, and I am glad to say that this is not the general case now, you still have a situation of a manager, an attorney, overseer and book-keeper, and in the modern age of farming, you need to move away from that type of plantation mode of operation and bring an industrial form of organisation to bear in the operation of the sugar industry. We need total farmers to evolve, people who know not only about growing sugar cane, but who also know about the operation of the machinery on their estates and who can understand the techniques of financial management. Perhaps as the total farmer evolves in the sugar industry, the industry will continue to be saddled with a high management cost per acre of output, to its detriment.

4.20 p.m.

I am also of the view that at this stage we need to create for the benefit of the sugar industry a long term capital window, because a large part of the problem in the industry stems from the fact that, unlike manufacturing and tourism, it has never in the history of this society been able to benefit from long term capital at relatively concessionary rates of interest. As a result, most of the capital needs of the industry have to be met on the basis of relatively short-term capital, at fairly penal rates of interest, and this has led, to my mind, to two repercussions. The first is that the debt service of the industry is part of its operating problem. You will also notice in certain estates that the cost of maintenance tends to be a major problem as well, because some estates are disinclined to change things like trucks because you have to go and borrow short in order to purchase capital equipment which has a longer life than the period of the loan. As a result, many estates hold on to the equipment for too long, giving rise to an increase in the cost of maintenance to the point where the cost of maintenance points very heavily as one of the operating expenses of the industry.

I want to suggest that, rather than talking about the fanciful notion of borrowing \$78 million to put into the sugar industry, or giving it part of the Stamp Duty, we have to accord the same industrial status as we have accorded on the tourism industry and our manufacturing industry. We also have to recognize that the industry is

at this point going through a process of recapitalisation which is intrinsic to the process of mechanization, and that it needs a source of long term capital, whether at the BDB or wherever, in order to meet those recapitalisation needs.

I also want to suggest that the industry's main challenge is that of reducing its costs to bring those costs more directly in line with the prices that it can get. One of the means by which it can do so is by optimising the capital that they already have in the field by ensuring greater efficiency at the factory level. I would go so far as to say that it is time for the industry to invest itself with computer facilities to handle problems such as transportation problems and other types of operational research-oriented problems like this.

Finally, I strongly support this Resolution. I support the Resolution for a number of reasons, the first being that the industry has a prominent role to play in this country, both for economic and social reasons. The talk about sugar cane by-products at this stage, given the level of our cost of production, are romantic ideals. I also support the price support system this year which is designed to bring about integration between the sugar industry and the rest of the agricultural sector, such that, in future years, we may begin to conceive of a situation where the rest of the agricultural sector as well can repay the sugar industry for the ecological relationship that exists between the two of them. I only want to urge that at this point in the industry's development, where it is going through a motion of recapitalisation, a long term capital window be provided to it so that it can begin to enjoy the same status in this country as that allowed to the tourism industry and manufacturing.

Applause.

Mr. H. A. BLACKMAN (St. Philip South): Mr. Speaker, I enjoyed the speech of the last honourable Member, but I believe that there are a few points that he has made that I have to comment on. The first is that in responding to the honourable Member for St. Michael South Central (Dr. R. C. Haynes) on the production of alcohol and such things, the honourable Member gave an account of the cost. But reading from page 45 of the McGregor Report, which is already a document of the House, it says:

"It is understood that the distilleries have spare capacity — (and they were speaking about rum facilities) — which, together with the existence of a final molasses surplus, being presently disposed of by export, would make it possible to increase rum production or produce alcohol for motor fuel."

I believe that even the people who wrote the McGregor Report saw the possibilities for making and

refining alcohol here, and I would like the honourable Member or someone to break down the figures he gave. I do not believe that the people who wrote the McGregor Report would have made this sort of statement lightly if they did not know that it was a distinct possibility and of possible financial gain to this country.

The next point I would like to comment on is that the honourable Member said that the sugar industry is important for ecological reasons. I do not believe that that is the proper statement. It should be the cane industry, and the reason why I say the cane industry is important for ecological reasons is that if you stick to the sugar industry, one gets the impression that the only thing that comes out of the cane is the sugar. What we on this side have been saying for the past three years is that we should be looking at the other by-products of the cane industry, like alcohol and molasses, and start looking and gearing your financial resources in that direction.

I know for a fact that there are persons who come here from Haiti who are interested in buying the mills at the factories in Barbados, and who have gone back to Haiti, having bought some of the old mills in the factories already, and are producing alcohol and molasses in Haiti and making millions of dollars in foreign exchange. Only a week ago a gentleman who is a proprietor of a hotel here went to one of the factories enquiring about a mill for one of these persons in Haiti. The Haitians can see where there is a lot of benefit by producing alcohol and molasses from cane. Why cannot we explore that possibility? That is all we on this side are saying.

One other point the honourable Member for St. Peter touched on was that the sugar producers should start operating their concern like an industrial concern, that they need management which know not only about sugar cane production, but also about the equipment on the farm. Where are you going to find such persons? Where are you going to find a person today who knows about sugar cane production, equipment on the farm and mechanical implements? What are you looking for?
4.30 p.m.

The honourable Member for St. Peter said that the industry should also look into the possibility of using computer facilities. One would not believe that the honourable Member was speaking of an industry which, to all intents and purposes, is bankrupt. Where are you going to find this sort of thing? You are living in a Utopia, because you are talking about an industry which is almost bankrupt!

I was very pleased to see that the mover of this Resolution moved away from his general trend of the past two or three years, when he brought the debate into the

realm of politics and decided to lambaste the Democratic Labour Party in here. We are accustomed to hearing in here that the Barbados Labour Party has brought back all sorts of land into production.

(Mr. B. M. TAITT: True!)

Mr. H. A. BLACKMAN: But since the honourable Member has been told that under the Barbados Labour Party, the production of sugar fell to its lowest level ever, since records were kept, in 1982, 15 800 hectares, he has not come back in here saying that he has brought land back into production. The Central Bank Annual Statistical Digest stated that the lowest yield per hectare for sugar took place in this country in 1982; 5.2 tonnes per hectare. All of the political posturing that took place in the last three years has now gone by the board because the facts have been made known to the honourable Member.

At June 30, 1984 the sugar industry was \$150 million in debt to the banks of Barbados, mainly the Barbados National Bank. The annual estimated loss at current prices is some \$54 million. If you take interest at 10% per cent on that \$150 million. That is \$21.925 million. Ten and three quarter per cent on the \$54 million that it is losing annually is \$5.80 million. That is \$21.925 million a year in interest alone that the sugar industry is losing. You have to add on interest on interest.

The next thing which you have to look at is that the capital value of the industry today is about \$200 million. When you look at all these facts, you would realize that the \$15 million in price support is only making sport. When an industry is losing on the average \$54 million a year and you give it a price support of \$15 million, you could only be making sport. And the money they are coming for now is for last year and not this year. I do not know what they are going to do this year.

The Minister in his contribution gave the impression that the Democratic Labour Party hinted at or intended taking over the sugar industry. I do not know if that is so, but it has never been said in my presence that the Democratic Labour Party intended to take over the sugar industry. Everyone in this Honourable House knows my personal view. I am a total believer in free enterprise, and I have always said it. I do not mind who gets annoyed with me. My colleagues get annoyed with me, but I am a believer in free enterprise.

Asides

Mr. H. A. BLACKMAN: I have examples to prove it. If you check over the last four years, you will see that one of the economies which progressed over the last four years, was the United States' economy. For those four

years, Reagan decided to take the Government out of business concerns. I believe that is one of the main reasons why the United States' economy advanced over the last four years.

Talking about taking over sugar lands, you, in conjunction with the ADC, took over River and Vineyard Plantations, 600 acres in St. Philip. You spent \$1½ million between July 1983 and June 1984. What was the result? You produced canes on those two plantations at 30 per cent higher than any one of the estates in Barbados. Little cane on those two plantations is in good condition. The estates are now in complete agricultural chaos. You took them over. We did not take them over. These facts have to be told.

You stated when you were taking them over that there would be new methods of operating sugar estates, minimum labour and a mechanized operation, undertaken by contractors of agricultural equipment. What has happened? Those estates have gone to the dogs.

Aside

Mr. H. A. BLACKMAN: The doom and the gloom in the sugar industry are due to low yields, high cost of production and the depressed market prices. You know that is what is causing the trouble in the sugar industry.

(Hon. H. B. St. JOHN: Go through them one by one.)

(Hon. Dr. R. L. CHELTENHAM: Let me hear you addressing them one by one.)

Mr. H. A. BLACKMAN: I would have thought that I would have heard coming from the Government side what the Government proposes to do about these three things that are causing trouble in the sugar industry. I do not believe that throwing money at the sugar industry in the form of a price support is going to save the sugar industry. It is not easy to cut down the cost — we know this — and it is not easy to control the price of sugar that we get at the European Economic Community, but we have to look at the sugar industry in this way.

There are certain plantations in the sugar industry in Barbados today that are to all intents and purposes bankrupt. They produce sugar at a loss. We believe that you can concentrate your planting of sugar canes in the St. George Valley, the high rainfall areas, and those that are non productive.....

(Hon. Dr. R. L. CHELTENHAM: Like which?)

Mr. H. A. BLACKMAN: you can put them into other areas of agriculture. Are you going to continue with

those estates that are a total loss and let them produce sugar? They are pulling down the other estates!

We are saying today that you may discover that if you concentrate your cane production in the St. George Valley, in the rainfall area, and you get the right variety of canes, you could very well produce the same amount of sugar in those areas that you produce now with the extra estates. It is possible, if you get the right varieties. Let me say 'the high rainfall area'. If say St. George, you are going to tell me that St. George is almost as dry as St. Philip. I believe that this is the sort of thing we should be looking at. We should be telling ourselves that those estates that are bankrupt should go into other areas of production. Let them go into peanuts or onions or something else, but let us concentrate growing our sugar cane in the high rainfall area.

(Hon. Dr. R. L. CHELTENHAM: How much would you get from that?)

Mr. H. A. BLACKMAN: If the industry is to survive with economic benefit to the island, we need to set an optimum level of production. We have to sit down and carry out an exercise, say that the optimum level of production seems to be such and such number of tonnes, and decide to achieve that number of tonnes. But in doing that, we have to bear in mind certain other things.

(Hon. H. B. St. JOHN: What level? Tell me the level.)

(Mr. B. M. TAITT: Let the man speak.)

Mr. H. A. BLACKMAN: We have to bear in mind the reduced unit cost resulting from the increased production. We have to bear in mind the level of the world market prices since the level of these prices could offset the increase that you have just made by reducing your unit cost. We also have to gear our factory capacity to that optimum level. If, let us say, your optimum level was 90 000 tonnes, you have to decide whether you can produce this 90 000 tonnes at three or four factories. The Honourable Minister of Agriculture made this same point today, that they have to look at whether you need the four, five or six factories.

(Hon. V. L. JOHNSON: Should we shut down Foursquare, Blackie?)

(Hon. Dr. R. L. CHELTENHAM: Do not mind these fellows, Blackie. Get through.)
4.40 p.m.

Mr. H. A. BLACKMAN: Thank you.

The fourth thing we have to look at is the extent to which cost can be reduced by changes in labour and

management structures and practices. A while back a gentleman from the Hill said that the management structures needed changing and that sort of thing. I do not believe that, with the great divide between your revenue and your unit cost, changing the management structure alone could really turn around the industry. I believe that the first three points that I have made will give the best results, and I believe that it is time that we look seriously at the sugar industry. Throwing money behind the industry and price support behind it is not going to save it. I recall that, last year, my colleague, the honourable Member for St. Michael West (Mr. B. M. Taitt) stated in here that you had better tell the people of Barbados that all countries who had ventured on the road of price support had done it *ad infinitum*; that is in Hansard. That price support is not going to save the industry. You have to look seriously at the four points that I have just made and say how best you can work out what to do based on those four points.

Mr. SPEAKER left the Chair and Mr. DEPUTY SPEAKER took the Chair.

Hon. H. B. St. JOHN (Christ Church East Central): Mr. Deputy Speaker, I really had no intention of intervening in the debate, because I saw earlier that the spokesman for the Democratic Labour Party was going to be in great difficulty today, and I knew that the honourable Member for St. Michael South Central (Dr. R. C. Haynes) would today perform the role of a play-right — he would change his script today to suit his audience. And having noticed the difference in the audience today, I did not.....

Mr. B. M. TAITT: On a point of order: The honourable Member well knows that the audience in this Honourable Chamber can only be the 27 Members of this Honourable Chamber, including yourself. To say that the audience has changed when there has been no new election would be to mislead the House.

Hon. L. S. CRAIG: Sir, the audience has changed, because the Member for St. Peter (Mr. O. S. Arthur) is a new Member in this Chamber, so there is a change in audience. I believe my colleague was trying to make the point that we have seen a Jekyll and Hyde approach today. But I am going to read you out today. I am going to talk about how you called the planters thieves and crooks, and how they bought racehorses out of the Government's money.

Hon. H. B. St. JOHN: Yes, and I knew that we would be in difficulty today, because, frankly, some of the speeches are not from the heart. I have great difficulty in believing that the last speech is from the head, because I am having great difficulty in trying to understand some of the things that have been said. I am happy though, that from this debate, all Barbadians

would have the impression that at long last there is a united political approach on the question of the sugar industry and the need to put public money into the industry on terms and conditions which will prevent a collapse of the industry. That is a significant gain from this debate. I hope that all those who have been recently converted to this point of view are sincere, I really hope so. The next step now, therefore, is for us to continue the same united approach, a non-partisan approach, and take it a little further and to bring a dispassionate analysis to the problems facing the industry, and indeed, to combine our respective talents with a view to coming up with what we believe is a solution to the problems in the industry.

There are a number of problems which are, of course, beyond our control. There is no doubt that neither the Democratic Labour Party nor Barbados Labour Party can be responsible for the value of the British pound or the value of the European units of account *vis-a-vis* the American dollar. We are also not responsible for the fact that scientists have discovered alternative sweeteners which compete in the traditional market for sugar, and it is fairly clear that the U.S. domestic policy has helped to increase the production of sweeteners from the non-sugar sources. Those are two very important matters that we must bear in mind when we are looking at the alternative methods of a solution.

We also have, of course, some other problems, at the CARICOM level, that must be solved. I am a bit surprised that none of the speakers so far have adverted to the problem which has arisen in the Caribbean Economic Community. I raise it because I regard it as going to the root of the integrity of the integration movement. I refer to the fact that there are a number of territories in the Caribbean integration movement which, when the world price of sugar is low, do not honour the obligations which they have made to purchase sugar from other sugar producers in the Caribbean Common Market. It is a very important matter, and I raise it because I believe that Barbados and Guyana are countries which, when the world price is high, have to bear the brunt of the CARICOM price mechanism; that is, they have to sell to the other importing countries at a price which reflects, partially, their best markets, but, of course, it takes into account the world market price. So you cannot have a pricing mechanism which is advantageous, in given circumstances, to importers, and when the situation is reversed, and the exporters need help, the importers are at liberty to import from the cheapest source. We cannot get away from that, we have to tackle that, whatever the consequences. We must raise this matter at the highest level, and Barbados certainly intends to support the strong arguments that I have heard put by no less a person than the President of Guyana at our last meeting, and I trust that we will have a united approach in this respect also.

It is also, in my opinion, very wrong, and of dubious value, for honourable Members to propagate theories about solutions to the sugar industry which they know they cannot justify by any scientific evidence, and I refer particularly to the claim being repeatedly made by the honourable Member for St. Michael South Central with respect to alcohol. The honourable Member knows very well that he cannot demonstrate scientifically or economically that it is possible to produce alcohol from sugar at a more favourable rate now than we are getting for our existing preferential market prices.

Dr. R. C. HAYNES: I am not talking of producing alcohol from sugar. I am talking of the straight conversion from cane juice to alcohol by fermentation techniques, with an alcohol unit adjacent to a sugar factory. It is a different matter altogether.

Hon. H. B. St. JOHN: I have not heard that. The honourable Member has not given this Chamber, on any occasion that he has mentioned it, the benefit of his research, or pointed to a research by anyone else, which has demonstrated that you can produce alcohol, whether by straight process or from derivatives, at a price of \$80 or \$90 for a tonne of cane. I prefer the evidence that has been brought to the attention of the House by the honourable Member for St. Peter, in which he pointed out that you will have to have a cane price somewhere in the vicinity of \$30 before it is economic, and that price is less than it costs to cut and reap cane in Barbados. That is the point. The honourable Member has not been able to demonstrate at all by any evidence, or indeed by examples of any country, that it takes \$35 to \$38 a tonne for cutting and reaping canes, and that they are able to produce alcohol, whether by the straight process or any other process. That is important. You must not fool and mislead the public. It is wrong to do that. It is very important that we get these points across, because the competition from sweeteners, the high cost of production and the fact that we have a limited preferential market are difficult problems we have to face.
4.50 p.m.

We also have to bear in mind that changes that have taken place in the industry with respect to the manufacturing process took place after an elaborate examination not only by the sugar industry, but also by the appraisers of the Caribbean Development Bank and others. I therefore think that the honourable Member is not doing a good service to the industry, nor to the public, by constantly repeating the charge that it was more beneficial economically to the industry not to have built Portvale and to have continued with the existing factories. That, again, has not been demonstrated, so if we are going to have a bipartisan approach to this matter, if we are going to have a non-political approach to it, if we are genuinely trying to reach a consensus, we should agree that we do not make statements which cannot bear the light of

examination, because we cast suspicion in the minds of people who in the end will have to pay the cost of support.

The cost of support for the industry is not going to be paid by the Democratic Labour Party or the Barbados Labour Party, it is going to be paid by the taxpayers of Barbados, so do not let us mislead them by making before this House statements that cannot bear the light of examination. Our own view is that the appraisals that have taken place in respect of investment in Portvale show, and subsequent performance has demonstrated, that the investment was a wise one, but we still have the problem of diversification.

We still have the problem as to how we can diversify in Barbados, recognising at the same time that there is a cost, and that we have little scope in our alternatives. Again, it is easy for us to say that we must diversify, but into what? We run up against a marketing problem in respect of nearly every crop that we produce, and that compounds our difficulty. I think that the Government should not fail to stress to the public of Barbados what all of us at the international negotiating level have been stressing to the European Common Market, to the American Government and to everybody else, that it is not easy to find crops in Barbados which have a ready market. We are trying desperately with cotton, peanuts and vegetables for export, and other types of agriculture, but the market for them is not assured. Even if we are making progress, and I do believe we are, we still have great difficulties there.

Again, within the Caribbean Economic Community, despite the efforts of the Heads of Government, who at their meeting in Trinidad as long ago as 1983 proclaimed their faith in a new agricultural marketing arrangement, and mandated all of the subsidiary institutions to get ahead with the job, two years have passed and we are only now reaching the stage where there is a final position coming before the Council of Ministers at their next meeting for implementation. So it has taken two years for us in the Caribbean to come up with an alternate marketing mechanism from the Agricultural Marketing Protocol. That illustrates the difficulty.

Anyone who has had the honour to have to negotiate access provisions in the European Economic Community and in any of the Lome Conventions know how difficult it is to gain additional access for agricultural products. It is exceedingly difficult, and that situation is going to be compounded in the future by the fact that Spain and Portugal are entering the European Economic Community, because they can produce some of the agricultural products that we are trying to produce as an alternate to sugar.

Again, I must caution the honourable Member for St. Philip South. It is very easy to get in here and say you should concentrate the growing of your sugar in the St. George Valley, and that all the other land should be put to some other use. I always said I would have difficulty with the honourable Member's speech which was, as usual, full of inconsistencies. I am sorry that today I have to point out that the honourable Member seems to have got into a little bit more difficulty than usual.

It is fairly impossible for all of the preferential sugar that we have markets for now to be grown in the St. George Valley. You would have to have a very phenomenal increase in yields, and I wish the honourable Member would point to me the example of a country that is producing the ninety or one hundred-odd thousand tonnes of sugar that we produce on the equivalent land area in St. George. I would like to know that country. I want to be educated about that country. So, again, I must appeal to the honourable Member not to do that kind of thing.
5.00 p.m.

There is still another area that we have to face up to, the cost of production. I feel that every effort must be made to reduce the cost of production in Barbados. I know that a lot of experiments have taken place in respect of this area, and there is a great debate on as to whether the mechanized cutting with the big harvesters is cheaper than hand labour. I do not want to go into the details of this matter, but whatever we do about this — and I am certainly in favour of the mechanisation — in my opinion, it is the only way to go; and we should not delude ourselves about this — we have to think of reducing the cost of production.

The truth of the matter is that, as a producer of sugar, Barbados probably pays the highest wages of any of the ACP producers of sugar. I have been to Fiji, and I have certainly spoken to the people in Mauritius and Swaziland — they are, I believe, three of the largest producers of ACP sugar — and when I hear of their costs of labour in the production of sugar, the price that we pay in Barbados is much greater. I think I could really back up that statement.

The President of Guyana is constantly saying that Guyana is the most efficient producer of sugar in the Caribbean area. He does not say "in the world," he says "among the greatest and most efficient producers of sugar in the world." It is a fact that the cost of labour in Guyana is considerably below the cost of labour in Barbados. One of the reasons why, therefore, I feel that the public in Barbados would be attuned and sympathetic to the Government finding revenue to support the price of sugar is because they recognize that a great part of that support is going towards supporting the standard of

living of the people who work in the industry. These are factors that I think should be made clear to the public of Barbados. But there is obviously a limit to which the public will tolerate this situation and, therefore, it behoves us to continue our efforts at saving costs.

We also have to continue with our restructuring programme of the methods used in the industry. I heard the honourable Member for St. Philip South and others speaking about the experiments at River and at Vineyard. I believe it is true to say that the originators of the experiments will probably not be proud of the performance of those who were put in charge of the experiments at the beginning. However, my understanding is that the \$1½ million was spent over three years, not over one year, not between 1982 and 1983.

Secondly, you must take into account the fact that River was owned, and abandoned, by Shipping and Trading. They preferred to pay severance and close it down rather than continue to operate it. So you must not discredit the efforts of others or of the Government for trying to bring back into production an area which was abandoned by its owners.

Vineyard, I believe, was in much the same position, except that I do not think that the former owners of Vineyard could be regarded as managers in the same way as we would regard Shipping and Trading. Their management of their personal affairs and their other affairs would not seem to suggest that. So both of these estates were abandoned, as Bath was abandoned. Bath was abandoned and we put it back into production, and you cannot say, if you go and look at Bath now, that that effort to bring it back into production was not reasonably successful.

Asides

Hon. H. B. St. JOHN: If you really slept in St. Philip, you would know.

Asides.

Hon. H. B. St. JOHN: The honourable Member there is from St. Philip, and he should know that there has been a great improvement in the situation at Vineyard. He obviously has not been near to Vineyard recently, or he would see that it is in much better condition than last year. I believe that it has a reasonable area planted in canes now, so by the next crop Vineyard would probably be back to 80 per cent, barring bad rainfall or things of that kind, of its best production. So progress is being made in that area of production.

It is also well known that if you are experimenting with new methods of production — and Vineyard and

River were supposed to be reduced to mechanical equipment from the planting stage right through to reaping — some money had to be thrown after that research and development effort. It is not that I wish to condone waste or inefficiency, whether at managerial level, supervisory level, contracting level, or at any level that that may have taken place. We are not condoning any of that. The point is that we are setting the records straight.

I strongly support the effort of the Government in this respect. The Government is fully aware that a support price is not the answer to the problems that we have to face. Indeed, when the honourable Member for St. Michael South Central mentioned today that the support price is not the answer, he is saying, and it is well known, that a prominent Government spokesman has repeatedly said that a new mechanism has to be designed to ensure that a level of money is placed in the hands of the growers and the processors of the industry other than by way of loans. Working that out, of course, is going to take time. Naturally, everyone would expect that the mechanism would be worked out in good time, so that just as the European farmers and others are aware in advance of the agricultural year of the price that they would receive for their beet, so too, would our farmers — they are no different from the rest — want to know, before they commit themselves to growing, what price they will receive.

5.10 p.m.

I readily lend support to this Resolution, and I look forward to positive contributions from all Members of the House on a solution to the problem. I trust that when they make their statements on the floor of the House they would be able to aid us all and aid the cause by pointing to scientific evidence in support of any allegations that they make.

Mr. B. M. TAITT (St. Michael West): Mr. Deputy Speaker, I have listened to the debate, and I must say that the tone of the debate has mystified me to a large extent, starting with the honourable Member, the Minister of Agriculture, who introduced the debate. It seems to me that what we have been having are what could be termed valedictory speeches, and everybody seems to be rushing to jump on the bandwagon, especially the honourable Members on the other side, to demonstrate that they are holier than thou when it comes to the sugar industry. It would seem as if they are trying to demonstrate this to the whole of Barbados. More particularly, if I may use the concept of the Honourable Leader of the House, the audience seems to have affected them.

The truth is, however, that we are talking about the Barbados sugar industry. The sugar industry does not belong to somebody sometimes. It belongs to the whole of Barbados, all of the time. Anything that is said about

the sugar industry at any time in Barbados is known by everybody all of the time. Therefore I find it remarkable that as we come for yet another price support, we have to give the impression that we need to convince the people of Barbados that the price support is necessary.

There is fundamentally nothing wrong with the price support system once you have reached that stage. It is unlikely that any sensible person in Barbados, least of all, any sensible politician in Barbados, would be against the price support system *per se*. I will repeat what I have always said *verbatim* because I can remember what I said to the Minister of Agriculture when he came here in 1983 and told this Honourable House that that was the last time. I told him that nowhere in the history of mankind where the Government started price support has the Government been able to stop the price support. I drew to his attention that in the United States, which is the greatest and the most massive capitalist system in the world, the entire institutional agricultural sector exists on the basis of price supports. What I said to him then, and what I maintain now, is that we have to educate the rest of the country, the Government has to tell the people that we are incurring a contingent liability on an ongoing basis at the rate of \$10 million to \$15 million per annum. The people, in time, will come to recognize that in the same way that they recognize that we put a subvention into the building of roads, we put a subvention into the creation of markets where people sell, like the Eagle Hall Market, and we build schools, we are going to put \$15 million or \$20 million into price supports. Once that is accepted, then we can start examining the system, on the basis of the accountability for the price supports.

Those ought to be the issues which we discuss in this Honourable House. But the honourable Members on that side, having over the years slandered the Democratic Labour Party on the issue of agriculture, find themselves on the horns of a dilemma where they have constantly to be justifying the positions which they take. They refuse to acknowledge that, insofar as the sugar industry is concerned, from its very inception, the Democratic Labour Party has paid full cognizance to the role of sugar in the economic development of this country. They have, through the years, slandered the Right Honourable Member for St. John (Rt. Hon. E. W. Barrow) because he made a speech which was eminently erudite in its perception and its vision, because in that speech he started to draw to the attention of the people of Barbados that we must not regard sugar cane as an industry to be taken for granted, and that we were not so moribund as a people that we could not diversify into other areas. And using an allegorical statement to demonstrate to a large audience in St. Philip the point he was making, he fell victim to the slanders of the Barbados Labour Party from that time and forever more. And a number of other columnists in this country, some of them so institutionally ignorant of the point that was being made that they

could not understand the very essence of the point, have continued to talk about the 'cane blade speech.' Every time the Barbados Labour Party runs out of material, they bring up the cane blade speech, just as a computer brings out the memory, and say that the Democratic Labour Party is not interested in agriculture.

Mr. Deputy Speaker, let me tell you, from my own knowledge, that it is the Democratic Labour Party that put the marketing of sugar on a new plane in this country. From time to time, all we hear is that in 1975, we took off money from the exports. Those exports were acquired through the efforts of the Government in conjunction with the private sector. Those exports were acquired because in the early 1970s, it became evident to the Cabinet of the day that we would have to deal with the British Government — not the private sector in Barbados in an entirely different way. It was during that time that the Government of the day took a specific interest, and I have no difficulty in identifying the Right Honourable Member for St. John as having taken a personal interest in marketing sugar around the period 1972. That is when we went to London and told the Minister of Fisheries and Food that no longer would the CSA treat our delegation, which in those days used to be made up of a friendly group, as people standing on the steps waiting to hear what decision had been made — they would be treated as people coming with a product to market and to negotiate a price. Anyone who is interested in the history of the development of this country can go back to the speech which the Right Honourable Member for St. John made and said at that time, 'New ball game; we are going to be marketing sugar!'

It is from that time when we sold some sugar to the United States and sold some sugar on the world market, which had never been considered — it has to be said in this Honourable Chamber and it has to be promulgated in this country that we have been in conjunction with the people who market sugar from the time we came into office, but more particularly from the early 1970s, when we told the people, "Let us go with you, we are going to help make up the delegation" — it is from that day until the present that a Minister has been involved in the marketing of sugar. No longer has sugar been left in the realm of what has been euphemistically described as the "market forces". There are no market forces, in the truest sense, when you are discussing commodity prices. The Russians do not operate any differently from the Americans when it comes to commodity prices. You have to go and hit heads together in order to get what you want for your product.

In this country, constantly, there is a lot of, if you would pardon the expression, "je june discussion" about who did what and who did not do what. It is arising out of the price we got from the CSA for our sugar in 1973, I believe, on the eve of England's entry into the European Common Market, that the marketing of sugar took on a

new look. I spent seventeen hours a day in Brussels negotiating and fighting for, in conjunction with the honourable J. H. A. Murray, Sir Neville Osbourne and people like that, to ensure that the Sugar Protocol which now exists would be one that would guarantee the rights and privileges of the Barbados sugar producing community.

That community does not include only the entrepreneurs — it includes a substantial number of workers. Not a single honourable Member today remembered that the sugar industry includes the workers. My only regret is that the leader of the Barbados Workers Union and some of his delegation did not come in today as well, because then I think we would have had a more enlightened discussion. There are 4 000 workers in the industry. They used to be 7 000 and before that 10 000 — and I heard the honourable Member for St. Andrew going up to 35 per cent. If we got into that realm, I would say that there was a time when all the people in Barbados used to work in the sugar industry. So it is nonsense to be comparing who used to work in the sugar industry. All of us used to work in the sugar industry back in 1665, so, by a process of elimination, one of these days nobody will be working in the sugar industry.

5.20 p.m.

To get back to the point, the Barbados Workers Union has a vested interest in the development of the sugar industry. The Barbados Workers Union, as an institution, would die if the sugar industry disappeared overnight, so they could have no interest in the disappearing of the sugar industry, and it is not proper for the honourable Minister of Agriculture, in introducing a price support for the industry, to seek, inadvertently or otherwise, to give the impression that it was the union, in negotiating in a particular year, which caused the problems which exist today. That cannot be true.

Aside.

Mr. B. M. TAITT: I apologise to him if he did not say that. He said that the issue was an extra \$5 million and I have heard him say that \$5 million has multiplied its effect in our consequences today.

Mr. Deputy Speaker, on page 57 of the McGregor Report, which he commissioned, there is a table which demonstrates the relationship of the labour to the wage share of cost. In 1945, the wage share of cost of production was 53 per cent, and in 1977 it was 54.4 per cent. In between, it had a high of 59.2 per cent, in 1959, and it dropped, as far as I can make out, to 50.9 per cent in 1972. So when we are discussing the cost of production and we start to look at the cost of wages, it is an improper equation to discuss them today in any terms different from what were discussed in 1945.

The same McGregor Report demonstrates that the same inputs that go into production have been increasing, and the inputs can only increase in proportion, because I have demonstrated — and it is here for anyone to see — that the percentage share of the cost of labour has been the same for 1945 to 1984.

Asides

Mr. B. M. TAITT: That is more than I can say for you. You can say something not well, and you cannot say anything well. So I am still ahead of you.

The point that I am making is that it is not right not to recognize the reality. We have to have a certain realism when we are debating the sugar industry. We have to recognize that the costs of production in Barbados are related to the standard of living in Barbados.

The Deputy Prime Minister talked about being in Fiji and he talked about Guyana. The truth is that our cost of production is even higher than it is in Australia. We have the highest cost of production in the English-speaking Commonwealth, but we also have one of the highest standard of living in the Commonwealth. So it is not a useful argument to discuss our costs by themselves; our costs have to be related to the society in which we live, and the decision to retain sugar or not must be related to the total economic situation and the total social situation. Therefore, if we are going to deal with the sugar industry, we cannot look only at what has been taken from the industry, we have to look at the policies which have been followed.

My colleague, the honourable Member for St. Michael South Central, has demonstrated already that it is during the time of the Barbados Labour Party that sugar has had its most difficult times.

Asides

Mr. B. M. TAITT: I am glad that the honourable Member says that it has nothing to do with the Labour Party. Perhaps this is the day of revelation. Perhaps this is the day when you will stop trying to take credit; stop trying to get the managers and owners of the plantations to support the Barbados Labour Party by putting out unnecessary and unattainable propaganda, giving the impression that you look after their interest as opposed to the Democratic Labour Party. Perhaps the time has come for them to accept....

Hon. L. S. CRAIG: Sir, on a point of order: The Honourable Member for St. Michael West said that this party is trying to get the managers of the plantations to support this party. Are you implying, therefore, that they do not support us; they only support you? That is all I can conclude.

Mr. B. M. TAITT: No point of order!

The point I am making is that the Honourable Minister of Agriculture said that the bad times had nothing to do with the Barbados Labour Party. But I well remember in 1977 when the Deputy Prime Minister and the Prime Minister — the present Minister was not in the Cabinet at the time, but he was in the House — because there had a slight upsurge in the production of sugar, gave the impression that it was the policy of the Barbados Labour Party that had caused this upsurge, when, in truth — it is in the McGregor Report, and it is known to every single person in Barbados who is familiar with sugar production — the elements that caused the increase in production in this country have almost nothing to do with mankind. When we have good rainfall and wet nights and a combination of factors, we get good production. When we have drought, we have bad production.

5.30 p.m.

It was the Democratic Labour Party that introduced incentives for green cane reaping. The Honourable Anderson Morrison, as Minister of Agriculture, was the person who, again in conjunction with the sugar producers, managed to start to reduce the incidence of cane fires. If we are going to take the debate on sugar out of the realm of politics, we have to do it with a clean slate. We cannot have some Members giving the impression that the Democratic Labour Party is somehow responsible for degradation of sugar in Barbados. On the contrary, we are responsible for putting sugar in the position where it has a guaranteed market. Our responsibility may be coincidental with the fact that we were in power when that time arrived, but we take the responsibility for negatives that happened in our time, and we demand the credit for the good that happened as well.

Having put that position in perspective, let me now deal with one or two of the other issues that have been raised.

(Hon. V. L. JOHNSON: His time is up, Sir).

Mr. B. M. TAITT: Do you think this is a religious convention? He is out there telling the Deputy Speaker to make me sit down! He has no jurisdiction with you at this point!

There can be no doubt that the efficiency in the factories in Barbados is among the highest in the Commonwealth. This has to be stated, because when we talk about management skills — and I am sorry the honourable Member for St. Peter is not in his place, because he is young to this business of sugar — he may not be young to the theory of economics, but he is young to the business of sugar — the management of sugar is not to be confused with the management of a corporation. The

management of sugar has to do with it being in your blood. It is like being a horse person — you either know about horses or you do not. You cannot work out a scheme of things on a piece of paper and determine how sugar should be managed.

I think it is proper to demand from the sugar producers in the country an accountability, but there is no doubt that, if you look at the experimentation and the scientific analysis which has been done, the Sugar Cane Breeding Station has been one of the most efficient in the world. We have been able to make our yields and our products available to all parts of the world. People have come to Barbados to borrow from us, because we have had research and development in sugar from time immemorial.

In terms of the actual factory production, and the rationalisation of factories, the building of the factory at Portvale is not something new. As far back as the early Sixties the Farley Report recommended that all the factories in Barbados should be rationalised down to four or five. So this is not new, this is not any particular Government policy. What has happened is that the sugar producers and the plantation owners have taken time to co-ordinate their efforts, and indeed to recognise some of the truisms that have been identified in some of the reports.

It is not proper for the Minister to indicate that the McGregor Report was the first time there had been an attempt to get some rationality in the sugar industry by a Government. Our Government had had more than one study on the sugar industry. What is important, and what needs to be emphasised, is that in Barbados the sugar industry is owned by the private sector, and therefore a Government can only persuade, generally speaking

(Hon. Dr. R. L. CHELTENHAM: Not totally).

Mr. B. M. TAITT: Both Governments have bought some factories that were not any use, and bought some plantations more out of social causes than out of economic causes, but that is the role of a Government. A Government does not have to exercise the same economic standards as a private sector, no matter what anybody writes in Barbados. A Government has more than economic responsibility. That is why Barbados Shipping and Trading would have been making a correct decision to abandon their estate, and the Government would be making an equally correct decision not to abandon it. The Government has higher responsibility than the private sector.

The point I am making is that a Government in an agricultural society has certain responsibilities, and, in exercising those responsibilities, it must not be judged by the same standard as people in a board room whose

only interest is the bottom line, making a profit. Similarly, when you are examining the totality of the industry, you have to recognise, as I was saying, that the industry in Barbados, more so than anywhere else in the Caribbean, and perhaps in the Commonwealth, is owned by the private sector. While you can persuade persons that they ought to go in a certain direction, the only way you can implement that policy would be to nationalise the industry. It is on record that the Democratic Labour Party has never been interested in doing this. The speeches from the Prime Minister and the Minister of Trade in the Democratic Labour Party Government would demonstrate that we could have no interest in nationalising the Barbados sugar industry when it is owned by the Barbadians.

The difference between the Barbados sugar industry and the rest of the industries in the Commonwealth, and indeed the classic colonial situation, is that here in Barbados there are no absentee landlords. The landlords are here, the sugar industry is owned by us, Barbadians, and therefore it is unnecessary for us to have some of the classic positions that have been taken in the change from the colonial situation to the independent situation. That also explains why it is difficult to implement a number of theories which may be advanced, and which may be perfectly logical. It is therefore not easy to say to someone in one area of the country that he must produce a certain product. On the other hand, what also has to be recognised is that we are giving them a price support, but we are saying to them that they have to pay back the money. So you have to do one of two things: either you give them the money and put on your conditionalities — the new word that everybody uses — or you lend them the money and advise them what you think may be the best thing. But you cannot lend them the money, tell them they have to pay it back, and then tell them what they have to do. You cannot put on a condition on a loan to someone when you tell that someone you have to pay it back.

The Government should examine whether by moving the Sugar Industry Agricultural Bank lock, stock and barrel into the Barbados National Bank they have served the sugar industry as well as they intended. Because if you look in the same McGregor Report, you will see that he makes the point — or the authors make the point — that in those times when the SIAB used to operate, the sugar industry used to get loans sometimes at an interest rate 35 per cent lower than the commercial banks'. But once you have put the SIAB into the Barbados National Bank, the Barbados National Bank has a portfolio which is that it is a bank, you have certain expectations and demands of it as a commercial bank. It must be extremely difficult for the board of a bank to take the same attitude to loans as the SIAB took to the sugar industry.

Furthermore, the Barbados National Bank's portfolio has been identified as a contaminated portfolio. That is unfortunate, because what it means is that at the level of the bank, the bank is showing a certain degree of failure, through no fault of its own really; and at the level of the agricultural input that you wish to give to the industry, you are showing a failure, perhaps through no fault of the agricultural sector. I wonder if perhaps it is not worthwhile to re-examine a removal of the agricultural support system from the Barbados National Bank altogether and perhaps put it with the Barbados Development Bank, since that is developmental and the policies may be more flexible than a purely commercial bank.

I do not think that we need to spend a lot of time debating the pros and cons of the price support *per se*. All I would say is that the Government has a responsibility to explain to the population what the multiplier effect of the price support is, and why they have to give a price support. Let us all accept that and then shift our debate to the accountability from the price support, rather than debate whether we support them or not. I think that once that is recognized, we should look at other questions. What is the level of the support price this year? What will the person in the low rainfall area be getting compared to the person in the high rainfall area? What will be the end result for the total community in terms of employment and social benefits?

5.40 p.m.

Mr. DEPUTY SPEAKER: The honourable Member has two more minutes.

Mr. B. M. TAITT: I submit that we in the Democratic Labour Party have, over the years, notwithstanding any difficulties which may be identified, had as a proper focus the development of the sugar industry in a rational way, recognizing that the inherent difficulties which are now surfacing, that is to say, the high fructose syrups and those kinds of things, were a real possibility, and planning down the road for the future, I submit that it is the responsibility of the succeeding Government to continue down that road, because, in the final analysis, in the words of the former Deputy Prime Minister, we are in this together and we all have to drink the soup. But that does not mean that we on this side cannot criticise an individual or group in the sugar industry, nor does it mean that we have to lie down with the Government on the issue merely to demonstrate that we are hunky-dory. I think what it means is that we must have honest opinions and express them honestly.

Hon. V. L. JOHNSON (St. Michael West Central): Mr. Deputy Speaker, this has been a day of wonders. It has been a day of wonders because the honourable Member for St. Michael West (Mr. B. M. Taitt), who just sat down, made a sensible speech. It has been tarnished

only in two small respects. It is the same speech he has given in here ever since we have been discussing the subject of sugar, and it is further tarnished by the fact that he left out one sentence from the previous presentation — that the people of Barbados should not cut one of the sugar canes, they should let the sugar producers cut them themselves.

Mr. B. M. TAITT: On a point of order: I challenge the honourable Member to quote where I have ever said that in here.

Hon. V. L. JOHNSON: It has been a day of wonders, because I have sat in here and I have heard a lot of great men speak, but I cannot recall a situation where a Member from an agricultural district would have, in the sight of God and this Honourable Assembly, advocated the abolition of sugar in his parish and, I would presume, the consequential closure of the Foursquare Factory.

It has been a day of wonders because the honourable Member for St. Michael South Central was able to actually stand and allow himself, again, in the hearing of Almighty God and this Honourable Assembly, to say that he loves sugar producers, and that he would like to congratulate them for their management expertise and a whole host of other things which, frankly, if I were an incredulous man, I would sometimes doubt my own capacity to hear. I can recall his former utterances in this Chamber speaking on the very subject of price support, when the honourable Member for St. Michael South Central stood up in his place and said that many of the loans made to plantations firstly have been used to keep racehorses, and they had been used to finance holidays, to pay for the education of their children, and to finance businesses in Bridgetown, so you have a situation where you have a man who would run down a plantation and yet could get increased loans. That is more representative of the attitude of the honourable Member for St. Michael South Central to the subject of sugar in Barbados, and I believe that that, more than anything else that he or anybody else has uttered, crystallises effectively the attitude of the Democratic Labour Party to the business of sugar production in Barbados.

The Right Honourable Member for St. John led off 1971 with a very famous speech, now gone down in the annals of history and remembered by every man, woman, and child, that he hoped to live long enough to never see another cane blade in the whole of Barbados, looking from one end of the country to the next. Speaking on Portvale Factory, the honourable Member for St. Michael South Central, a man who has been very forthright in his utterances, described Portvale as a major area of scandal, a catastrophic error. He spoke about the sugar industry, and he left no doubt that he meant the factory managers and the sugar producers when he described it as an

industry rotten through and through. He described them as people who had taken the money advanced on that occasion and used it surreptitiously, and he chided and castigated the Right Honourable Prime Minister for his cash profligacy and coming back in here to advocate another loan out of the public funds for these robber barons, who had clearly demonstrated that they had not the capacity, nor the interest, to use the taxpayers money in the way that he thought it should be used. And he went further and said that no cent of the taxpayers money should be used to underwrite that kind of mismanagement.

He asked this rhetorical question, where has the money gone? He said that he personally felt that when the industry reached the point that it had reached in 1982, it was the duty of the Prime Minister to set up a public commission of enquiry into the sugar industry, particularly in the many of the financial aspects of that industry. And that is the attitude of the Democratic Labour Party to sugar in Barbados, because he stood in his place and said that, unimpeded by any Member on that side, who lost the opportunity to stand up in their places and disassociate themselves with those remarks.

But he is not a man of parsimony when it comes to the use of reckless language, generally, and he had a great deal more to say. He said that the managers of Barbados Sugar Factories have done a great disservice to the country, have been incompetent and should be all dismissed. That is the attitude of the Democratic Labour Party to the sugar producers and to the production of sugar in Barbados. Therefore, against that kind of background, it does not serve any useful purpose for anybody to come in here, particularly those on that side, and seek to suggest that they have always been associated with a general search for a solution to the problems that plague sugar.

5.50 p.m.

Like the Honourable Member, I have to declare an interest, because I am a shareholder in Barbados Sugar Factories Limited. Today, he said he did not get any notice. But the last time he had to speak, he said he did not know why they were sending him any notices because he did not have any shares in Sugar Producers, never had any, was no part of them, and he could not understand what they were writing him for. This is the attitude of the honourable Member for St. Michael South Central. And the honourable Member for St. Philip South, brave man that he is, rushes headlong into the trail and associates himself gladly with all of those utterances. He is content to let it go on record that he does not mind Foursquare closing, with the consequential result that thousands of people from his constituency who work in the sugar industry will go on the bread line.

(Mr. H. A. BLACKMAN: Who said that?)

Hon. V. L. JOHNSON: I did not say anybody said that.

(Hon. Miss B. A. MILLER: Do not mind him.)

Hon. V. L. JOHNSON: I am saying that he does not mind being associated with those remarks, particularly in view of the fact that he said that we should only concentrate sugar in the St. George Valley. That means that you shut down Foursquare, Vineyard, Palmers, Harrow, Sunbury, all of those estates which constitute

Mr. H. A. BLACKMAN: On a point of explanation, Sir: First of all, I deny that I ever said to close down Foursquare. I did say that sugar cane production should be concentrated in the rainfall area. That does not mean that you close down Foursquare Factory. They are two different things altogether. The factory is in St. Philip. I said to concentrate the planting of the sugar cane in the St. George Valley, which is the rainfall area.

Aside.

Hon. V. L. JOHNSON: Mr. Deputy Speaker, I do not know. The honourable Member may well be saying that you plant the cane plants in the St. George Valley and then transplant them in St. Philip. Is that what you are saying?

(Mr. H. A. BLACKMAN: That happens now.)

Hon. V. L. JOHNSON: He says that he does not want the factory closed down. All he is saying is that all the cane plants should be planted in the St. George Valley and then you would transplant

Mr. L. E. SANDIFORD: On a point of order, Sir: The honourable Minister has been talking and all he has been doing is saying what other people have said. In this debate, we would like to hear what he has to say about the industry, and I think we want to be constructive. We want him to get on to what he thinks about the industry.

Hon. L. S. CRAIG: Sir, that is exactly what he is doing. My colleague is saying what they have been saying about the plantation owners and Barbados Sugar Producers. He is only repeating some of the things that you have been saying all the time about the sugar barons in the country, the thieves and crooks that they are! That is why I invite them to read this. Continue on the track you are on. You are on a good track.

Mr. DEPUTY SPEAKER: Please continue.

Hon. V. L. JOHNSON: Mr. Deputy Speaker, I am sorry if, in retrospect, the honourable Member for St. Philip South is exposed to the ignorance inherent in his

argument. It is obvious that he has exemplified his capacity today for speaking first and thinking afterwards, putting his mouth in high gear and his brain in neutral. This is the normal attitude of the honourable Member for St. Philip South. He is the man who said that \$40 million is no big thing.

I have always told him not to listen to the honourable Member for St. Michael West. The honourable Member for St. Michael West is a very clever man when it comes to devious stuff. He will put you wrong and leave you out on a limb by yourself. Bearing in mind that the honourable Member for St. Michael West does not represent a constituency where canes grow, you cannot let him tell you what to say in a sugar discussion.

(Mr. B. M. TAITT: Do you represent one where canes grow?)

(Hon. L. S. CRAIG: No. He grows canes!)

Hon. V. L. JOHNSON: Mr. Deputy Speaker, I believe that in discussing the question of sugar, we need first of all to be forthright in our utterances, and we have to be honest enough to say what our true attitude is. The Barbados Labour Party has been castigated on two separate occasions, once in 1982, for price supports to the sugar industry. The honourable Member for St. Michael West indicated that we have to make up our minds what is going to be our attitude. If we reason that sugar is important to this country, we have to stop the discussion about whether or not we should give price supports and make up our minds, as the United States of America, as Canada, as New Zealand and as Australia, that it is necessary sometimes, and perhaps even all the time, to offer some kind of support to the production of sugar because it is an essential staple in the total economic basket, so to speak, of our country. There is no getting away from that.

The honourable Member for St. Philip South talked about putting more land into other production. What he does not recognize is that our market in Barbados is very limited, and once you produce vegetables up to a certain quantum, the market is not able to support any more and it goes to waste. There is a glut and all of the farmers suffer as a consequence of over production of the kind of crops to which he is referring, because he is referring not to export-oriented crops, he is referring to crops that are designed to be consumed on the local market. So the answer does not lie in producing more lettuce and carrots when there is no export market for that product. However, the Barbados Labour Party Government is at this very moment engaging in discussions with the Government of Trinidad and Tobago with a view to help open up the opportunities for our farmers in that part of the CARICOM Community so that some of the non-sugar agriculture can be usefully absorbed in those markets.

It does not serve any purpose to come and tell us what is wrong with what we are doing without offering reasonable alternatives. So far, the Democratic Labour Party has not demonstrated that it has the capacity to devise any system that will take us out of the problems that we are in. All they do, day in and day out, is criticize us for what we have done, curse the sugar producers for what they believe they have done, and leave the subject unattended at that stage. I believe that we need to come up with sensible and cogent reasons why we ought not be doing what we are doing, and the Democratic Labour Party then has a duty and responsibility to the country to tell us what their alternative would be.

(Mr. B. M. TAITT: Later this year when we take over.)

Hon. V. L. JOHNSON: Take over?

(Hon. Miss B. A. MILLER: Do not worry about that. Speak.)

Hon. V. L. JOHNSON: When you said that the sugar producers should cut the canes themselves and you had instructed your constituents not to cut any? When the Right Honourable Member for St. John said he does not want to see a cane blade? When the honourable Member for St. Michael South Central says that the sugar producers are thieves? That summarizes the attitude of the Democratic Labour Party, and that is the point I am making. They have no policy on sugar or agriculture at all!

6.00 p.m.

I compliment the Minister of Agriculture on finding what, in my view, is the only rational solution to the problem, particularly in the short term. Because where he is pointing is not simply at price support, he is seeking to evolve a system of agricultural diversification that is suitable to Barbados' ecology, one that will allow, with a rational rotation of crops, for the continued growing of sugar as are staple, but at the same time balancing sugar against other cash produce, probably including livestock, that will have the effect of taking some of the pressure off our constantly having to seek to find export markets for our sugar.

I heard the honourable Member talking about gasohol. The honourable Member for St. Peter (Mr. O. S. Arthur) has demonstrated the foolishness inherent in that presentation. We have to recognize that, right now throughout the world, all kinds of synthetic sugars are being produced, and that Barbados is fortunate indeed to be able to still command a reasonable quota on the world market when you consider that there are so many alternatives available to those persons who consume sugar in a country. There is beet sugar and many others, and, as

a matter of fact, there is a serious health lobby now suggesting that we should not be eating sugar. When you put us up against all of those facts, you will see that Barbados has done remarkably well in sustaining itself as a sugar-producing economy, and the Government of Barbados should be congratulated that it has not sought to find the solution in shutting down the sugar factories and the plantations, with the consequential loss of all of the millions of dollars that have been invested in that industry, and with the consequential loss of jobs which would be phenomenal — as a matter of fact, disastrous, when you consider it in the total context of the Barbadian economy.

I do not think that I need to say anything else. I just want to remind this House that words are empty, particularly when they are spoken by the honourable Member for St. Michael South Central. He has said in here more than once already that what matters is not truth, but impressions. I am here to make sure that the impression that is left here today is not that you on that side have any regard at all for sugar, but that the facts on record state that you are unalterably opposed to the industry as it now stands, because you have called the sugar producers every bad word in the world. You have called them thieves, you have called them robber barons. You have called them all kinds of names, and you cannot now come back in here today and seek to repair it by a few gratuitous words, merely because you think that somebody may be listening who will go back and tell the sugar producers that you had something to say about them.

Mr. Deputy Speaker, I support the Honourable Minister on this Bill, and I would like to congratulate the Government as a whole for its successful efforts, so far, to keep sugar alive, to keep the factories of Barbados grinding, and the people of Barbados and the sugar producers gainfully employed. We are fortunate to see that all the millions of dollars which have gone into this industry have not been quandered, but that we have available to us that resource which helps to keep Barbados viable and alive.

Rt. Hon. J. M. G. M. ADAMS (St. Thomas): Mr. Deputy Speaker, the speeches that have been made in this debate have covered the subject so comprehensively that it will not be necessary for me to review the entire subject of sugar production in the country, as has fallen to me in the past when debates on sugar have turned mainly around Resolutions for support of the industry moved in the name of the Minister of Finance. On this occasion, the Resolution was moved, and very ably and comprehensively, if I may with respect say so, by the Minister of Agriculture, supported on this side by a very striking and outstanding speech by the honourable Member for St. Peter (Mr. O. S. Arthur) and, somewhat grudgingly, but certainly fluently, supported by the

honourable Member for St. Michael West (Mr. B. M. Taitt).

The situation, as far as the Ministry of Finance and Planning is concerned, is that the resources of Barbados must be utilized to their full. The island has people, it has a beneficial climate, it has relatively flat land, thin soil in many places but nonetheless fertile and productive soil. It was once, per square mile, the richest place on earth in the late 17th century. The agriculture of Barbados was the most flourishing and successful on the entire face of the globe when it was the richest English colony.

Asides

Rt. Hon. J. M. G. M. ADAMS: I hear the honourable Member for St. Michael South asking, "Who said so?" I would like to think that he is a good enough historian to keep up to date with modern research, and that he reads Richard Dunne's book on the "English Colonies in the Western Hemisphere in the 17th Century".

We will never again reach that condition....

Mr. L. E. SANDIFORD: On a point of elucidation: I wonder if the Honourable Prime Minister could expand a little more. I have always heard Barbados in the 17th century, in the 1660s, and thereafter, referred to as the richest country in the English-speaking colonies. I have never heard it referred to as the richest one on the face of the earth at that time, but I am willing to be educated.

Rt. Hon. J. M. G. M. ADAMS: Nor did I say so. I said that it had the richest agriculture per square mile. The honourable Member does not need to take a lecture in history from me.

Asides

Rt. Hon. J. M. G. M. ADAMS: It was their trading in Barbados to match the trading of the 17th century Netherlands. Let the honourable Member use his common sense for a moment. But I am not entering into any argument about history, I am talking about the condition of Barbados as it is today.

We live in a very intensely cultivated island. We have an export agriculture that has remained viable, whereas the export agricultures of other small countries have fallen into non-viability. Our near neighbours are very much in this state. Despite the density of population in Barbados, we can still produce a sufficient surplus from our main export crop to bring in \$30 million or \$40 million, and, as recently as 1981, \$130 million. It would, therefore, be a matter of pure unadulterated economic

madness to speak of destroying the sugar industry, doing away with the sugar industry, or in any way compromising sugar, or some other export crop for the future, in Barbados.

All the agronomists state on the files that sugar cane, of all vegetable crops, is the most efficient converter of solar energy into usable energy. Therefore, one would imagine that any country, if it could, would wish to grow sugar cane. Unfortunately, the price structure of sugar cane is distorted by the agricultural surpluses which exist in the developed countries throughout the world, and which distort the prices of all agricultural crops. Let there be no doubt about it, that from the time of the new deal, when Franklin Roosevelt was able to manipulate farm prices in the United States, to bring about the great recovery of the agricultural parts of the United States, that the new formulas of developed countries in relation to agricultural prices have shaped the fates of all primary producers of agricultural produce.
6.10 p.m.

As a country gets richer and richer, it is in a position to offer prices to its farmers to produce what they want, and most countries today, now that free trade is a shibboleth of the past, can erect protective barriers sufficient to prevent crops from other countries coming in to distort supply patterns within the domestic economy. The United States, Australia, Canada and the EEC countries which are major agricultural producers at the same time as being very rich countries, can in general control the prices of virtually anything that is grown on earth. All they have to do is to offer a sufficient support to their farmers and they will eventually be in a position, if they care to and if other countries let them, to drive other countries out of the production of virtually anything.

I am not talking about nutmeg and small crops, although I have no doubt that if the Australians chose to grow nutmeg in the extreme north of Queensland that they would destroy the nutmeg industry in Indonesia and Grenada as well. These are the fundamental facts of agricultural production in the world today, and they affect Barbados as they affect anywhere else. We would not be talking about alternative uses of sugar cane, for sugar or for alcohol, if it were not for the sugar surpluses of the European Economic Community, formerly a sugar importer but now one of the largest producers of surplus sugar, refusing to sign an International Sugar Agreement, and refusing to be controlled in any way in the volumes of surplus sugar that they put on the market.

What can we in little Barbados do? First of all, we have to take a decision. Do you continue in the business of agricultural exports? In my view, the answer to that has to be 'yes'. The land area of Barbados might not be sufficient to produce all the food that 250 000 people

need, although it is certainly sufficient to produce agricultural surpluses of a substantial character in terms of cash, and no doubt we could produce crops other than sugar, but at the moment we are thinking of sugar. Once it is decided that Barbados stays with agriculture — and no country which is, as I read, the tenth most intensely cultivated country in the world can easily decide it is going to cease to be cultivated — you then decide how you go about the process of staying involved.

It is beyond doubt that whatever we produce in Barbados would have marketing difficulties. If the entire island was planted in cabbages, we would have difficulty in selling the cabbages. If it was planted in nuts, we would have difficulty in selling the nuts. Whatever you plant is going to meet difficulty, because bigger countries, with bigger markets, are planting the same things. We have sugar; we are advised that cane is the most viable product to plant. We are satisfied with that at the moment, and therefore we are planting it.

How do we go about making it economic? We have to accept that we are in an era of sugar surpluses when the sugar price on the world market is unlikely to rise to the levels of 1980 or 1975. We therefore have to adopt economic means of maintaining the sugar industry in a time of low prices. The incidence of taxation, the desirability of inflexibility of wages, a whole host of other economic factors make it impossible for the sugar industry to take seven lean years in the hope of one bounteous one. I think that that solution is not a solution towards which the industry or the Government can plan. We therefore have to look to support the industry in the way that all developed countries support their agricultural systems.

In the EEC, agricultural prices to the consumer are high at home, and the surpluses are sold for whatever they can bring abroad. In effect, the Resolution which the honourable Member for Christ Church East, the Minister for Agriculture, has brought to the House today is no more than an extension to Barbados of such a policy. We know we pay a certain amount for sugar at home. Even that amount is insufficient to support the whole production cost of sugar in the island, therefore the Government has to assist with further support.

There has been some talk about Government taking over the industry and some little talk about the Government's plantations. I do not take the honourable Member for St. Philip South seriously as a spokesman on agriculture, and neither does his party, because I do not remember any occasion on which he has ever made the major speech in reply to a Government Minister in here on agriculture. But the speech has some significance in exposing the inner corners of his ignorance about agriculture in so far as he spoke of the dry part of the island, St. Philip, where he represents.

If there is one statement in here with which we profoundly disagree, we have profoundly to disagree that sugar can be left to grow only in the most climatically favourable parts of the island. More capable men than the honourable member, or indeed than myself, can no doubt extend the argument a great deal, but the best argument I have ever seen is that you absolutely have to have a low rainfall area so that in years when there is good rainfall, the low rainfall areas, which are primarily flat and easy to reap, can produce good crops, because the additional crop to be obtained from a low rainfall area when you get a wet year is far higher than the additional crop to be obtained from a wet rainfall area. It is not, therefore, the Government's policy to abandon sugar in the low rainfall areas.

I follow a rule of thumb in dealing with the Agricultural Development Corporation's estates. Every year I ask them how much sugar they are going to produce. I then work out how much foreign exchange the sale of that sugar would realise, and I ask myself what subsidy will the Government offer to obtain this quantity of foreign exchange, bearing in mind that the local value added in sugar is 90 per cent or more. Inevitably, we come up with the result that it is economically sound for Barbados for the Government to give a direct subsidy to the ADC to run estates in the less favoured parts of Barbados for the sake of the foreign exchange earnings from the production of those estates.

I follow this principle with the estates for whom I am called to provide a direct subsidy as Minister of Finance. The Resolution before the House is only applying that principle to the wider sugar industry as a whole. The Government has to do it with the ADC because otherwise we just close the ADC estates down. But we now consider that the importance of the sugar industry as a foreign exchange earner, as the generator of employment, is such that the country as a whole must be prepared to subsidise its activities in the way that all countries as they get richer, I repeat, subsidise the activities of their farmers.

It is really a very simple argument, and I am glad to see that the Opposition is now converted to the argument which was always a basically simple one, short of the racial overtones in debate in and out of the House, short of the accusations of scandalous conduct of one sort or another, and short of the ancient prejudices against the sugar industry. When I heard the speech of the honourable Member for St. Michael South Central, I really found it difficult to believe my ears. At first I told myself that it was a very courageous speech, but I have never regarded the honourable Member as a courageous man. And my opinion of him is fortified by the fact that, alone of the members of the Opposition, he found himself unable to face the crowd that attended the Public Buildings yard on the day the honourable

Member for St. Peter was sworn in, and instead telephoned the House at 4:00 o'clock to ask if the crowd had gone yet and could he come.
6.20 p.m.

That sort of political cowardice was not such as persuades me that the honourable Member can really go through the mills with these things. Yet, what could possibly have persuaded a politician to come and swallow his own words so comprehensively? I think it was Disraeli who said that "all politicians die sooner or later from swallowing their own lies," – (maybe not Disraeli. I have not been able to find the quotation in the *Oxford Dictionary of Quotations*) – but I think that, in that case, we had better be prepared for another by-election in St. Michael South Central, for I have never heard a more comprehensive *volte face* in the House than I heard from the honourable Member.

The honourable Member spent five years in this House from 1978 to 1983 abusing white people, sometimes by name, usually by occupation, and certainly in the case of plantation owners by reference to their positions as owners of plantations. He has telephoned members of my Cabinet and asked them to join with him in attacks on whom he calls "the white masters." I really had to say it was not courage, but it was the absence of courage, perhaps in seeing certain people, to whom he cannot make reference, in the Visitors Gallery.

I set out him to be such a hypocrite that I said to him earlier today. 'How can you be such a hypocrite?' How can you change your talk like that? Is it because Geoffrey Armstrong is in the House?' He said: "Geoffrey Armstrong? Is he there?" I realized that the well spring of hypocrisy runs deep and powerful in St. Michael South Central. I have never seen anything like it! But he boasted in here that consistency is not a virtue that need be pursued by politicians!

Mr. L. E. SANDIFORD: Mr. Deputy Speaker, I rise on a point of order to indicate that the word "hypocrisy" has been ruled out of order in relation to any honourable Member of this Chamber. For the Prime Minister to indicate that a Member of this Chamber is a hypocrite or is deep in the well spring of hypocrisy is contrary to the Standing Orders of this Chamber.

Rt. Hon. J. M. G. M. ADAMS: If my words that 'the well spring of hypocrisy runs deep in St. Michael South Central' were thought to refer to the honourable Member for St. Michael South Central, I withdraw them. I have no doubt that his colleagues recognize the need for making some protest in all the circumstances.

I underline all of this not for the sake of abusing or describing the honourable Member, but for what it means for the standard of debate in the House. I am glad to see

that the Democratic Labour Party, in the person of the one Member who made a sensible speech, the honourable Member for St. Michael West, understands the problems of the sugar industry and is prepared to accept the reasonable solution to those problems.

Mr. DEPUTY SPEAKER left the Chair and Mr. SPEAKER resumed the Chair.

Mr. SPEAKER: The honourable Member for St. Thomas may now continue.

Rt. Hon. J. M. G. M. ADAMS: What I am saying is that Parliament is ill-served, and the sugar industry in particular has been very badly served, by previous contributions in debate by the honourable Member for St. Michael South Central on earlier occasions when we have discussed this subject matter, sometimes not in this session of Parliament. Nobody could possibly believe that the cause of the sugar plantation owners and managers, and of the Government trying to help the sugar industry, has been served by saying that they took the National Bank's money and bought racehorses with it, by naming a company, one Sicron Ltd., and accusing them of fraudulent dealings with the people's money in connection with that company. Even at this stage we hear that Portvale Factory should not have been built, but Portvale produces 20 per cent of the sugar in this island, more than Vaucluse and Porters, I imagine, used to produce, and it is the most efficient, I believe, of the factories. Everybody accepted the need for a new factory, but over two years, perhaps three years, we had this relentless assault upon public decency, far less public opinion, in the person of the honourable Member for St. Michael South Central, the relentless abuse of the sugar industry which has made the Government's task for rehabilitating it no easier. God knows how many people have been driven out of sugar and are thinking that they should not contribute something to agriculture in this country by the spirit of relentless opposition on the part of the honourable Member for St. Michael South Central.

You have heard the honourable Member for St. Michael West Central, the Minister of Communications and Works, (Hon. V. L. Johnson) himself an agriculturalist, probably more an agriculturalist than any of the others of us in here, outline the long series of speeches over 20 years on the destruction of the cane blades, the reduction of sugar as a viable industry in Barbados. You have heard the honourable Member for St. Philip South (Mr. H. A. Blackman) saying it must only be carried on in the high rainfall areas. He is giving a lot of heart to the people at Thicket, and the ADC which is trying to struggle at River. He is giving a lot of heart to the people at Foursquare. He is giving a lot of heart to those people who maybe the Government is trying to persuade to stay in sugar.

I have to interrupt myself. I do not know why honourable Members are pointing to the Deputy Prime Minister. The Deputy Prime Minister regularly holds up Harrow Plantation, a plantation, I believe, in St. Philip South, as an example of what plantations can be if they are carefully and studiously run, even in a low rainfall area. I did not hear any part of the honourable Member's speech which reflects on the Government's policy with respect to the plantations in the southern and eastern parts of St. Philip, but it would be a speech most out of character if they did.

To return to the main speech, the Democratic Labour Party cannot seriously expect that the sugar industry of this island will have confidence in its future, and in the future of agriculture in Barbados, if it is regarded as a whipping boy by the Opposition when they wish to whip up racial feeling. And who knows with the honourable Member for St. Michael South Central which mood will take him in any given week? This week he is for the sugar owners, next week he may get annoyed, or something may happen, and he will be against them once more, and we will hear another torrent and tirade of abuse poured out against them here in the House of Assembly.

6.30 p.m.

Anyway, it is up to the Opposition to put its case the way it thinks best. The Government's case has been, from before 1964, from the year that I have known politics in Barbados, to support the agricultural industry of this island. We have an unparalleled record of consistent support of agriculture, and indeed of sugar agriculture, at times when it has been unpopular, because it has never been a popular line to take, and at times when it is not so unpopular, but certainly not when the general public is screaming out in favour of sugar. I have never heard that in Barbados. I have never known politicians to be able to say that the people who run the sugar industry are wonderful people, it is a wonderful industry and we must support it for all we are worth. It has never been possible to say that in my time in Barbados. I have never heard it said!

But we have held to a line that ignores race, history and tradition and tries to recognize economics. We have tried, for a very long time, to improve the social conditions of those who work in the sugar industry, and we believe that, in many cases, this has been achieved. We believe that mechanisms now exist in the Sugar Act for a fair division of the proceeds of the industry between those who own it and those who work in it. We are now trying to give both those who own it and those who work in it a fair break.

The honourable Member for St. Michael West made a number of points, some of which relate to the responsibility of the Ministry of Finance. I do tend to the

concept of a critical mass, that there is a critical mass below which sugar production should not be allowed to fall. Apart from maximizing foreign exchange earnings, I believe that the structure of the industry demands that.

I also believe that there has to be specialized financing for the industry. As far as I can see, the specialized financing can continue to come just as easily for the Barbados National Bank as from a developmental institution or a separate institution. But my mind is not ossified on the subject.

Mr. B. M. TAITT: On a point of elucidation, Sir: The point I made was that whereas the bank, because it is a bank, has certain criteria which must be met because the demand of the bank's performance is at a high level, if the support mechanisms were moved out of the bank, then the criteria applied would not have to be so rigid, as witnessed the case when it was a Sugar Industry Agricultural Board. That was the main point I was making.

Rt. Hon. J. M. G. M. ADAMS: I think it is fair to say that it is a point that merits some consideration, although in a small place like Barbados you try to avoid wherever possible the multiplication of institutions. After all, Barclays Bank financed the commercial side of the industry for many, many years, and still finances a part of the industry. I do not see any reason why in the commercial side BNB cannot continue to do the same, but the point made by the honourable Member will be considered.

I want to dispel one belief about BNB. It is not true that the losses of the Barbados National Bank are due exclusively to the losses in the sugar industry. The Barbados National Bank has massive losses and massive problems, but they are commercial losses as well as agricultural losses. The commercial losses are now, as far as I can judge, exceeding the agricultural losses. So neither the sugar industry nor the general public should be blaming agriculture for causing the losses at the BNB. The faults in management at the BNB at virtually every level go far outside the Agricultural Division of the bank. In fact, I am more pleased with the Agricultural Division of the bank at the moment than I am with the performance of the commercial side. It may very well be that Parliament will be asked to take very drastic and severe steps in respect of the Barbados National Bank in the near future. A communication which I have received from the bank in the last couple of days relative to a measure which I hoped would be the first step in pulling the bank out of its problems has greatly disappointed me.

I welcome the point that the honourable Member for St. Michael West made about the multiplier effect of the price support. If he wants to make all these good

points, perhaps he can come and make them from our side, because that is not an Opposition point at all. Obviously, the effect of the price support in stimulating the economy will only be beneficial. Not only will it go to the owners of the banks, the creditors of the industry, it will spread that volume of resources around the economy in a beneficial way overall.

In summing up, from my point of view — I am not summing up the debate — one thing about this debate which is very satisfying is that it seems that, with the speech of the honourable Member for St. Michael South Central, we have begun to take a step on the road to total realism. I heard words like "bipartisan" being offered. I cannot get into anything bipartisan with the honourable Member for St. Michael South Central. I do not trust him, he is too inconsistent. But if we can manage to take the sugar industry out of history and bring it into economics, we would have struck a great blow for Barbados' viability as a state that can move forward when circumstances are favourable to it in the future. I think that the debate today indicates some retreat from history which is desirable, and which is something which those of us who think that we have seen some of the way forward for the sugar industry have been fighting for.

Certainly, Sir, I will support this Resolution.

Hon. L. S. CRAIG and Mr. L. E. SANDIFORD rose.

Mr. SPEAKER: The honourable Member for St. James North catches the eye.

Hon. L. S. CRAIG: Sir, it is now 6.45 p.m. and I...

Asides

Hon. L. S. CRAIG: Sir, I was about to suspend for dinner, but since my colleague and friend would have about fifteen minutes to half an hour, I think we can go up until 7.00, if you do not mind.

We have the Clerks and the staff of Parliament to consider and not only ourselves. We can go and eat at any other time, Sir. My colleague can continue and we will go at 7.00 o'clock.

We look good facing each other at this point.

Mr. L. E. SANDIFORD: I know that I look good. I do not know about you.

(Hon. L. S. CRAIG: I know how I feel. I feel confident about something.)

Mr. L. E. SANDIFORD: I am grateful to my honourable friend for permitting the debate to continue.

(Mr. B. M. TAITT: Two white haired gentlemen!)

Mr. L. E. SANDIFORD: It is not normal that I speak on the subject of sugar and agriculture. I have tended to allow those who know nothing about the subject, with little practical experience, to get up and speak and pretend that they know about it, while those of us who know a little about it allow them to continue. I was a small farmer in this country, and I used to farm on something like 1/16 of an acre — I cannot put it in hectares, the conversion would give me some difficulty — and perhaps I represent one of those small farmers who have contributed over the years towards the reaching of the targets of high production of sugar in this country, but who have retreated under the triple blows which small farmers in particular have suffered in agriculture, and, in sugar production in particular.

Apart from that, first of all, when the honourable Member for St. Philip South (Mr. H. A. Blackman) was speaking, as I understood his speech, he was merely attempting to point out that of the three rainfall areas in this country — the high rainfall, intermediate rainfall, and the low rainfall areas — sugar is best produced in the high rainfall areas, and that it might be desirable that the sugar effort should be concentrated in those areas, where there are distinct comparative advantages for the production. I think that it was a simple argument, based on agricultural economics. It was taking the argument out of history, as the Prime Minister wanted, and I thought that it was sensibly and ably put.
6.40 p.m.

We have now reached the end of the rhetoric, we have reached the end of the talk, because we are now facing the reality that when we look at production figures in respect of sugar, the growing of sugar cane and the production of sugar from that sugar cane, we find that all of the rhetoric which has been used in the past from the time the Barbados Labour Party came into power has been mere "words, words, words" as Philonious said in the play Hamlet — "words, words, words". The fact is that during the time of the Democratic Labour Party — and I will take equal periods of time, the period 1969 to 1976, the Democratic Labour Party years, and the period 1977 to 1984, the Barbados Labour Party years, and we compare the effort in agriculture, we will find that under the Democratic Labour Party agricultural production outpaced anything that has happened under the Barbados Labour Party. That is a fact.

If we take the tonnes of sugar produced during the period 1977 to 1984, we find that the production has been some 826 420 tonnes, on average 103 000

tonnes a year. For the corresponding years for the Democratic Labour Party, from 1969 to 1976, we have a yearly average of 120 189 tonnes produced. In other words, during the period of the Barbados Labour Party there has been a fall of about 15 per cent in the production of sugar over those years. Similarly, in terms of the acreage under sugar production, there has been a fall of about 16 per cent during the period of the Barbados Labour Party when compared with the period of the Democratic Labour Party.

Asides.

Mr. SPEAKER: Is the honourable Member debating that end or this end?

Mr. L. E. SANDIFORD: I have to debate both ends.

Mr. SPEAKER: The rule of the House is that you debate this end.

Mr. L. E. SANDIFORD: Yes, Sir.

We have to get these things right. The idea that the Democratic Labour Party has been pulling down sugar in this country is absolutely false, and it is not borne out by the figures, because under the Democratic Labour Party years there was a higher concentration in sugar, and a better production from the sugar industry, than under the present Barbados Labour Party. So it is worse now.

All of the efforts that the Democratic Labour Party made in respect of the sugar industry was met with nothing but hostility and criticisms on the part of the then Opposition. Since 1976, we have been trying on this side to continue our support for the sugar industry as a critical aspect of the economy of this country. We have always realized that, and it is against that basis that we have examined all of the problems and proposals that have come before us, and it is on that basis that we have been examining this matter today. We are supporting it and we are saying that sugar is an essential part of the economy of this country, and that we must continue to produce sugar, even if we base our arguments on the economic theory of import substitution. I believe that we use about 15 000 tonnes of sugar for our local consumption, and if on no other grounds we need to produce that sugar.

We know that the growing of the grass, sugar cane, as the Minister of Agriculture has referred to it, has definite advantages in terms of our soil and climatic conditions. We know that it is a kind of crop that we can produce, and that is what we have been doing down the years from the time that the technology, the planting material and the money migrated, as it were, from Brazil and came across to Barbados in the 1640s. Ever since that

time, there have been ups and downs in the sugar industry, but that is no reason why we should lose heart in this particular area. What we have been questioning is whether the effort being made on this occasion is enough to deal with the problems of the sugar industry. We are saying that, in our best judgment and our assessment of the situation, what we are doing is too little to deal with the massive problem facing an industry which needs to be reorganized, retooled and refinanced.

It is my hope that we get out of the kind of sterile approach of dealing with the national problems of this country, in which we might try to suggest that we are not using racial overtones, but an effort is made to use the race question itself when we say we are not using it. I am very sorry that particular element was introduced into this debate only very recently. In our country, we need not import those kinds of considerations because we are one people in this country, we all came to this country at the same time — blacks, pinks, whites, whatever colour — and we do not have to impose those considerations into the debate. I am sorry that the debate was dragged down and pulled down to that particular level.

I do not think that race is deserving of that kind of treatment in this debate. I make no bones about that. I am a Barbadian and there are Barbadians who are of different pigmentation from myself. I respect them and they must respect people like me. We do it on a common basis of mutual respect and understanding.

When we come to discuss these national issues we must be able to set up the mechanism inside of this Parliament, whether it is through a Committee system, a Select Committee or some Standing Committee, or however, in which we can put our heads together to save an industry that is very vital to this country. It cannot be done on the basis that when we look down the road and examine the industry and suggest that there may be areas in which it should be diversified, you say we are not interested in the industry, or that we are not approaching it on a sound basis.

The argument of the Democratic Labour Party in terms of agriculture in this country has been a very sound one. We produced a programme for agriculture which is second to none in terms of any manifesto produced in this country. In our last manifesto, we produced a 30-point programme touching on all aspects of agriculture in this country, including the sugar industry. Let Members have forgotten, I will indicate the kinds of planks on which we based our agricultural programme. It said:

"The Party undertakes to give continued support and encouragement to the sugar industry as a principal agricultural crop." That is what we said. This is our policy statement.

Hon. V. L. JOHNSON: On a point of order, Sir: The honourable Member for St. Michael South is misleading the House. On the one hand he says that their policy is a 30-point programme, and, on the other hand, the honourable Member for St. Michael South Central said it was a one point programme, that is, do not lend them one cent.

Mr. SPEAKER: That is not a point of order. The honourable Member may continue.

Mr. L. E. SANDIFORD: Thank you very much, Mr. Speaker. It is not a point of order, it is a point of foolishness.

Mr. SPEAKER: We have no point of foolishness in this Chamber.

Certain remarks made by Mr. L. E. SANDIFORD were ordered to be expunged from the record by the Speaker at this stage.

Mr. L. E. SANDIFORD: I am quoting from an official document, a document that is a document of this House, the Manifesto of the Democratic Labour Party for the General Election of 1981.

Mr. SPEAKER: I think that is where you made the error. You should have stated at the beginning from where you were going to quote. That would have saved the honourable Member standing up.

Mr. L. E. SANDIFORD: Are you satisfied now that it is not one point?

Sir, I am continuing on the 15th point in relation to the sugar industry.

Mr. SPEAKER: As taken from the Manifesto of the Democratic Labour Party.

Mr. L. E. SANDIFORD: Yes, Sir.

It says: "... give continued support and encouragement to the sugar industry as a principal agricultural crop. Steps will be taken to further rationalize the industry. Strong support will be given to efforts for making economical use of surplus bagasse, and the cane rind, and for developing a series of secondary and tertiary industries based on sugar, thereby making for an integrated sugar industry."

This comes from a party that has seriously analysed the problems in relation to sugar and see sugar as an integral part of the economy of this country. We are concerned about our arable lands. We are concerned about the people who own those lands, and we are concerned about the

6,000 workers or more who earn their livelihood from the sugar industry....

(Hon. A. TRUSS: 4,500).

Mr. L. E. SANDIFORD: I say 6,000 workers, and those who are dependent upon them. On all of those grounds we say the sugar industry is very important and very vital.

We have been hearing words, and I heard words such as "critical mass" being bandied about. The best information I have heard in relation to the sugar industry is that the effort that has been made by small farmers in the past has significantly contributed towards attaining the goal of higher sugar production in this country. And it is a source of regret that during this debate I have not heard very much attention paid to the problems of the small farmer in terms of reaching the kinds of production goals that we should meet in this country. They are facing serious problems, and I think we have to devise some kind of programme so that we can get maximum production out of the acreage that falls under the control of the small farmers. I believe a system may have to be devised whereby the small farmer works in close co-operation with efficient private sector farms, or — and I am using the word "efficient" — if the ADC is efficient,....

Aside

Mr. L. E. SANDIFORD: I am talking about private sector, not public sector.

Mr. SPEAKER: The honourable Member must desist from answering Members who are sitting. If they want to join in the discussion, they will be given their appropriate time.

Mr. L. E. SANDIFORD: Yes, Mr. Speaker.

The point I am making is that throughout this country we have private sector farms under agriculture, and particularly sugar production, which are efficient in terms of their field operations, their transportation, their access to labour for reaping the canes and cultivation, and I am throwing out an idea that maybe the problems which small farmers encounter could be approached by a co-operative relationship between the small farmers and progressive forward thinking, private sector farms in terms of the provision of labour for cultivation, for reaping or for whatever purpose. I just throw that particular suggestion out, but the point we are making, and the point which we have home, is that this is a party that is definitely concerned about the place of sugar in our economy, and all of our efforts are directed towards that particular end.

When we analyse the situation, we have to look at the problems which we face in getting our sugar into the America market, and we realise that there are problems at that end, because so long as the Americans

carry out a policy of protecting their own farmers it means that a smaller amount of sugar can get in because of the application of quotas. If, on the other hand, the United States changes its policy in relation to protection of the small farmers and goes into deregulation into those areas, it will mean that the price will drop from what they pay their own farmers, a protective price, down to the level that actually prevails on the open market. Either way, sugar coming in from Barbados and countries like Barbados may be facing distinct problems at that level. That is as I understand it.

It means that we have to study this problem in all its dimensions and try to come up with some kind of solution that is in the national interest, that we can continue to produce something that we have mastered the art and the technique of producing over the centuries, and for which we may have some kind of comparative advantage which in the end may redound to the benefit of our economy and our people.

7.00 p.m.

SUSPENSION OF SITTING

Hon. L. R. TULL: Mr. Speaker, I beg to move that this sitting be suspended for dinner until 8.00 p.m.

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

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

7.05 p.m.

ON RESUMPTION

Mr. SPEAKER: This sitting is resumed.

Hon. Dr. R. L. CHELTENHAM: Mr. Speaker, this debate....

Mr. SPEAKER: I take it that you are winding up now.

Hon. Dr. R. L. CHELTENHAM: That is correct, Sir.

This debate has ranged over a wide area, and a lot of the points made both on this side and the other side have been commented upon in the course of a long debate. I think that effective answers have been given to the Opposition's claim that we should be looking at the making of alcohol and gasohol in commercial quantities as part of the diversification of our product sugar.

I do not think that any useful purpose would be served in my attempting to respond to the naked political points that there were no lock-ups under the Democratic Labour Party, that the factories made a profit under the

DLP, that the sugar industry was never bankrupt under the DLP, except to say that I do not see any relationship between those facts and the fact that the Democratic Labour Party was in power. If, indeed, I had to make a point, I would say that, in spite of the Democratic Labour Party, those achievements were realized by the sugar industry, and it is a tribute to the industry that, notwithstanding the presence of the DLP in office, they were able to achieve that position.

With respect to the call for the diversification of the use of the product, it is in many respects a matter beyond the competence of any one sugar producing country in the Caribbean area, or indeed in the world, except perhaps the very largest producers, like Australia and Cuba. It needs really to be supported by a lot of very high-powered research, by sugar technologists and others. This is a matter that will be on the agenda when the ACP Sugar Ministers meet in Guyana in another two weeks, and we in Barbados are pressing to have a high-powered study undertaken and hopefully financed by the EEC.

I reject the claim made by the other side that the price support instituted three years ago is a gamble. There was nothing about it that had any gambling element. It was a conscious and deliberate policy, based on certain assumptions, which, as I said earlier, have been proven with the passage of time to have been too large, but there was no element of gamble about that policy.

We recognize that compaction is a serious problem in the industry, and we need to overcome it. There are two approaches being employed in trying to combat compaction. DeBoer is undertaking some useful work both in relation to the use of high-floatation, low pressure tyres and also in relation to what is called chisel ploughing or, as we call it in Barbados, 'flipping the banks.' I look forward to the continuation and, indeed, the intensification of that work.

With respect to the future of subsidy and price support we would like to move to having an ex-ante subsidy, one given at the outset of the crop, rather than an *ex poste facto* one, which we now do. I think that that point was made by the honourable Member for St. Michael South Central. It is one we are already working on, and one which we recognize as a point grounded in good sense and experience elsewhere.

Towards the end of my opening statement I had cautioned against talking ourselves into a state of panic, or even becoming involved in blame allocation. I would just like to caution the industry against excessive dependence on Government. I would not like them to get into any psychology of dependence, as I already fear, and believe that the resources of the industry of the Government are infinite. The resources are finite and any policy of subsidy and support for the future would have to be

structured within the context of the resources of the country.

I conclude by saying that I very much believe that the answer to the future in terms of arriving at an acceptable and sensible policy of price support and subsidy is one well within the competence of the imagination and the good sense of Barbadians, and I look forward to Government and industry working together, with courage and with imagination, towards realizing a sensible and acceptable policy of price support and subsidy.

8.05 p.m.

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

Order No. 1 was called – To move that the House resolve itself into Committee to consider the grant of sums of money for the service of this island.

On the motion of Hon. L. S. CRAIG, seconded by Hon. Miss B. A. MILLER, Mr. 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 1984–85, No. 26 – \$15 806 528

Head 10 – Governor-General – was called and passed.

Head 11 – Judiciary – was called and passed.

Head 12 – Parliament – was called and passed.

Head 13 – Services Commissions – was called and passed.

Head 14 – Establishments – was called and passed.

Head 16 – Prime Minister's Office – was called and passed.

Head 17 – Defence and Security – was called and passed.

Head 19 – Ministry of Finance and Planning – was called and passed.

Head 20 – Revenue Collection – was called and passed.

Head 21 – Statistics – was called and passed.

Head 25 – Ministry of Agriculture, Food and Consumer Affairs – was called.

Hon. L. S. CRAIG: I beg to move that Head 25 do now stand part.

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

Mr. CHAIRMAN: The question is that Head 25 do now stand part. Honourable Members in favour please say aye, honourable Members against, please say no....

Dr. R. C. HAYNES: Head 25, Sir.

Mr. CHAIRMAN: We would have to have it recommitted.

Dr. R. C. HAYNES: I do not think that you looked up. I was on my feet. I wonder whether the Head could be.....

Hon. L. S. CRAIG: You have already put the question, Sir.

Dr. R. C. HAYNES: I was on my feet.

Mr. CHAIRMAN: If the honourable Member wishes to have it recommitted, we can ask for that.

Dr. R. C. HAYNES: May I have it recommitted, Sir? Head 25, Subhead.....

(*Aside: Sit down!*)

Mr. CHAIRMAN: That is what I was waiting to hear. There is no recommitment.

Dr. R. C. HAYNES: But I was on my feet, Mr. Chairman.

Mr. CHAIRMAN: That makes no difference. That is not the important point. Head 25.....

Dr. R. C. HAYNES: Let us be reasonable about this, Sir. I just wanted to make a comment on the Public Utilities Board.

Mr. CHAIRMAN: Head 25 has been called. The question has been put. The honourable Member is late.

Dr. R. C. HAYNES: Mr. Chairman, I am asking for the Head to be recommitted.

Mr. CHAIRMAN: I have not got any such request coming from the House and it does not seem that the Committee is in the mood to have a recommitment.

Dr. R. C. HAYNES: In that case, we will debate everything from now on.

Mr. CHAIRMAN: Methinks the ayes have it.

Head 25 – was passed.

Hon. L. S. CRAIG: You have this idea that you are some gully boar and you are going to debate everything!

Mr. CHAIRMAN: On what does the honourable Member rise?

Hon. L. S. CRAIG: I am not addressing you, Sir. I am on my feet.

(Mr. B. M. TAITT: You are on your feet.)

Hon. L. S. CRAIG: Well, you come and cut them off. You are always in something.

Head 26 – Co-operatives – was called and passed.

Head 27 – Meteorology – was called and passed.

Head 28 – Ministry of Legal Affairs – was called and passed.

Head 29 – Public Prosecutions – was called and passed.

Head 30 – Police – was called and passed.

Asides

Mr. CHAIRMAN: I must have order. There is too much cross talk and noise. We have the Hansard Reporters to consider. Let us not make it difficult for them.

Head 31 – Prisons – was called and passed.

Head 32 – Fire Service – was called and passed.

Head 33 – Probation Department – was called and passed.

Head 34 – Ministry of Education – was called and passed.

Head 36 – Ministry of Health – was called and passed.

Head 37 – Ministry of Housing and Lands – was called and passed.

Head 38 – Ministry of Information and Culture – was called and passed.

8.15 p.m.

Head 39 – Ministry of Labour, Social Security and Sport – was called and passed.

Head 40 – Ministry of Trade and Industry – was called and passed.

Head 41 – Civil Aviation and Tourism Division – was called and passed.

Head 42 – Ministry of Transport & Works – was called and passed.

Head 50 – Post Office was called.

Hon. L. S. CRAIG: I beg to move that Head 50 stand part.

Mr. R. E. BRATHWAITE: I second that.

Mr. B. M. TAITT (St. Michael West): I would like to know what is the real position with the post office? Has it moved or has it not moved? We heard some time ago that the post office had moved, then we heard that part had moved.

I would also like the Minister who is handling it down here to say whether the airconditioning is working, whether that problem has been solved, whether the sorting room is now functionable, and what is the level of efficiency?

I would like to know. I do not think there has been a public statement from the Government on the post office. What we know is that the Minister of Information and Culture has moved to the post office building. I wonder if the Minister could help us to determine whether we wish to go any further. I would like to know what is the position.

Rt. Hon. J. M. G. M. ADAMS (St. Thomas): I would be happy to communicate the honourable Member's concern to the Minister of Information and Culture. I am sure that the Minister appreciates the solicitousness and the interest that the honourable Member shows in the post office, which air-conditioning problems have, as I have been recently informed, been solved. If the honourable wishes, I will ask the Minister if he would like to get him an appointment in his office to discuss any problems that he may have about the post office and all its works.

I am not aware of the honourable Member's interest in the post office until now. I imagine this is the first time I have ever heard him talk about it, but I am sure that both the honourable Minister and the Leader of the House will be glad to accommodate his reasonable request and knowledge in this regard, particularly if they are couched in the normal parliamentary form of a question to a Minister to be answered at Question Time.

Mr. B. M. TAITT: Sir, I am sure that the Prime Minister, at this hour of the night, is in the mood which would suggest that I should visit his Minister of Information in the Minister's office. I do not know why the Prime Minister would wish me to go into that Minister's office, but I would be afraid to go into that Minister's office – not only now, but at any time! So I can assure the Prime Minister that I have absolutely no intention of going to that particular Minister's office.

I am not asking questions on my own behalf for my own personal enlightenment. The Prime Minister is obviously not aware that the constituents in and surrounding the post office at Eagle Hall have a vested interest in knowing the fortunes of the post office, and that, as their representative, I had raised a question, which it was indicated at the time was not quite accurate, and which, subsequently, I have discovered that there was a lot of questions as to how I got the information that it was the intention to move the postmen from Eagle Hall. They have not yet moved the postmen from Eagle Hall, but I think a lot of people in Barbados have been wondering where the post office is located.

I also know that, as a member of the Debates Committee, we have been discussing matters which bear some relationship as to when the post office as a department would have moved to the place which the Prime Minister said was not likely to be completed in our lifetime. I recall that one of the problems which surfaced, and which was discussed in this House, was that the sorting room of the new post office had been built without any windows and that the air-conditioning system, which was designed under a new technology, was not functioning now. I got that from the Minister himself. The Minister had indicated that he personally had to get involved in some of the re-designs of the post office. That was my understanding of what he was saying.

I am asking the Government about this, because, after all, they have come down in this House to ask us to place some money to allow the workers in the post office to function. But we have the Prime Minister – I would not say exercising contempt – asking this House to pass money without any information. He says that he will be happy to pass on the reasonable request to the Honourable Minister.

I do not know if he and the Minister are not speaking and, therefore, he does not have the files. I do not know what the position is. I know that there is some controversy about where the Minister should run, but that should have nothing to do with the Minister's ability to pass information to the rest of the Cabinet. I know the relationship between the front bench Ministers and that particular Minister might be such that they might be afraid to ask him anything about his Ministry, or they might wish to take this opportunity to disassociate themselves.....

Mr. CHAIRMAN: You are not debating this matter. The Prime Minister said that you can ask a parliamentary question and have it answered. You cannot fault the Prime Minister's answer.

Asides.

Mr. CHAIRMAN: Please, let us leave out the personalities. Let us take that out of the debate.

Mr. B. M. TAITT: Mr. Chairman, I think it is the height of parliamentary contempt for a Minister, when you are discussing a money Bill, to say that you should ask a question about something in a parliamentary question. That is the height of parliamentary contempt. I submit that the Minister.....

Mr. CHAIRMAN: If the Chair so felt, the Chair would have taken appropriate action, and the Chair speaks for the Committee. I am sure you know that.

Rt. Hon. J. M. G. M. ADAMS: I do not think it unusual to suggest that you cannot ask questions on the spur of the moment; sometimes you need notice. The honourable Member has been in Parliament a few years now, but perhaps he has not run across this before because this front bench is normally so well informed on all matters that it can answer questions instantly.

I did not mean to worry the honourable Member by suggesting he goes to the Minister. It was only since I have been hearing that he has been excluded from certain meetings in such places as Enterprise Road, that he is no longer welcome in certain offices, that I thought he would want new friends, and I was suggesting that he should start the fountain spring of the new friends. If he is going to make an approach to new friends, he should clasp to his bosom those who are furthest away from his bosom, in a past manifestation. It is only having heard of the honourable Member's discomfiture at his colleague's hands, I was trying to assure him that he would meet no discomfiture at our hands.

I know nothing whatsoever about the postmen at Eagle Hall, nor, I suspect, does the honourable Member, and certainly I am in no position to answer that any

further than the answer which the honourable Member has been given already. We inherited some plans for the post-office that did, in fact, had a sorting room, with no windows in it, to be ventilated by an air-conditioning system that depended on a well which nobody had examined to see if it could be dug. That is perfectly true.

We cannot pick up every thing. The Minister is good, he did a lot for the post office, but, unfortunately, we are not able to read every detail of every plan conceived by the Democratic Labour Party. There are times when the wickedness or the inefficiency of the Dems have had a temporary triumph, and this, unfortunately, is one of the times. They got away with a room with no windows and no air conditioning.

We are doing our best to remedy the matter. I assure the honourable Member that his previous colleagues' fault is at the forefront of our minds, and we have already done the best we can to put it right. We have dug a well, found the supply of water, and tried to make the air conditioning system work.
8.25 p.m.

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

SUPPLEMENTARY ESTIMATES 1984-85, No. 27 - \$226,506

HEAD 74 - MINISTRY OF AGRICULTURE, FOOD AND CONSUMER AFFAIRS

Hon. L. S. CRAIG: I beg to move that Head 74 stand part. Part of this is for salaries and wages.

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

Dr. R. C. HAYNES (St. Michael South Central): Head 74, Subhead 17 - Springhall Land Lease Scheme. I am very interested in knowing what progress is being made with that scheme at 8.30 tonight. I would not be asking this question if the Honourable Minister of Agriculture had given the usual decent support that one expects when one asks that a Head be recommitted in order to ask a couple of questions, which would have taken one minute, on the question of the Public Utilities Board. But I can talk for 15 minutes and I am talking until 9 o'clock tonight, so you will sit down there till 9 o'clock or adjourn and come back tomorrow morning.

Hon. L. S. CRAIG rose.

Certain remarks made by Hon. L. S. CRAIG and Dr. R. C. HAYNES at this stage were ordered to be expunged from the Record by the Chairman.

Mr. CHAIRMAN: The honourable Member for St. Michael South Central may continue.

Dr. R. C. HAYNES: Sir, it is a very simple matter. We will talk until 9.00, subject to the Rules of the House and reasonable behaviour on the other side. The more interventions from the other side, the more opportunity it gives me to go on until 9 o'clock.

Mr. CHAIRMAN: Address the Chair.

Dr. R. C. HAYNES: I will address the Chair.

There are some problems relating to the Spring Hall Land Lease Scheme, and I am asking a few questions to find out whether these have been corrected. First of all, at the very beginning we felt that the scheme was badly conceived, in the sense that it would be very difficult for a family to look after 10, 12 or 20 acres of land, unless a substantial portion of that land was under cane, or unless that family had very large capital reserves to deploy in order to meet the overheads. The Government clearly did not understand what was involved in manning 20 acres of land.

(Hon. Dr. R. L. CHELTENHAM: Which Government?)

Dr. R. C. HAYNES: The Barbados Labour Party Government.

A few months ago, they came in here and said that they were surprised to see that two people could not look after 20 acres of land, and that a substantial amount of the land would have to be put back under cane. It is my understanding that in respect of the last crop reaped from that plantation, there was a substantial profit made out of the sugar crop of that year, and that, in fact, the output from the Spring Hall development has progressively declined over the years since it was subdivided into smaller lots as part of this rural development programme. The output has not been what was expected.

The project, as I understand it, was also seriously compromised because of either lack of water or the cost of irrigation. My understanding was that the Government was considering assisting those tenants who appeared to them to be capable of manning the particular plots allocated to them by sinking wells in order to make water available to them at a cheaper price. I do not know how far that particular project has gone in relation to irrigation, which is very essential for the success of that project, and I would like to ask the Minister, if he chooses to answer — it does not matter, I am quite accustomed to this kind of thing, and there is a mutuality of contempt in circumstances where it does not matter — if any progress has been made in that area. Are the tenants able now to get water at a cheaper rate?

I know that this has been a big problem in the north of the island, and I can speak for the Member for St. Peter (Mr. O. S. Arthur) who seems to be unable to get up. I can speak on behalf of the people of St. Peter. Many small farmers I know have gone out of business because they cannot meet the cost of the water bills. People, who previously were paying fifty or sixty dollars a quarter have brought water bills to me and showed me where they are being charged four and six hundred dollars, when they run a small kitchen garden in the north. They have gone out of business because of the water cost. They are no longer able to produce vegetables profitably. I am talking of people with small kitchen gardens.

I am wondering how the people in the Spring Hall development are faring in respect of water, because I know, as a matter of fact, that there is no way you can have a successful agricultural development dealing with cash crops, vegetables and that kind of thing unless you have access to water. The Honourable Deputy Prime Minister would not remember that, but he should know that you must have access to water. So there is the question of water availability at reasonable cost at Spring Hall, and there is the question of the viability of the farms.

As far as I am aware, there were certain persons who were identified as people probably unsuitable for that kind of activity. What has happened to those persons? Have they been evicted from the land? Have they been compensated for their involvement in a venture that was badly conceived by an incompetent political party that does not understand the problems of farming a 20 acre lot?

People have been led down the garden path to believe that they can manage 20 acres unless between 15 and 16 of those acres are completely covered with canes most of the year. I am telling you that it is virtually impossible, without help for a man and his wife, to look after more than two acres of land. One acre is a lot of work for a man and his wife. Two acres, that is a lot of land. With 20 acres, and you start at one end and go to the other end, then where you started is covered in grass long before you finish. So it has to be somebody who is capable of hiring labour, or to mechanize — and he has to have that kind of capital in order to deal with it.

8.35 p.m.

Is the Government prepared to assist these farmers by making the resources available to them for mechanisation? That is another question that you have to ask. What kind of farmers are you looking at? Are you trying to attract people with a wide range of skills on those farms so that they have to spend less money for those services?

Asides.

Dr. R. C. HAYNES: I am not filing any questions. I am asking the questions now in the Record of the House. If you do not want to answer, that is your prerogative.

(*ASIDE: What question did you ask?*)

Dr. R. C. HAYNES: I am not going to ask you any questions, because the next time I have to speak to you – I am talking about the Honourable Prime Minister – I am going to do to you what I heard you did unto me in Towardice when I was not in the House.

Mr. CHAIRMAN: Honourable Members must not be provocative. Order, please.

Dr. R. C. HAYNES: These are very pertinent questions. I have asked a few questions. If I do not get any answers I am going to get back up, and I am going to start talking again until 9 o'clock. The people in the North are looking forward to that Spring Hall Development, because it is a Government project.

Following on from what we have discussed in this Parliament today, one of the problems in agriculture has manifested itself at the Spring Hall Development and other areas where Government has spearheaded rural development. Because of a diversification into cash crops, larger units, are in direct competition with the projects which Government was financing with a view to supplying the same market. So the Government might find that the process of diversification at plantation level into cash crops in order to help offset losses from sugar might well create problems for their own rural development produce, which were presumed to fill a need which is now being filled by the plantations.

Here we have a situation where Government is promoting one kind of diversification and another kind of agriculture into the same market.

(Hon. Dr. R. L. CHELTENHAM: Who said that?)

Dr. R. C. HAYNES: But this is what is happening. Do you not know that today people are ploughing back yams and potatoes into the fields of Barbados? Do you not know that the people at Spring Hall are growing yams and potatoes and losing money?

Mr. CHAIRMAN: Please address the Chair. Order on both sides of the House!

Dr. R. C. HAYNES: This is the kind of madness that you are getting in Barbados through an incompetent, mindless Government. You are not headless, you are mindless, because you do not have anyone at the head of the Government who can look at these things comprehensively and try and tie them together. That is

the problem. You have no leadership, and the leadership that you have depends entirely on washing his mouth on people in Parliament and outside. That is the kind of leadership you have!

Mr. CHAIRMAN: Order, please. Does any other honourable Member wish to speak under this Subhead?

Mr. O. S. ARTHUR (St. Peter): Mr. Chairman, I just want to make a few quick remarks on some of the matters that were raised, since the impression might be left that the Government is fearful to speak in relation to the record at Spring Hall Land Lease.

In relation to the irrigation problem, we undertook to subsidize the farmers there in the same fashion that we have undertaken over the last three years to subsidize the sugar industry. The wells at Spring Hall have been test-bombed, pipes have been ordered, and within the next month a new irrigation facility will be put in place.

In relation to the problem of canes, we took a deliberate decision last year to put two hundred acres of the estate under cane.

In relation to the tenants, notice has been served on six tenants who have proven to be lost beyond recall, but that there is a lot of evidence of activity on the part of some tenants on the Spring Hall Land Lease which gives the lie to the view that it is beyond the capacity of the ordinary Barbadian family to economically farm twenty acres of land. The notion that the farming of 20 acres of land is beyond the capacity of a family is a groundless and a foolish concept. There are tenants at Spring Hall who are showing that it is entirely within their competence, entirely within their imagination, to productively farm twenty acres of land.

In respect of the marketing problem, the problem at Spring Hall Land Lease these days is the embarrassment of success where market outlets and market opportunities are concerned. Subsequent to the conception of the project, we engaged a Market Liaison Officer to go and establish market contracts on behalf of the tenants at the Spring Hall Land Lease, and the difficulty has been that the tenants have not been able to fill all of the orders that have been secured on their behalf.

I trust that those calm statements will shed some light on the matters raised by the honourable Member for St. Michael South Central, who is now discovering the Spring Hall Land Lease Project and expressing the same form of emotions as we heard him today expressing in relation to the sugar industry as a whole.

Dr. R. C. HAYNES: Mr. Chairman, I am very pleased to see that there is at least one Member of this House who has some knowledge of what is going on at

Spring Hall, on the one hand, and, on the other hand, capable of attempting to articulate and respond to the problems of the tenants at Spring Hall. However, he has made a fatal flaw, and I am watching this very carefully. There is a particular virus which I have noticed has spread from the Prime Minister to the Deputy Prime Minister and gradually to all Members on the other side, that voice of distortion in debate.

No one said that the ordinary Barbadian family is unable or incapable of farming twenty acres of land. What I said is that they are incapable of doing so unless about fifteen or sixteen acres of that land is under cane. I also said that the original error was the belief that you could put twenty acres under cash crops and ask a family to look after twenty acres. It is a slight distortion, but a typical Barbados Labour Party distortion. I am just warning you of this very dangerous virus that tends to afflict people once they listen to the presentations of the Right Honourable Prime Minister, who does it in his own way, and the Honourable Deputy Prime Minister, who does it with less delicacy and more forcefulness.
8.45 p.m.

(Hon. H. B. St. JOHN: Tell me about the *gin*!)

Dr. R. C. HAYNES: I do not drink any rum. What are you talking about. I am not a rum drinker.

Mr. CHAIRMAN: Order, please.

Asides.

Mr. CHAIRMAN. Order, please. Let us put some direction into this debate. We are not discussing gin or rum.

Dr. R. C. HAYNES: We have been told that the farmers have been subsidized. I believe that this is the first time that this Parliament has been made aware that subsidies have been made available to the farmers at Spring Hall, to the best of my knowledge. We would like to know the form in which this subsidy was made available. No one has ever informed this House, either during the Estimates Debate or any debate on agriculture, of any question of any subsidies to the farmers in the Spring Hall development. I would be very interested to know where that money came from and how it was done, through what agent. We do not know. It certainly did not come to the attention of this Parliament before.

We have been assured that the pipes have been laid and the wells have been dug.

Aside.

Dr. R. C. HAYNES: We were just told that the pipes have been laid. You now tell me that the pipes were always there.

(Hon. H. B. St. JOHN: Yes. They were not cleaned.)

Dr. R. C. HAYNES: So you all allowed those people to pay all those expensive water rates for years and then say that they were incompetent, and the wells were always there! Well it appears to me that you are even more heartless and incompetent than I thought. To admit that cheap water was there for all the years and that you did not have to pay to dig wells and all you had to do was to lay pipes, makes it appear to me that you are even more ignorant of the requirements of the small farmers.

(Hon. Dr. R. L. CHELTENHAM: What are you writing? He is not saying anything.)

Dr. R. C. HAYNES: When you go to international agencies and you borrow money, then you should make sure that the product

(Mr. B. M. TAITT: You cannot do that to a reporter. You cannot bully the Press.)

Mr. CHAIRMAN: Order, please.

Dr. R. C. HAYNES: The Honourable Minister of Agriculture is so nervous about Press reports that he is even trying to influence what goes in the Press. But that is the way in which they operate all along.

I am pleased to hear that two hundred acres have been recommitted to sugar cane because I pointed out, and I say that I have been very reliably informed, that that area was a very productive sugar cane plantation.

(Hon. H. B. St. JOHN: What! Spring Hall!)

Dr. R. C. HAYNES: I understand there was a lot of money made down there.

(Hon. H. B. St. JOHN: Manning sent that bankrupt so many times and you talk about Spring Hall?)

Mr. CHAIRMAN: Order, please.

Dr. R. C. HAYNES: Now, do you see what I mean, Sir? He does not realize that a swamp — I remember when the late Eric Manning used to go down there almost every evening and shoot, down there, and I am reliably informed.....

(Hon. H. B. St. JOHN: He drank that out. He used to drink a lot of gin just like you.)

Aside.

Mr. CHAIRMAN: Order, please. These asides must stop.

Dr. R. C. HAYNES: I am pleased to see that the two hundred acres of land have been put back under sugar, because this would mean that even if the farmers make a slight loss on the sugar component of the operation, the land under sugar would be preserved and then they can concentrate on the other three, four or five acres that they might have in a meaningful way to produce cash crops.

I understand that there has also been a problem at Spring Hall in getting products from Spring Hall to market places, and that there are some people who either did not have transport or to whom the cost of transport was too great to make the effort profitable. I want to know if anything is being done to reduce the cost of transport of the products which they have grown.

I am told that markets have been coming for the farmers up there. I do not believe it. I know that the traditional farmers in the north who would normally sell their products between Speightstown and the Black Rock area, many of whom I see year in, year out – they often make appointments to see me to coincide with the day they come down from the north – found outlets at the hotels, in Speightstown, and outlets at the supermarkets along that main road. Many of them have told me recently that there has been such a glut of the items produced in the north that the traditional farmers either obtained very low prices for their products or they cannot get their products sold at all. Only yesterday I had four bags of mixed potatoes and yams given to me and three of those bags came from the north, from people who were going to plough the potatoes and yams back into the ground because it was not worthwhile reaping them – there was no market available for them.

I want you to tell me if the traditional farmers who have had markets along the west coast, the north coast, and at the outlets that I have mentioned, either cannot command the sort of prices that would be viable or cannot sell their products at all, how is it that these new competitors on a Government scheme can find markets? Who is finding the markets for them? Where are those markets? I do not believe it. I do not want to call names, but I can call the names of about half a dozen people from the north who, within the last two or three weeks, indicated to me the kind of marketing problems they have had. I can even call the names of the hotels and supermarkets they would normally sell at, and the prices that they are being offered now.

(Hon. Dr. R. C. CHELTENHAM: Start with Sybil Leacock.)

Dr. R. C. HAYNES: I am interested in these people because I am interested in farming.

Asides.

Dr. R. C. HAYNES: You all can say what you like but you will pay the penalty for not being decent and courteous earlier on. The only slight remittance that I would give is in relation to two minutes, and that is because of the honourable Member for St. Peter.

The question that Head 74 do now stand part was put and resolved in the affirmative without division.
8.55 p.m.

SUPPLEMENTARY ESTIMATES 1984–85, No. 28

HEAD 39 – MINISTRY OF LABOUR, SOCIAL SECURITY AND SPORT

Hon. L. S. CRAIG: Sir, I move that Head 39 stand part.

Mr. R. E. BRATHWAITE: I beg to second that.

Mr. B. M. TAITT: I want to ask the Minister of Sport if he has a specific policy on the giving away of gear to community groups.

Asides

Mr. B. M. TAITT: You are not doing Sport?

Mr. CHAIRMAN: This is the Child Care Board, Subhead 12.

Mr. B. M. TAITT: I will wait until the other one comes up.

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

SUPPLEMENTARY ESTIMATES 1984–85, No. 29

Head 78 – Ministry of Health – was called and passed.

HEAD 81 – MINISTRY OF LABOUR, SOCIAL SECURITY AND SPORT – SUBHEAD 2 – \$750 000

Head 81 – was called.

Hon. DeL. O. BRADSHAW (St. Michael South East): Mr. Chairman, this sum of \$750 000 is required to assist the National Sports Council to relay the grasstex asphalt surface at the national stadium. The original track of grasstex was laid on an asphalt surface in 1970. It has now become completely worn, and athletes who now run at the stadium have suffered injuries from time to time. The Council was advised to have this track completely relaid, and the cost of this will be \$500 000. It is hoped that the work will be done in time to meet the games held here later in the year in March.

At the same time, it was decided to replace the roof of the stadium. The stadium is in a terrible state of disrepair and it is unfit for use at this time. The balustrades are very badly worn out, and the roofing needs to be replaced. Only yesterday I visited the stadium, and I decided that the best thing to do is to have the stadium closed during the repairs to the stadium. It is hoped that by March 15, or certainly near the end of March, the work will be completed and will be open once again for the games to be held during Easter holiday.

The lighting system is extremely bad indeed, and it is hoped during this period to replace the lighting system.

I know that the National Stadium has been the subject of much criticism in this Chamber and in the Other Place. We recognize that the stadium poses danger, a threat to life, and if the remedial work is not undertaken at this time, one fears that at some time we will have had some tragedy occurring at the stadium. We will do everything to make the stadium good so that human lives can be preserved, and that is why we are asking for this supplementary sum of \$750 000 to assist in correcting the worse works at the National Stadium.

Mr. R. E. BRATHWAITE: I second that.

Mr. B. M. TAITT (St. Michael West): Mr. Chairman, I need to ask a couple of questions. First of all, I do not think anyone is going to begrudge the National Sports Council this money towards refurbishing the stadium. I would suggest to the Minister that it would have probably been better to provide the total sum that is necessary to refurbish the stadium.

I think it is only a matter of time before we have to look at the whole question of improving the seating of the stadium, changing it completely into the seating which one can find at national stadiums around the world. I think the kind of seating which we have may have been suitable at the time when it was constructed with the assistance of the Jaycees. But I think that, now we are having international sport at a very high level, it should be recognized that sport has two major inputs — one, it is a financial business and, two, it is very important for the development of the youth and the development of the national image — and, therefore, we ought not to regard sport as it used to be regarded some time ago, where you allowed surplus funds, when you had them, to drop by the sports people. I think that we should make a conscious effort to allocate money for other areas of the economy, recognizing that a good sports policy forms part of a good development policy. It is now too late to debate that, but I promise that some time in the future, with the assistance of the Minister making the time available, that we should have a full sports debate in this Honourable Chamber.

The second point that I want to raise that is of some urgency is to ask the Minister if there is a defined policy concerning the distribution of gear to various community groups in this country. I recall that the Prime Minister in the course of a statement, either on radio or in this place, indicated that while he and the Minister of Sport was in Indian Ground during the recent altercation there, the Minister of Sport had been asked by some youngsters in Indian Ground for some balls and the Minister of Sport had given them. I heard the Prime Minister say that. The actual words used were that while he and the Minister of Sport were in Indian Ground the boys had "asked Bradie for some footballs and he gave them." Subsequent to that I saw the Minister himself in a photograph handing out footballs. I subsequently saw the Minister responsible for Agriculture — I do not know whether he was acting in his own behalf, whether he was acting as a constituency representative, or whether he was acting for the Minister — handing out some footballs.

If we have some footballs, I want a piece of the action. It is very simple. If there is a policy for distributing footballs to the community groups, I want to know what it is, and I know you would join me in wanting to know what the policy is. I am very serious, because one of the handicaps, as almost every honourable Member will know, for many of the community groups is that the cost of the sports gear has now reached proportions never envisaged by any normal human being in this country. I recently managed to persuade a wholesale company to let me have a few footballs, and they let me have them at a special price. To be honest, when I saw the price that was the special price my heart hurt me. It is therefore necessary for the Minister, if there is a policy of distribution of gear from the Ministry, to let us know what the policy is.

9.05 p.m.

I also would like to ask the Prime Minister again to give consideration to reducing the tariff on sporting equipment. Not everyone who uses fairly high quality sporting equipment is a professional or quasi-professional. There are lots of people in the community who have to use the same gear that the professionals use, because that is the only gear that is available in Bridgetown, and when, for example, a person who is getting a jersey to play football in the Third or Fourth Division has to pay \$35 for that jersey, it takes about \$200 to outfit a player to play in the Fourth Division, because you are trying to get discipline and they have to look like footballers even if they cannot play too well.

It is necessary, therefore, to recognise that the cost of equipment, generally speaking, not only of football gear, has been creeping up. I think it was a Senator in the Other Place, who is now in Australia, who raised this question some time ago that the cost of gear is too high, and one of the ways in which it can be reduced is for the Minister responsible for Finance to make a concession to

the sports people of this country by reducing the very high tariffs which exist, and the Consumption Tax, on almost every item of sports gear.

Primarily I would like the Minister to indicate whether the Sports Department has gear that it distributes, and if it does, what is the basis on which it does that and how do you qualify. I think it is a question which every honourable Member in this House would happily hear the answer to, especially if it is in the affirmative.

Hon. DeL. O. BRADSHAW: It is not the policy of the National Sports Council to distribute gear to community groups. I think what you see is that some gear, when donated to the Ministry or the National Sports Council, is distributed to groups which, in the opinion of the Council, deserve it. I hope that that is quite clear.

We have given some footballs to the Barbados Football Association and to the young footballers. We have also been making some donations to schools. The coaches have been given balls to take to the schools, because the schools do not provide balls to practise with, and the schools have been getting additional balls from time to time, but there is no policy.

The question that Head 81 stand part was put and resolved in the affirmative without division.

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

On the separate motions of Hon. L. S. CRAIG, seconded by Hon. H. B. St. JOHN, the Resolutions were read a first and second time and agreed to.

Hon. L. S. CRAIG: Sir, this brings us to the end of Government Business, but I have a supplementary Notice Paper here. I would crave the indulgence of the House to revert to Orders of the Day so that I can give notice of these Resolutions.

Mr. SPEAKER: Before we revert to Orders of the Day, earlier in the day you intimated that a Message would be done as well. Is it not being done today?

Hon. L. S. CRAIG: I am going to do it, Sir.

ORDERS OF THE DAY

GOVERNMENT NOTICES

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

Resolution to grant the sum of \$321,305 from the Consolidated Fund and to place it at the disposal of the Government to supplement the Estimates 1984-85, Part I - Current, as shown in the Supplementary Estimates 1984-85, No. 30, which form the Schedule to the Resolution.

Resolution to grant the sum of \$90,000 from the Consolidated Fund and to place it at the disposal of the Government to supplement the Annexed Estimates 1984-85, as shown in the Supplementary Estimates 1984-85, No. 31, which form the Schedule to the Resolution.

Resolution to grant the sum of \$85,698 from the Consolidated Fund and to place it at the disposal of the Government to supplement the Estimates 1984-85, Part II - Capital, as shown in the Supplementary Estimates 1984-85, No. 32, which form the Schedule to the Resolution.

MESSAGE FROM THE HONOURABLE THE SENATE

Hon. L. S. CRAIG: Sir, earlier in the day I indicated that I would deal with the amendments which came down from the Other Place in a Message. Members on the other side had indicated that they needed time to look at those amendments.

I believe they have had enough hours, and I beg to move that the House concur in the amendments as they came down from the Other Place.

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

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

ADJOURNMENT

Hon. L. S. CRAIG: Sir, this brings us to the end of Government Business for today, and I beg to move that this House now stand adjourned until Tuesday, February 5, 1985 at 12 o'clock noon.

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

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

9.15 p.m.

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