

THE

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 1986-91

HOUSE OF ASSEMBLY

Tuesday, June 23, 1987.

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

PRESENT

His Honour L. A. Weekes, JP., (Speaker)

His Honour J. J. Payne, (Deputy Speaker)

Hon. L. E. Sandiford, B.A., M.A. (Econ), JP., (Prime Minister and Minister of Economic Affairs, Minister of Education and Culture)

Hon. H. deB. Forde, Q.C., M.A., LL.B., (Leader of the Opposition)

Hon. B. M. Taitt, ' B.A. (Hons.), M.A., LL.B. (Hons.), (Minister of Health)

Hon. E. E. Greaves, B.A., EdM., (Minister of Trade, Industry and Commerce)

Hon. Dr. R. C. Haynes, M.B., Ch.B., F.R.C.P. (Edin.), (Minister of Finance)

Dr. D. G. Blackman, B.A., M.A.

Hon. M. A. King, Q.C., LL.B., (Attorney General and Minister of Legal Affairs)

Hon. W. O. Franklin, A.I.C., M.I.A.S., JP., (Minister of Agriculture, Food and Fisheries)

Hon. N. K. Simmons, (Minister of Employment, Labour Relations and Community Development)

Hon. H. A. Blackman, B.Sc., (Econ.), (Minister of Housing and Lands)

Mr. D. A. C. Simmons, Q.C., LL.M.

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

Mrs. M. Barker-Welch, (Parliamentary Secretary, Ministry of Employment, Labour Relations and Community Development)

Hon. C. V. Walker, (Minister of State, Ministry of Education and Culture)

Mr. L. L. Brathwaite, J.P.

Mr. E. Bourne

Dr. E. A. Simmons, M.D.

Hon. W. W. Hall (Minister of Tourism and Sports)

Mr. C. A. Neblett, B.A.

Mr. C. L. Trotman, M.A.

Mr. R. L. Morris, B.A., Cert. Ed.

Mr. P. J. M. Miller

Mr. R. P. Byer, LL.B., L.E.C.

Prayers were led by Rev. Father Ivan Harewood.

Mr. SPEAKER: The House is in session. MINUTES

Mr. SPEAKER: The Minutes of Tuesday, June 16, 1987.

Hon. B. M. TAITT: Mr. Speaker, I beg to move that those Minutes be taken as read.

Hon. M. A. KING: I beg to second that.

Mr. SPEAKER: If there are no corrections or observations let those Minutes stand confirmed.

ANNOUNCEMENTS BY HIS HONOUR Mr.

SPEAKER: I have to announce the following.

"GOVERNMENT HOUSE

BARBADOS

22 June, 1987.

Ref G. G. 25/1

Sir, I have the honour to refer to the Address passed by the Honourable The House of Assembly on 16 June, 1987, requesting the issue of a Writ for an election to fill the vacancy in the House of Assembly for the constituency of St. John, and to inform you that I have today, 22 June 1987, issued the appropriate Writ.

On the advice of the Prime Minister, the day for the nomination of candidates has been fixed for Wednesday, 1 July 1987, and the day upon which, if necessary, the poll shall be taken has been fixed for Thursday, 16 July, 1987. The Writ is returnable to me by Saturday, 18 July, 1987.

I have the honour to be,
Yours faithfully,
H. W. SPRINGER
Governor-General."

PAPERS

Hon. Dr. R. C. HAYNES: Mr. Speaker, I am commanded to lay the following:

The Transport Levy Order, 1987.

The Franchises (Registration and Control) Order, 1987.

Guarantees granted under the Exempt Insurance Act, Cap. 308A, Section 32 to the following:--

Caymich Insurance Company (B'dos) Ltd.
Loyalty Insurance Company Inc.
International Casualty of Boston Inc.
Juniper Medical Insurance (B'dos) Ltd.
DMC Insurance Co. Ltd.
Michigan Assurance Group, Ltd.
FFH Insurance Corp.
Albatross Professional Insurance Ltd.
Controlled Risk Insurance Co. (B'dos) Ltd.
Sunrise Insurance Ltd.
Global American Assurance Co. Ltd.
Aquatic Recreation Insurance Company Ltd.
Evergreen Indemnity Ltd.
Twenty-First Century Insurance Co. Ltd.
Mutual Indemnity (B'dos) Ltd.
Transatlantic Insurance Co. Ltd.
Western Insurance Company Ltd.
Eurosire Ltd.
Amerisire Ltd.

GOVERNMENT NOTICES

Hon. B. M. TAITT: Mr. Speaker, I beg to give notice of the following:

A Bill to amend the Occupational Training Act.

On motion of Hon. B. M. TAITT, seconded by > Hon. M. A. KING, the following was read a first time:

A Bill to amend the Occupational Training Act.

STATEMENTS BY MINISTERS

Hon. L. E. SANDIFORD: Mr. Speaker, I have a brief statement to make.

Last Tuesday (June 16) when I led the tributes in this Honourable House to our dear departed friend and leader, the late Rt. Hon. Errol Walton Barrow, I informed this Honourable Chamber that Mr. Barrow's body had been cremated during the afternoon of June 15, in Miami.

At that sitting, Mr. Speaker, I promised this Hon- ^ ourable House and, indeed, the nation, that as soon as I received information regarding the arrangements for the scattering of his ashes in accordance with his wishes, I would share that information with the public.

I have been advised, Mr. Speaker, that early yesterday morning (June 22) the ashes of the late Prime Minister were scattered in the Caribbean Sea. I have also been advised that the urn with the residue is being held in safe keeping until it may be placed finally in a suitable monument to the late Errol Walton Barrow.

ORAL REPLIES TO QUESTIONS

Hon. H. A. BLACKMAN: Mr. Speaker, the reply to Parliamentary Question No. 49, asked by the honourable Member for St. James North, and the reply to Parliamentary Question No. 61, asked by the honourable Member for St. Michael North East, are ready.

Hon. B. M. TAITT: Mr. Speaker, on behalf of the Honourable Minister of Tourism and Sports, I give notice that reply to Parliamentary Question No. 57, asked by the honourable Member for Christ Church East, is ready.

ORDERS OF THE DAY

Mr. SPEAKER: Government Business is now the instant Order of the day.

SUSPENSION OF STANDING ORDERS

Hon. B. M. TAITT: Mr. Speaker, I beg to move that Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44 be > suspended for the remainder of this Sitting, Sir.

Hon. M. A. KING: I beg to second that.

The question that those several Standing Orders be suspended for the remainder of the day's sitting was put and resolved in the affirmative without division. 12.25 p.m.

GOVERNMENT BUSINESS

THE MISCELLANEOUS AMENDMENTS (REPEAL) ACT, 1987

Order No. 3 was called - To move the second reading of a Bill to repeal the Miscellaneous Amendments Act, 1986.

Hon. E. E. GREAVES (St. Lucy): Mr. Speaker, this Bill, which is entitled a Bill to repeal the Miscellaneous Amendments Act, 1986, is brought here to clarify certain policy decisions which were made by this Administration. It will be recalled that, towards the end of the last Administration, this measure was introduced in this Honourable Chamber to establish a Corporate Affairs Division and for transferring the functions which were covered under a series of Acts under this particular division. It meant that legislation relating to the Property Transfer Tax, Adjudication and Transfer of Shares, Registration of Newspapers Act, Business Sales Act, the Insurance Act, Limited Partnership Act, Trade Union Act, Registration of Business Names Act, Building Societies Act, Cooperative Societies Act, Friendly Societies Act, Industrial and Provident Societies Act, Charities Act and Trustee Act, the Patents Act, Trademark Act and Industrial Designs Act were brought under one department.

We felt that we ought to provide an opportunity particularly to chart a separate and distinct course for the development of co-operatives in this country, but it was clear that subsuming of co-operatives into the general Corporate Affairs Division would have the effect of stifling the kind of development which this Administration envisaged for co-operatives in this country. So the decision was taken that we would make that separation.

In addition, it was agreed that the other bits of legislation not related to the development of co-operatives would move from the Ministry of Trade and Commerce to the Attorney General. We, therefore, had to decide how we would effect these changes, bearing in mind that when the Corporate Affairs Division was set up, the position of Registrar of Co-operatives and Friendly Societies was abolished and the temporary post established to hold the situation until the department took over the entire responsibilities and got functioning.

It was very clear that this was cumbersome and unwieldy, and really had the effect, in our view, of stultifying what growth there ought to be attendant on the Co-operatives Division. There is no doubt that co-operatives are poised for not only a take off, but also to

make a very important contribution towards the development of our national life, and we feel that to give effect to this development and to ensure that co-operatives take the kind of course which we would want to see them take in this country, we ought to bring about this separation and establish a separate and distinct regime for co-operatives.

It is for this reason, therefore, that we are seeking to repeal the Miscellaneous Amendments Act of 1986, and the result of that is that the *status quo* which obtained before the passage of this legislation would be reverted to. We have a number of things to do in that particular area, and our hands have been, as it were, tied because of this particular arrangement. We want to unscramble that and have the kind of development taking place that we would want.

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

Hon. M. A. KING: Mr. Speaker, I beg to second the motion moved by the Honourable Minister of Trade and reserve my right to speak on this matter.

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

On the motion of Hon. B. M. TAITT, seconded by Hon. M. A. KING, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. R. P. BYER in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is in Committee.

Clauses 1 and 2 were called and passed.

On the motion of Hon. E. E. GREAVES, seconded by Hon. B. M. TAITT, Mr. CHAIRMAN reported the passing of one Bill in Committee without amendment, and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. B. M. TAITT, seconded by Hon. M. A. KING, the Bill was read a third time and passed. 12.35 p.m.

LIQUOR LICENCES (AMENDMENT) ACT, 1987

Order No. 7 was called - To move the second reading of a Bill to amend the Liquor Licences Act, Cap. 182.

Hon. E. E. GREAVES (St. Lucy): Mr. Speaker, in moving the passage of this Bill, I want to state a number of things.

First, it should be pointed out that in 1983, I believe it was around June or July, the former Administration amended the Liquor Licences Act to make it mandatory on a person who is carrying on a business to supply, when he or she applies for a Liquor Licence, certificates from the Commissioner of Inland Revenue, the Commissioner of Land Taxes and the National Insurance Department to ensure, I suppose, that the person was in good standing with his taxes and National Insurance.

During that debate in the Upper House, the question was raised about the status of a person who may be renting property in which he was conducting a business for which he required a licence, but over which he had no control relative to the payment of land taxes. It was very clear that this would have created some difficulty. The response of the Government was a very clear one, that they did not care who paid the taxes, as long as the taxes were collected. This is a matter of record in the Debate of the Senate of July 27, 1983, and I could refer to it if the need arises.

The Democratic Labour Party in our manifesto for the 1986 General Election made reference to this particular amendment, and stated on page 26, under the "LIQUOR LICENCES ACT CAP. 182" at paragraph 2, that

"This is an unreasonable requirement since the applicant is often not the owner of the premises and would be penalised because of the failure of the owner to meet his (the owner's) obligations, a matter beyond the control of the tenant."

What we are doing here by amending that amendment to the Liquor Licences Act is removing the particular difficulty which a tenant would have had in being required to provide a certificate from the Land Tax Commissioner for property for which he had no responsibility, and of which he was not the owner.

We in the Democratic Labour Party have no quarrel with a person having to provide a certificate from the Income Tax Commissioner to show that his Income Tax is paid. We have no quarrel with the requirement for a certificate from the Director of National Insurance to ensure that the National Insurance is paid, because, after all, the payment of Income Tax and National Insurance is the direct responsibility of the person who is carrying on the business. But payment of Land Tax has to do with the owner of the property, and, as I said, it is quite possible that we could have a situation in which a person who is not the owner of the property, under the amendment of the last Administration, would have been required to provide a certificate demonstrating that Land Tax has been paid.

We are seeking to correct that, and this Bill before us seeks to amend that amendment and to remove a

precedent for the renewal of a liquor licence under the Act where the applicant therefor is not the fee simple owner of the premises on which is located the business *j*[^] or trade for which the application relates.

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

Hon. M. A. KING: Mr. Speaker, I beg to second that motion and reserve my right to speak.

Hon. H. deB. FORDE (Christ Church West): Mr. Speaker, I rise to make one point, a very short point indeed, because in my experience in these cases, legislation may be drafted as carefully as possible to cover what is seen as one eventuality but there are a whole myriad of eventualities which provide difficulties for those persons administering the law.

As I understand it, the Government is accepting that the owner of a fee simple, a freeholder, still has to get a certificate from the Land Tax Commissioner. * So there is nothing obnoxious in itself by requiring a person to produce a certificate showing that Land Tax has been paid in respect of the land. What the Government finds obnoxious, and is seeking to repeal, is where the person who is running the business does not own the fee simple, but is a tenant or a leaseholder.

Sir, from my 26-odd years experience at the law, I know of several cases where, in effect, as between the leaseholder and the freeholder, the lessee and the lessor, there is an arrangement by which the obligation to pay the Land Tax as well as the insurance is placed on the lessee. In circumstances such as that, the lessee is in a better position than the normal tenant, who has not got that obligation. You also have the spectacle of persons who may have what is called a very long leasehold, and I think the Minister ought to be aware now that one of the ways of beating the Town Planning condominium and other legislation where there are restrictions is to give an extremely long lease, a lease as long, for instance, as 999 years — none of us will get beyond that lease — with the reversion at the end of a day. That will run four coaches through the legislation. So although it is easy to criticise, I think the Government either must make up its mind whether the complete repeal of the requirement for a licence is what it is after or whether it is only scoring a very little point relating to merely a tenancy.

I have seen the argument in various columns of the newspapers that such legislation, the legislation which is being repealed is onerous in itself because the person does not own the land. But experience shows now that even when the person does not own the land, the person who owns the land could have passed on the obligation by virtue of contract, and, really, the only reason that

legislation was put on the Statute Book was as a means, not of collecting taxes in itself, of ensuring that people honour their obligations. It does not, as was being contended, offend fundamental rights in the manner which was being contended at all. I think that on reflection, one can see that if the legislation was left as it is, it would not have been overburdensome. 12.45 p.m.

Daily, even now in my present practice as a lawyer, I come across some of the situations which I have drawn to the attention of the Honourable House. I do not want to make any further point on it. I can understand that the Government is honouring its manifesto pledge, but I am telling them that they have not got across the legal problems that I have cited to the House.

Dr. E. A. SIMMONS (St. Michael East): Mr. Speaker, very often in this House, we have to remind the Members on the other side that laws apply to people. The honourable Member, the Leader of the Opposition, just stood and spoke in pure legalistic terms. Laws affect people. That law which affected the small shopkeeper who was renting a piece of land from somebody living in England who did not pay his taxes, meant that the shopkeeper, and there are a lot of them across Barbados, would not be able to provide himself with employment. That is the crux of the matter, but it goes beyond that. This is not the only piece of legislation which we will have to bring to this House to demonstrate to the members of the Barbados Labour Party that they have passed laws which are anti-working class people. It is just another demonstration of the way in which they have set about to put pressure on the people of Barbados.

I understand the concern of the honourable Member for Christ Church West (Hon. H. deB. Forde), because when he gets up and talks about democratic socialism, he really believes that those are words that people cannot see through. People today have gone to school, and when they hear about democratic socialism, they expect to see it in practice.

We have seen a string of laws put on the Statute Books and no one can really justify the laws in human terms. You can explain to me about a 999 year lease and all kinds of other things. The point is that laws are made for people, and must fit the time and the people with which you are dealing. And if you think that a law, no matter how legalistic you think it is, will affect working class people, you are duty bound to look at that law and decide whether or not it is applicable to the situation in which you are working. That is why we on this side will come to this House time and time again and remove those laws which have been a burden on especially the poor people of this country.

Later today I will get on to some other very important issues. I just want to say my piece on this, because a political party must have a philosophy, and what the party does, expresses very clearly the philosophy of that political party. I would think that in the second part of the 20th century any political party that sits down to map out legislation would understand the philosophy of what it is doing and how it will affect from the biggest man in the country to the smallest man. When you go through these bits of legislation, you will find time and time again that some of them which were put on the Statute Books were difficult for only one set of people, those at the bottom.

Hon. M. A. KING: (Christ Church West Central): Mr. Speaker, I thought the Honourable Minister of Trade had dealt with this matter quite effectively when he pointed out the mischief which this amending bit of legislation sought to deal with. The problem which we saw was that the Liquor Licence as it stood prior to this amendment which is now being introduced was very oppressive to a certain section of the population, particularly the small shopkeepers who, when they rented shops, lands and buildings from landowners, had to produce a certificate that the Land Tax in relation to the land had been paid before they could get a Liquor Licence.

We thought that that was an unnecessary and burdensome imposition on the tenant, because the tenant was not the landowner. The tenant had no rights in the property; therefore, the tenant is not the person to whom the Government should look primarily for the payment of Land Tax.

The Honourable Leader of the Opposition has made the point that by contract the party can alter the position. So what? If a landlord and a tenant agree that the tenant should pay the Land Tax and the tenant agrees to that nonsense, that is the tenant's problem. But we are saying that we should not institutionalise it in a statute that the tenant has the obligation to pay or to ensure the Land Tax is paid by the landlord, because it places an unnecessary burden on him if the only way he can get his certificate is by ensuring that the landlord has paid the Land Tax.

The honourable Member for Christ Church West (Hon. H. deB. Forde) has made the point about persons with 999 year leases. This amendment does not alter the prime and prior obligation of a landlord to pay his Land Tax. If the Land Tax is not paid, the Land Tax Department, the particular agency of Government, can take the appropriate steps to collect the Land Tax in the way in which it should be collected. The legislation does not facilitate anyone avoiding the payment of Land Tax. All it is doing is removing an unnecessary burden from a tenant. If a tenant assumes that burden, then that is the tenant's problem, for which we as a Government cannot be responsible.

This amending bit of legislation is in fulfilment of the manifesto commitment which we made to the people of this country, a problem which we saw effecting a certain section of the community, and, in my view; Mr. Speaker, it is amending legislation which should get the wholehearted support of this honourable House.

Hon. E. E. GREAVES: Mr. Speaker, I got the impression that the Leader of the Opposition was saying that the purpose of the amendment which the Barbados Labour Party passed was not necessarily to collect taxes but to offer protection to some legal conundrum which he tried to explain.

Sir, let me refer to the debate in the Senate where the Bill was presented and I

Asides.

Hon. E. E. GREAVES: You had Ministers up there! Oh, people just do not have any sense up there! I understand. I know they did not have any sense.

Hon. H. deB. FORDE: I wish the honourable Member would really quote what I said. The honourable Member is now saying the Senate does not have any sense. I am not surprised, seeing how it is presently constituted. He may want to comment on that, Sir, but that is not what I said at all.

I asked why he was referring to the Senate rather than the House. He must not misquote me.

Mr. SPEAKER: No point of order.

Hon. E. E. GREAVES: Sir, I was referring to the Senate as constituted from 1981 - 1986, not this present Senate, because we are dealing with the legislation as it was introduced in the Senate on July 27, 1983. 12.55 p.m.

Sir, on page 1271 of that debate, Senator the Honourable N. A. Barrow had this to say:

"Mr. Deputy President, I now understand fully what the problem is, but it is easy for anybody to present a Land Tax Certificate, because if he discovers that the tax is not paid, he can pay it. What the Government is doing is to make sure it collects its tax. He can pay it.

"The second point you have to understand is that the tenant can then deal with his landlord in terms of setting the payment of the tax off against the rent, because he would have created a legitimate debt. These things can be set off, so he can pay it. The Government will get its money

and the landlord would have to refund him, either directly paying him back or setting it off."

Senator the Honourable C. A. Griffith had this to say in summing up:

"I just simply want to add that the object of the Bill is to collect taxes. We are not interested in who pays the tax as long as the taxes are paid. That is the object of the Bill."

With those remarks, Mr. Speaker, and considering the obvious burden which this bit of legislation, as amended by the Barbados Labour Party, would have placed on the shopkeepers who were not owners of the property, I commend this Bill to the House.

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

On the motion of Hon. E. E. GREAVES, seconded by Hon. W. O. FRANKLIN, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. R. P. BYER in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is in Committee.

Clause 1 was called and passed. Clause 2 was called.

Hon. E. E. GREAVES: I beg to move that Clause 2 stand part.

Hon. W. O. FRANKLIN: I beg to second that.

Hon. H. deB. FORDE: Mr. Chairman, Clause 2 is the substantive clause to modify the provision in the earlier subclause of this legislation, and I want to make a point that would perhaps help the honourable Members.

Under this clause, S.1, Sandy Lane Hotel Limited owns the Sandy Lane Hotel, let us say, Sir; S.2, Sandy Lane Hotel Trading Company Limited operates the hotel and it operates the hotel under either a contractual arrangement or it can operate the hotel under a leasehold arrangement. In those circumstances, there will be no requirement on what might be a big multinational company — Sandy Lane Hotel Trading Company Limited — to produce a Land Tax bill, but the requirement will rest on the little shopkeeper in Pilgrim Road, or "V wherever you like, if they own only two roods or less than that of land.

So let us really do not try to see as though you are pulling wool over people's eyes. If the Government wanted to effect its object, it would have legislated the practice that has risen up in the Land Tax Department — and the Ministry's files show this quite clearly — where by administrative act there was a waiver in case there was any difficulty facing the so-called small shopkeepers of whom the Honourable Minister of Finance spoke earlier. As the Honourable Minister of Finance knows, there is replete in tax legislation a waiver clause provision to deal with the hardship cases such as the one to which the honourable Member referred, and that was the way of dealing with it without necessarily penalising or giving a better advantage to other persons.

Honourable Members moved off the point I was trying to make. It is possible to take two different legal approaches to deal with a difficulty which has occurred where you are dealing with what is called an oppression or a hardship. I have dealt with several of the small shopkeepers that he is talking about, and tenants who have gone to the Commissioner of Land Tax, and the practice has grown up, as replete in the file, in which there is a waiver in those circumstances and the certificate was given.

If you wanted to legalise it, you do that by a clause which gives the waiving position to the Minister, and he can delegate it down the line, and it would have been dealt with normally. That is the point I was trying to make in the debate, but honourable Members went haywire on the point.

Hon. M. A. KING: Mr. Chairman, normally the honourable Member for Christ Church West is quite clear on his points, but I am at a loss really to understand the point which he is making. In the Sandy Lane example, you are talking about one big landowner leasing property to another contractual holder and you are asking, where is the Land Tax going to be paid from? What is the problem? The owner has the obligation to pay the Land Tax. I do not understand what the problem is. Whoever the owner is has the obligation to pay the Land Tax, and always had and will always have, so what is the point? I have certainly missed the point. I do not understand the point. If you own land, you have an obligation to pay the tax.

Aside.

Hon. M. A. KING: What is the problem about a waiver? The question of a waiver does not arise. There is provision, I believe, for Land Tax relief. There always has been, and there always will be, provision for Land - Tax relief. I do not understand the honourable Member for Christ Church West. The problem that existed is that an unnecessary burden was created for the tenant, because the tenant then had to ensure that Land Tax was

paid in respect of something to which he had no primary obligation, unless he undertook an obligation by contract, so I cannot understand what the problem is.

Aside.

Hon. M. A. KING: You certainly have not explained it so far, because if the landowner owns the land, the landowner has the obligation to pay the Land Tax. I do not see how he can get away from that.

Dr. E. A. SIMMONS: Mr. Chairman, I said when I spoke last that it has to do with philosophy. I would have thought that when we brought this legislation here to change the imposition, probably the best thing would have been to let it go by, because I think everybody recognised that it was a bad piece of legislation. 1.05 p.m.

I do not understand why the honourable Member for Christ Church West has got so upset. When he was Attorney General, there was a piece of legislation which had to do with the rental of apartments, to the effect that if you did not register the apartments, the person renting from you was not obliged to pay you rent. He left the office of Attorney General, then opposed the law, and I think won a case. He has to admit, out of sheer practice, that there were pieces of legislation put on the Statute Books that were not in good standing, so I do not see why he feels so upset because we bring another piece of amending legislation.

We have come into this Chamber already and taken off the penalties that were put on carpenters, masons and nut-sellers. These are the people that I am talking about. The shopkeeper is just another one of the poor people in this country that was burdened with unnecessary tax. That is the point I was making, so when we bring this legislation, there is no need to rush and try to explain something that cannot be explained. That is why I want to make my point that it has to do with the philosophies of the political parties because one cannot see people purely in legalistic terms.

Laws are made for people and societies, and a law that would have been good in 1884 is not applicable in 1987, and that is why there is revision of law constantly. That is the point I make.

Hon. H. deB. FORDE: Mr. Chairman, I really must reply to some of the points of the honourable Members. Obviously, the Attorney General has not followed the arguments that I have given.

The point I am making is nobody is arguing that the obligation to pay the tax was not always on the landlord. In fact, it emphasises the point that I am making. Contrary to what the honourable Member for St. Michael

South East thinks, the obligation to pay the tax under the legislation as it stands now was never placed on the tenant. The Labour Party never placed the obligation on any small shopkeeper to pay any tax. He must understand that very clearly.

What was being said, and this was legislation not only under us, but under you as well, is that there were certain requirements that had to be fulfilled before you could get a Liquor Licence. One, you had to show that you were a person of good character. You had to show that the National Insurance in respect of the employee was paid. The additional obligation, about which we were talking, is that you had to produce a certificate showing that the Land Tax in respect of the premises was paid. The production of a certificate did not mean that you had the obligation to pay. The honourable Member must understand that.

Dr. E. A. SIMMONS: On a point of explanation. I said in the beginning that the landlord may be in England. I made it absolutely clear that the landlord may be in **Enolunrl and not navino the taxes**

I did not misunderstand what the Barbados Labour Party did. I understand very clearly what they did, but if you say to me that to open a shop I must produce a Tax certificate or else I cannot open the shop, and I cannot find the landlord, the only way I can continue my business is to pay the money. That is the practical situation.

Hon. H. deB. FORDE: What I said, and this is the point I was trying to explain to the honourable Member, is that in my experience, because I deal with a lot of these matters, for small shopkeepers, and the honourable Member, and other people, what happened in the administration of the law was that in cases where persons can show that their landlords did not give the Land Tax in time, the obligation to produce the certificate was waived. What I am saying is that it is possible to legislate that particular privilege without necessarily affecting the legislation as it stands.

There are two ways of approaching the legislation, because what I am saying further, and the Honourable Attorney General did not understand the point I am making, is that it is possible in this legislation to drive a coach and four horses through the legislation, not in favour now of small shopkeepers, but in favour of the big persons who were giving problems to the department. We found at the time that there were multinationals who were operating through Cayman Islands holding companies and what's not, who were then not honouring their obligations and were hiding behind the holding companies.

Sir, I know where the obligation to pay Land Tax is. We were not arguing about that. We were arguing about

how to deal with all of the millions of situations that come from legislation.

The honourable Member is going to get it down to philosophy, that somebody wants to screw somebody else. This is really not what was here, Sir.

Mr. CHAIRMAN: Honourable Member - the language! I would like you to rephrase the last thing you said. I think you should substitute the words. You should withdraw the words "to screw". I am worried about that phrase. I believe that you are referring to the Americanism "to screw up", and that is inelegant in itself.

Hon. H. deB. FORDE: I am sorry that the Honourable Chairman is not able to comprehend.

Mr. CHAIRMAN: I comprehend.

Hon. H. deB. FORDE: If you want to say "to unfair", I would put "unfair", but you must realise that it is a normal English word that has various other connotations and which could be substituted. There are synonyms that would go equally as well. But if you prefer "unfair", Sir.

Asides.

Hon. H. deB. FORDE: The word is a well known word, but I have no difficulty in substituting "unfair" for it.

Mr. CHAIRMAN: I am quite aware it is a well known word.

Hon. H. deB. FORDE: It is a synonym. It does not always have one meaning.

Mr. CHAIRMAN: I never said it did. ^

Hon. H. deB. FORDE: That is all right.

I want to go to another point. The honourable Member in making his.....

Asides.

Mr. CHAIRMAN: If you want to make a point, will you rise?

Hon. B. M. TAITT: Mr. Chairman, just a matter of purity. Sir, I am not quite sure what is happening. On a point of order.

Is the honourable member now saying that he is substituting the verb "to unfair" for the verb "to screw"? "Unfair" is not a verb, Sir.

Mr. CHAIRMAN: The honourable Member will make the substitution in due course.

Hon. H. deB. FORDE: As a good Bajan, I put it in quotation marks. The honourable Member does not really understand Bajan. He was brought up — I do not know where — in America. The word "bottomline" is not a well known word, but you use it. The honourable Member should know that. The honourable Member is trying to give trouble today, Sir.

I want to move on to the point that is understood with legislation. Using the analogy, the honourable Member cited the fact that a lawyer, like the present Attorney General, can raise the constitutionality of legislation which is passed in this House, or even passed during the tenure when the honourable Member may have been Attorney General, and I am glad that he has raised it.

I appeared leading the honourable Member in one case. There were seven cases, three of which were arguing one thing and four the other. One of the first three to come up was the one which the present Attorney General asked me to lead him,

Asides.

Hon. H. deB. FORDE; He always comes for the best lawyers. It is not my fault if he recognises that. The point is, not only did I lead him in the case, but the honourable Member knows that neither of us got paid for the case. We never got paid.

It is important that one should get the roles clear. For the benefit of the honourable Member, he should read Professor Edwards on "The Attorney General and the Public Interest." He would find numerous examples of this situation. It is just like a judge who might draft legislation being called to determine its constitutionality afterwards. There may be a political point that the honourable Member wants to make for those persons who really do not understand the role which lawyers play in courts of law, but I just want to put that on the records. 1.15p.m.

Hon. M. A. KING: Mr. Chairman, I do not think we can proceed with this argument much further, because clearly I am not understanding the honourable Member for Christ Church West and he is not understanding me. The point about this Liquor Licences (Amendment) Act is that it deals purely with the problem of the obligation of the tenant to produce a Certificate of Land Tax in relation to the premises. The honourable Member has made the point that the law never before required the tenant to pay the Land Tax, but it is like saying to a man, look, you do not have to work, but the fact is that if you do not work, you cannot get money to eat. That may be a ridiculous example, but the fact is that if a

tenant had a property which he was renting from a landlord, he had a business going and at the end of the year or the beginning of the year he needed to get his Liquor Licence renewed and the landlord refused to pay the Land Tax, or the landlord could not be found and the Land Tax was not paid, the fact of the matter which you cannot escape, the inescapable fact of your amendment was that the tenant could not get a Liquor Licence to carry on his business, and thereby earn a living. We thought that was unreasonable and unfair, and the purpose of the legislation is to remove that unreasonable requirement.

The Minister of Trade made a point in his opening, and it bears repetition, that this amendment does not affect the obligation of the land owner, and of the tenant, for that matter, to pay his Income Tax, National Insurance contributions and honour all other obligations, because those are personal obligations which have to be met. He talked about multinational companies coming here and escaping their obligations, and there are a lot which come and do not pay in the National Insurance contributions of their employees, do not pay in their PA YE deductions which they deduct. But that is all right. We have no quarrel with that. That is not being touched. We say that the tenant and those who rent properties and those who are the leaseholders of properties still have the obligation to meet these commitments, but the one point we make is that you should not ask the tenant to produce a Land Tax certificate when it is not an area in respect of which he has any obligation in law, and the effect of your amendment was to force him to produce that, to pay the Land Tax if the land tax was not paid. I think I have nothing more to say on this, Mr. Chairman.

Mr. J. J. PAYNE (St. James South); Mr. Chairman, I should just like to make a very brief comment on this debate, and I want to speak specifically on the point raised by the Leader of the Opposition about the application for a waiver in certain circumstances.

I believe that that particular suggestion could encourage fraud on the part of some tenants if it is not properly observed, and I can give you a hypothetical case. You would find that persons who are the owners of properties would tend to transfer the title and the legal ownership in the property maybe to persons living abroad so that they can make an application on the basis of some hardship or difficulty in getting the land taxes paid, and on that basis they will have a good case for having a waiver, and that would create the means, Mr. Chairman, of making it even more difficult to collect taxes.

If that is the way I understood his suggestion about the waiver, I think it would be preferable for us to pursue the line taken by the present proposed amendment, and that is the only contribution which I should like to

make on this particular point. My point is that by creating an opportunity for a tenant to run to some authority for a waiver, you are creating that possibility that persons will try to get around the law by transferring the ownership and the title of their property to other persons.

Thank you, Mr. Chairman.

Hon. E. E. GREAVES: Mr. Chairman, with those contributions, I beg to move that Clause 2 stand part.

The question that Clause 2 stand part was put and resolved in the affirmative without division.

On the motion of Hon. E. E. GREAVES, seconded by Hon. M. A. KING, Mr. CHAIRMAN reported the passing of one Bill in Committee without amendment, and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. E. E. GREAVES, seconded by Hon. M. A. KING, the Bill was read a third time and passed.

GUARANTEE OF REPAYMENT OF \$10 MILLION LOAN BY BARBADOS DEVELOPMENT BANK

No. 2 was called - To move the passing of a to approve the guarantee by the Minister of the repayment of a principal sum not exceeding \$10 million and of interest thereon borrowed by the Barbados Development Bank by means of a seventh issue of National Development Bonds.

Hon. Dr. R. C. HAYNES (St. Michael South Central): Mr. Speaker, this Resolution seeks the guarantee of Parliament for the borrowing of \$10 million by the Barbados Development Bank.

As set out in the Addendum, the issue will be in two tranches and the rate of interest will be 6 per cent.

This is the seventh issue of such bonds to be raised by the Barbados Development Bank, and in each instance such issues have been guaranteed by the Parliament of Barbados as required under the laws.

Perhaps it would be appropriate at this time to make a few comments as to the use of the funds which would be so raised. As has obtained in the past since the appropriate legislation was put in place, or administrative arrangements for so doing, provisions will also be made for the purchasing of these bonds by way of payroll deductions for those who wish to use that mechanism to purchase bonds. 1.25 p.m.

These bonds play a very important role in the operations of the Barbados Development Bank since it allows the bank to fulfil one of its mandates, to mobilize domestic savings and channel such savings into the productive sectors of the economy. The National Development Bonds are a vital source of funding for the bank and they provide the counterpart funds required under programmes with international lending agencies.

Equally important, they allow the bank to provide financial assistance in vitally important areas not eligible for funding under the programmes of international agencies. One area would be small business sector development and many small projects. You may recall, Sir, that one of the Budgetary Proposals of this year was to establish a Micro Business Window at the Development Bank. That window came into force last week, and is now active, and through it small businessmen can have access to up to \$10000. The Barbados Development Bank would have put up some quarter million dollars and the Government will put up another quarter million dollars in this fiscal year to get the programme started. Of course, depending on public demand and public response, if further funds are required they will be made available, because we consider this area of small business activity to be critical to the development of this country.

It is important to recognise that these small scale enterprises enhance the country's social and economic stability and have a high level of job creation per dollar of investment.

Sir, having indicated to this House in the past, and to the public in general, the state of the Barbados Development Bank when the Government took office last year, I should point out now that there has been some improvement in the operations of the Barbados Development Bank. You may recall, Sir, that for the financial year ending, I think it was March, 1986, a substantial provision was made for loan losses by the Barbados Development Bank. This year I anticipate, as I did mention at that time, that probably somewhere in the region of another \$8 million in loan loss provision will have to be made, because it was not possible to maintain the integrity of the bank last year and make provision for over \$16 million in loan losses in one year. It would have wiped out the capital of the bank. However, we did identify last year the extent of the loan losses provision that would have had to have been made last year and this year.

The bank would have made adequate provision for the bad loans of the past, and it is essential now to look and see what would be the future performance of the bank.

Some important steps have been taken over the past year. The loans Administration Department of the bank has been beefed up and additional staff has been recruited at the top level. A Financial Analyst has also been

recruited, and all the evidence suggests that the stage is set to bring about a reasonably strong recovery in the loan portfolio. There has been a newly created Division of Marketing and Development, the manager of which will spearhead the bank's search for new areas of activity to diversify its own portfolio and to find new sources of revenue. There will also be a new Division of Internal Audit which would facilitate the development of systems and procedures and make for enhanced efficiency within the bank. So there has been a major restructuring of the administrative arrangements within the Barbados Development Bank over the past year.

I also pointed out that there can be no doubt that the task which confronted us a year ago was one of rebuilding the Barbados Development Bank and that that would be a slow process. If you were to look at the assets of the bank and the loan loss provisions that were necessary, then it is obvious that the bank's portfolio would have to be rebuilt. I am quite happy to announce that the collections of principal and interest over the past 12 months have shown encouraging improvements. Interest collected as a percentage of interest due increased substantially during the past year whilst the collections of principal increased from 30 per cent to 38 per cent of the amounts due. In other words, there has been a substantial improvement in the payment of interest and the repayment of principal. This has been a distinct reversal of the trend over the past three years when amounts collected as a percentage of collectables fell both for principal and interest. With that scenario, and with the adequate refinancing of the bank, I anticipate that for the coming year we should see either a break even point or somewhere between a small deficit or a small profit in the Barbados Development Bank, looking at the present performance of the loan portfolio and having cleaned up the bank in respect of the bad loan provisions.

I think that the Development Bank has a major role to play in this country. We think that it is going to be one of the important intermediaries as Barbados moves more away from physical project financing towards sectoral financing so that our superstructural activity would be enhanced, since there is only that amount of infrastructural development which the country can accommodate. Looking down the road, I think that we will see less emphasis on borrowings for infrastructure and more emphasis on borrowings to get the foreign exchange earning sectors of the economy going.

For example, I am aware of the fact that the bank is very conscious of the problems facing the hotel industry, in particular the small hotels, and that they have been working, along with other interested bodies, over the past year to come up with an overall financial package which addresses the problem of that sub-sector of the tourist sector of the economy. What I am saying is that the Barbados economy, I think has reached the point where we have to

keep impressing on international lending agencies that we are more interested in borrowing for sectoral development than borrowing for specific projects for which we may not have a need immediately or in the short term. Unfortunately, they happen to be the kind of projects for which we can get financing, since we are interested, of course, in the foreign exchange component of the cost of such projects and in the foreign exchange position in relation to the country. 1.35 p.m.

I think the bank has adequately positioned itself not only to respond to the needs of individuals, but also to fulfill that developmental role as we move away from specific project financing of an infrastructural nature to sectoral financing for the further development of the country. We are hopeful that we can attract such financing without the usual conditionalities that apply to sectoral financing because of the structure of our macro-economic management where there are no gaping problems that can lead to any such conditionalities as would apply in many other countries.

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

Hon. E. E. GREAVES: Mr. Speaker, I beg to second that and reserve my right to speak.

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

IMMIGRATION (AMENDMENT) ACT, 1987

Order No. 4 was called - To move the second reading of a Bill to amend the Immigration Act.

Hon. M. A. KING: (Christ Church West Central): Mr. Speaker, this is a very short amending Bill, the object of which is to empower the Minister responsible for Immigration to delegate certain powers to any public officer in the Ministry responsible for Immigration. This power existed in the Act before, except that the Minister responsible for Immigration was empowered to delegate the responsibility to a public officer in the Immigration Department.

Under the last Administration, the term "Public Officer" in the Immigration Department was certainly used to mean a public officer in the Ministry responsible for Immigration, because, in fact, the delegation of power and authority by the Minister was to the Permanent Secretary in the Ministry responsible for Immigration. I did not feel that a public officer in the Immigration Department could by any stretch of the imagination mean the Permanent Secretary in the Ministry responsible for Immigration, so I thought that the matter needed to be tidied up so that if power is to be delegated to the

Permanent Secretary in the Ministry responsible for Immigration, the law should so state.

The object of this amendment is to regularise that position and to empower the Minister to delegate powers as he may see fit to any public officer in the Ministry responsible for Immigration.

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

Hon. E. E. GREAVES: I beg to second that and reserve my right to speak.

Dr. E. A. SIMMONS (St. Michael South East): Mr. Speaker, I think that this is a good time to look at some of the immigration policies and laws in Barbados, because I think that there are one or two problems we are having with respect to people who are in Barbados and are finding great difficulty.

In Barbados there are lots of people who were born in the Caribbean and who have lived in Barbados for a considerable number of years - some of them over 30 years — and, really, Barbados is their home, and they know no other home. But when they apply for permanent residence, citizenship, or if they want to get a passport, they find great difficulty in regularising their position.

I know of an individual from St. Vincent, I think it is, who has lived here for over 30 years and wanted to become a permanent resident. I think that the laws in Barbados are so structured that one has to provide to the relevant Immigration authorities, documentation of having entered into Barbados, which would be either by way of a passport or a permit of entry. When one cannot do this, I think the other alternative is that one has to go home, that is to St. Vincent or St. Lucia, and get either a Birth Certificate or Baptism Certificate — I am not quite sure which one it is to prove that one is a citizen of St. Lucia or St. Vincent, as the case may be, to come back to Barbados then to make application. As I said, the only home some of these people know is Barbados. They have either left their native land for so long that they have severed all contacts, or that they left at such a tender age, because some of them came here when they were two or three years old that they have no contacts with their motherland and they find it very difficult.

Only a few weeks ago, the late Prime Minister was about to travel to Trinidad and somebody recognised that his passport or something was about to expire and they had to rush around feverishly to get papers for the Prime Minister of Barbados to set foot in Trinidad. While that is going on, relevant to our situation in the Caribbean, people with criminal records coming from South Africa, people who belong to the Klu Klux Klan, can take a driver's licence, get it photocopied and walk

into the Caribbean, while we are saying to our brothers and sisters that they have to go through all kinds of rigmarole to set foot on our soil. 1.45 p.m.

I think that it is time, if we are talking about Caribbean unity and a Caribbean identity, that we look at our immigration laws more seriously. I am not trying to imply that everyone who wants to come into Barbados from every Caribbean country should be given free entry, but certainly we need to look at upgrading the laws and make it easier for people from within the Caribbean to move backward and forward.

We must remember that we all came through the Middle Passage on the slave ship, and if we were to go and read the documents, let us say, in St. Vincent at the Fort, we would recognise that to evade the slave masters, our forefathers simply took trunks of trees, hollowed them out and drifted from here to St. Vincent down the Grenadines; so we are all one family. Therefore, if we are all one family, we should behave as though we are one family, and we should not necessarily put impediments in the way of communications between the Caribbean while we are talking about building up trade in the Caribbean, while we are making it absolutely easy for people from extra-Caribbean areas to move within the Caribbean. I think this is an ample opportunity to look at such situations.

I would like also to say something that has been very disturbing to me. I travel to the Grenadines a lot, and there is a complaint, and I must air it on the floor of this House, which is a legitimate complaint by the people of the Grenadines, that when they pass through our airport, especially dealing with the LI AT counter, they are encountering some very serious problems.

Two days ago, I was talking to someone who was at the airport, I think it was on Saturday night, a Barbadian, who was ashamed at the way passengers coming from New York in transit to St. Vincent were treated at our airport. If we are to build Caribbean unity, we have to be mindful of the way in which we treat our brothers and sisters of the other islands. Some of these islands have no direct flights to their countries and their citizens must pass through our shores.

They also have a problem at times with Customs.

We know that if you pass through Barbados and you are, let us say, taking a TV set, you will have to pay duty when you get to St. Vincent. At times it has been reported that people going through Barbados to St. Vincent have to pay duty on the TVs here, and then when they get to St. Vincent, they have to pay duty again. This happens because, very often, people cannot get connecting flights and have to stay overnight, and

when they have to stay overnight, they have to go through Customs.

I think these are matters that we should look at seriously, because they do not lend themselves to building good Caribbean relations, and if we are talking about building a Caribbean community, we should look at all the stumbling blocks that are in the way and try to dismantle them as quickly as possible.

Thank you.

Mr. R. P. BYER (St. George South): Mr. Speaker, I hope that my contribution on this Bill will address another possible problem that could develop in Barbados in the long future.

I think that the time has come when Asian immigration to Barbados has got to be addressed. In so doing, I want at the very beginning to make certain points and to establish the parameters of my contribution. What I am saying is not motivated through spite or ill-will - let me say that I have many friends of that extraction — but because of the many problems that confront societies with Asian immigrant populations.

We can recall, Sir, the atrocities that were committed in Uganda against the Asian population when Idi Amin was the ruler of that country. You will recall that that population was unceremoniously uprooted and many of them had to seek refuge in the United Kingdom. The other example is more recent, when there were certain occurrences in Fiji, when the Head of the Armed Forces seized power after the immigrant Indian population became the dominant racial group in the legislative life of that country. These are but two of the most glaring and most recent examples that we can think of, but there are several others, and as I go on, I would want to advert to one or two others.

I am thinking of the long term interest of Barbados. At this moment, we do not have a very significant Asian population in Barbados, but I think that in a few years from now that may change. In the two examples I gave earlier, we had the situation in which an immigrant community was expelled because it dominated commerce, and in the other case, not only dominated commerce, but was in a position, before power was seized, to dominate the legislative process as well.

I am not going to defend what Idi Amin did. I think it is indefensible. I do not intend to defend what the Head of the Armed Forces in Fiji did either. I think it was an affront to the democratic process. But I merely raise the examples to highlight what can happen in our society a couple of years down the road.

My point, Sir, is that we have got to use our immigration policy very wisely if we are to restrict the growth of

the Asian population of Barbados. There are native - that is, native to Barbados — Asians in Barbados but over the years we have noticed that there have been significant increases in the number of people of that extraction who were granted citizenship of Barbados and who were even given an upgraded status of permanent residence or other status.

We are a very young nation, Sir, and our immigration policy is in its infancy. This year we are 21 years as a nation and the present immigration law in Barbados that we use was passed in 1975 but commenced on February 2, 1976. It was amended after that in 1979 and the amendment commenced on August 9, 1979. So the law and the practice and the policy surrounding the present immigration policy in Barbados were only, shall I say, born in 1975. 1.55p.m.

We as a nation are only 21 years this year and our Immigration policy is, therefore not as developed as it is, for example, in the United States of America, or for that matter looking at even a more developed immigration policy, the United Kingdom. So a body of practice has now got to be developed around this Immigration Act, and we have now got to try and carefully map out over the next couple of years the direction in which we want to go in terms of our immigration policy.

My impression is that we have not taken a very hard line in terms of our Immigration policy, because we want to attract a very significant - significant not only in terms of numbers but also in terms of their potential to generate business in Barbados — immigrant community in Barbados which has the kind of money to invest in this country that will generate jobs and so on. That is all right, I can have no quarrel with that, but my opinion is that we must so harmonise our immigration policy that it complements our economic development approach in terms of attracting businesses to Barbados.

This contribution is not being made to scare away people from Barbados. It is made out of a sense of concern for what might happen a couple years from now. We have to balance our economic needs with the long-term interests of future generations of Barbadians.

One of my difficulties with any immigrant community in Barbados is that the members seem to set themselves apart from the other Barbadians. We hear about, for example, in Trinidad, the Chinese community in Trinidad; in Barbados, you hear about the Indian community in Barbados, the Syrian-Lebanese community in Barbados, and so on.

Asides

Mr. R. P. BYER: Just let me develop my point.

I have a difficulty with them. If Barbadians go abroad and practise the same thing, it is a matter for them, but in terms of living in Barbados, I think that if you are a native Barbadian, even though you are of a different extraction from the dominant racial group in Barbados, one must identify with Barbados as a community and not seemingly set oneself apart as being Asian or Lebanese or whatever. That is one of the problems that I have with the immigrant communities in Barbados.

For me, it is not sufficient to say that they provide economic service and, therefore, should be allowed to settle and be allowed to conduct their business in peace.

If we are going to proceed with our immigration policy in the way that I just outlined, in terms of letting it complement economic development, my view is that we should seek to encourage people, who want to get involved in the business of manufacturing as against the current types of business that the communities that we have in Barbados now engage in, that is, selling cloth or whatever, just more or less a service community. I do not think that is good enough.

I hope that the opportunity will arise on another occasion when this House could further examine in more detail some of the matters that I just raised, but I think that the time has come when we must seriously as a community examine Asian immigration into Barbados, not only Asian immigration from as far as India and so on, but also from Guyana and Trinidad as well, the Caribbean. We have to address this.

I want to make the point that what I said was not said or motivated because of spite or ill-will. It was motivated purely and simply out of a concern for what problems I could see developing, given the example in Uganda and the more recent example in Fiji. You can think in terms of Madagascar. Madagascar was really dominantly African, but now we cannot say that, and there are other examples that one can think about. I want to emphasise that my contribution was made out of a sense of concern for what problems might develop in Barbados later on, given the present racial mix and the way it could develop as time passes.

Thank you, Sir.

SUSPENSION OF SITTING

Hon. B. M. TAITT: Mr. Speaker, I beg to move that this sitting be now suspended until five minutes after three o'clock.

Hon. M. A. KING: I beg to second that.

The question that the sitting be suspended until 3:05 p.m. was put and resolved in the affirmative without

division, and Mr. SPEAKER suspended the sitting accordingly.

2:05 p.m.

4

ON RESUMPTION

Mr. SPEAKER: This sitting is resumed.

GOVERNMENT BUSINESS (RESUMED)

Mr. SPEAKER: When the suspension was taken, the House was debating Order No. 4. The honourable Member for Bridgetown.

Mr. P. J. M. MILLER: Mr. Speaker, I would like to more or less get into the same vein as the honourable Member for St. Michael South East (Dr. E. A. Simmons), because I am more than a little concerned about the treatment meted out to fellow Caribbean people who are either living in Barbados or attempting to come into Barbados, whether to do business or to be on holiday.

I remember recently having to deal with a case of a young woman who has been living in Barbados for at least eight years, because her oldest child, who is eight years, was born in Barbados. She had three children, and they were all the children of a gentleman from St. Vincent. She was also from St. Vincent, but the children were all born in Barbados, and because of a domestic problem with her and the father of the children, the Immigration Department wanted to deport her, and I had to make the point at the time that I wondered what they were going to do with the three children who were born in Barbados and were, in fact, Barbadians.

This is not an isolated case. There have been several cases like that, and these are things we have to carefully examine and treat seriously. While I appreciate that, for economic reasons and maybe social reasons, we do not necessarily want to just open our doors so that whosoever will may come, we have to deal with cases, particularly cases to do with Caribbean people like ourselves, in a particular fashion.

I heard the honourable Member for St. Michael South East mention cases of people who have been living in Barbados for a long time, 30 years in some instances, who know of no other place but Barbados as their home, and we have other serious problems in terms of how the law is structured as it relates to immigration for Barbadians who were born abroad, people who were born abroad to Barbadians parents. I had a case recently of a person who was born in Washington DC, in the United States, of Barbadian parents, and was given a Barbadian passport by the Barbados Embassy in Washington. Last week they tried to renew that passport and encountered serious difficulty in renewing a Barbados passport. They are now living in Barbados and are trying

to leave and needed a new passport. They already have an American passport, but they wanted the Barbados passport renewed. That has been a problem. They were told they would have to get the father's birth certificate to prove that the father is living in the United States, and generally they were given what we would call in Barbados the run around, though it was explained to the Immigration Department that the people want to leave Barbados in a short time.

There is another problem which I do not believe was touched on yet, the way people are treated who come here from Guyana. There seems to be a special type of treatment for Guyanese coming to Barbados. You have people who come here who are second and third generation Barbadians from Guyana. They were born in Guyana but of Barbadian parentage. They come here even for a holiday. I am not talking about people who are looking to come and live here or trying to evade immigration, but as soon as you have a Guyanese accent, it appears to me, and you arrive at Grantley Adams Airport, you get a special kind of treatment, and it is not the best kind, let me put it that way.

I do not see how we can continue to talk about, and make fun of it, too, about Guyanese coming here and looking to run from Immigration because things are not so good down there. We make fun of it and then in another breath we talk about Caribbean integration, and then we behave as if we do not really want integration, because when Caribbean people visit us, we start off at the door, as it were, where we should be welcoming them, by treating them badly at the point where they enter Barbados, and we know as Barbadians that in most of the CARICOM countries that we go to we do not encounter this kind of treatment. I do not think there is anyone in this Honourable Chamber who can say that he or she has had that type of treatment on arriving in Georgetown or Port-of-Spain.

I think, Sir, that our immigration policy must be part of our overall policy in terms of our Caribbean integration. I think that we should be moving more in the direction of Caribbean citizenship rather than having this insolent behaviour, and I really appeal to the powers that be as far as the Immigration Department is concerned to do something about the way we treat our fellow Caribbean people when they arrive in Barbados.

Thank you, Sir.

Hon. M. A. KING: Mr. Speaker, this debate has raised a number of concerns, ranging a little far and wide sometimes, but concerns, nevertheless, which sometimes are contradictory, and sometimes you wonder how really you reconcile the problems.

Any immigration policy of course, has to be concerned about controlling immigration into your coun-

try. From the way certain honourable Members have spoken, it would seem as if what is being articulated is that we should have an open-door policy as far as Caribbean nationals are concerned, so that once you can demonstrate that your country of origin is one of the countries of the Caribbean, there should really be no restriction of movement. We are talking in terms of freedom of movement within the Caribbean community, which is perhaps one of the ideals of Caribbean union, an ideal which is good in itself, but in practical terms one which can present some difficulty to certain countries in the Caribbean Community.

Against that, we have the other position taken by one or two honourable Members that we have to deal with the problem of Asian immigration, and, I take it that you are talking in terms of ethnic origin. There are a lot of Indian people of Indian origin who come to Barbados out of Guyana and out of Trinidad, so if you are talking about freedom of movement for all peoples in the Caribbean, then in the same breath you cannot talk about restricting the immigration or dealing in a special way with the problem of Asian immigrants, because you cannot say that if you are Guyanese of Indian extraction we must treat you differently from a Guyanese of African extraction, or, similarly, if you are a Trinidadian of Indian extraction or Chinese extraction, we must treat you differently from a Trinidadian of African extraction.

Before I go any further, against all that is being said, we have another dimension of the problem which I do not think anyone has cared to address on this occasion, that from the standpoint of immigration policy we can be accused of being too liberal in our immigration policies, because by permitting the free entry of peoples of the Caribbean, we are presenting additional problems for the Barbadian work force. I have had representations made to me from other sections about the problems which a liberal immigration policy can present as far as the employment strategies of the country and the problems of the Barbadian born work force are concerned. So I am saying that there are a number of critical dimensions to this problem which cannot be so easily addressed and dealt with just by the flash of a few words. 3.15 pm.

Let me get back to the point about Asian immigration. The honourable Member for St. George South (Mr. R. P. Byer) has made the point about dealing with that in a special way. The immigration policy of the present Government is centred largely against the background of the laws as they stand. I mean that the Constitution and the citizenship legislation of Barbados dictate that where a non-national woman is married to a national male, the woman is entitled as a right, if she so wishes, to citizenship of Barbados. So unless you amend your Constitu-

tion and laws relating to citizenship, there is no way you are going to control that aspect of citizenship, because once a marriage takes place between a man who is a Barbadian citizen, whether he be Indian, Asian, European or whatever, and a non-national who may be Asian, that non-national is entitled, and can write an application to get Barbadian citizenship, unless you can establish that on grounds of national security, or in the public interest, citizenship should be denied. In the case of the husbands of citizens of Barbados, those husbands are entitled by law to the status of permanent residents in Barbados. Unless you are going to deal with those problems specifically, and then you cannot deal with them in the context of whether you are Asian, African, European or otherwise, you have to deal with it in the context of persons.

You are going to find it extremely difficult to talk about dealing with Asian immigration in those terms unless the immigration policy was administered in such a way that we were talking in terms of a quota system where we allow quotas from various countries all over the world. The immigration policy which the present Government administers is not one which is based on quotas. It is based largely on the arrangements where status is given to husbands and wives of persons who are citizens of Barbados. It is based on situations where persons have been long resident in the country and because of long residence you give them status.

Mr. R. P. BYER: Mr. Speaker, I did not want to interrupt the Honourable Attorney-General.

Mr. SPEAKER: On what point do you rise? Mr.

R. P. BYER: On a point of order.

The crux of my argument was not that the problems with the matter I raised should be addressed within the context of the present immigration law. Obviously, if they are addressed within the context of that problem, the results that the Attorney-General predicted would occur. What I am saying is that the policy has got to be changed. The laws must be changed. The result that I want cannot be achieved within the particular context in which we presently operate, and it is narrow legalism, in my view, to address it in the manner that the Attorney-General is doing it.

Hon. M. A. KING: It may be narrow legalism perhaps to address it in those terms, but if the honourable Member perhaps could identify the specific areas in which we can isolate how to deal with Asian immigration, I would welcome some suggestions. All I am saying is that, from my perspective, if you are talking about the application of a human rights regime, my problem is, how do you deal with that problem by isolating specific races and dealing with a race as such? If you can suggest to me how you can extract the problem of race and deal

with it as such, then perhaps, I will be able to address that aspect of the matter.

The honourable Member for the City (Mr. P. J. M. Miller) has made certain comments about the treatment of fellow Caribbean people who come on business and on holiday. Ill-treatment of people from any source is not desirable. It is not a good thing. From time to time, we have had complaints about the way persons at the airport have been treated by immigration officers. Whenever those complaints are received, they are investigated and dealt with.

On one occasion the then Minister of Tourism, the honourable Member for St. Michael West (Hon. B. M. Taitt) had arranged a training programme, it was a lecture series, I believe, for immigration officers, particularly those at the ports, who would be the first to make contact with visitors to the country. The purpose of that training programme was to deal with the essential and very important point of public relations and their way of dealing with and responding to people.

One cannot, of course, iron out all the difficulties or all the problems that people have, but I would appreciate it if in every case where there are difficulties of this kind, where allegations of ill-treatment are made by persons against immigration officers, the particular incidents could be identified so that we can have the matters addressed properly. The Minister of Health, when he was Minister of Tourism, from time to time did refer a number of complaints to me in my capacity as the Minister responsible for Immigration where there were allegations by tourists of ill-treatment by immigration officers, and wherever those occasions arose, we sought to investigate them and deal with them.

In a general way, addressing further the points made by the honourable Member for the City and the honourable Member for St. Michael South East about people who have had long periods of residence in Barbados and about the Immigration authorities just throwing them out willy nilly, the policy of this Government is that we do not uproot people who have long periods of residence in Barbados and just throw them out like that. I cannot imagine any instance in which a person with 30 years' residence, or even ten years' residence, in this country, can be lawfully put out by an immigration officer. Any Deportation Order would have to be signed by the Minister responsible for Immigration. I know there may be some times when an immigration officer might tell people that they have to leave, but those situations are not the norm, and perhaps in some cases officers may not necessarily have the right to do that. In many of these situations, when attention is drawn to these problems they can be addressed.

We have to recognise, against the background of all this, that over the last ten years or so there has been fairly substantial illegal immigration to the country, where lots of people have come to the country, ostensibly on holiday as visitors, for two or three weeks, for days sometimes, and have just stayed on in the country. You discover the problem six years later, sometimes several years later. So it is not a simple matter to deal entirely with the problem of illegal immigration and one obviously has to exercise a discretion in this matter against the background of some humanity, but bearing always in mind that we have to ensure that the national interests are looked after and protected as best as possible. 3.25 p.m.

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

On the motion of Hon. M. A. KING, seconded by Hon. B. M. TAITT, Mr. SPEAKER left the Chair and the House -went into Committee on the Bill, Mr. R. P. BYER in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is in Committee.

Clauses 1 and 2 were called and passed.

On the motion of Hon. M. A. KING, seconded by Hon. B. M. TAITT, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. M. A. KING, seconded by Hon. B. M. TAITT, the Bill was read a third time and passed.

Hon. B. M. TAITT: Mr. Speaker, I would like to suggest that Question Time be now taken, Sir.

Hon. M. A. KING: I beg to second that.

The question that Question Time be now taken was put and resolved in the affirmative without division.

QUESTION TIME

Mr. SPEAKER: Parliamentary Question No. 49 —the honourable Member for St. James North.

QUESTION RE ACQUISITION OF LAND FOR RESIDENTS OF HOYTES VILLAGE, ST. JAMES

Mr. J. J. PAYNE; Mr. Speaker, Question No. 49 —To ask the Minister of Housing and Lands: 1. Is the

Minister of Housing and Lands aware that the residents of Hoytes Village, St. James, keenly desire Government to pursue negotiations for the purchase of a parcel of land to the east of the St. John The Baptist Church St. James, for providing playing facilities for the residents of the area? 2. Will the Minister take appropriate steps to effect such acquisition as soon as possible.

Hon. B. M. TAITT: The appropriate Minister is not in his place and I would like to respond on his behalf. The answer to Question No. 49 is as follows:

"(a) Yes.

(b) It has been decided that the entire parcel of land comprising 3.95 ha (9.76 acres) should be acquired by Government and the necessary action is being taken to give effect to this decision."

Mr. SPEAKER: Any supplementary?

Mr. J. J. PAYNE: Yes, Mr. Speaker. Is there any possibility of the playing field becoming available for the present cricket season?

Hon. B. M. TAITT: Mr. Speaker, the position is that while the full cricket season has already started, one has to assume that negotiations and the processes would occur as early as possible, to the extent that it is feasible, and we will try and arrange for cricket to be played this season, maybe towards the end of this season. Certainly by next season cricket will be played.

Mr. SPEAKER: Parliamentary Question No. 61 —the honourable Member for St. Michael North East.

QUESTION RE BEAUTIFICATION IN PIEDMONT PARK, ST. MICHAEL

Mr. L. L. BRATHWAITE: Mr. Speaker, Question No. 61: To ask the Minister of Housing and Lands: 1. Is the Minister aware that open areas in National Housing Corporation Developments, including Piedmont Park, St. Michael, are presently illicitly used as garbage collection areas and could, in keeping with Government's programme of landscaping and beautification, greatly benefit from immediate cleaning, enclosing and subsequent maintenance as mini play parks for the younger children in the communities where they exist? 2. Will the Minister consider the initiation at Piedmont Park Development, of such a programme by Government for the convenience and recreation of the children of that community?

Hon. B. M. TAITT- The reply to Question No. 61 is as follows:

"The Ministry of Housing and Lands is aware of the widespread problem of illegal dumping which is encountered in the National Housing Corporation's Estates. Plans are presently in train to improve the management of these Estates and it is expected that this will enable the Corporation to monitor and control more effectively illegal practices such as garbage dumping. In respect of beautification the Corporation is considering the implementation of a beautification programme for its Estates. With regard to the development of play-grounds it should be noted that while facilities already exist on some of the Estates, topographical and other considerations preclude the use of some open areas for recreational purposes. However, in the case of Piedmont Park the Ministry is seriously considering the feasibility of enclosing an area measuring approximately 1 100 sq. ft. for recreational purposes."

Mr. SPEAKER: Is there any supplementary?

Mr. L. L. BRATHWAITE: No supplementary.
3.35 p.m.

Mr. SPEAKER: Question No. 57, asked by the honourable Member for Christ Church East.

QUESTION RE PAVILIONS FOR VARIOUS PARTS OF CHRIST CHURCH EAST

Mr. E. BOURNE: Mr. Speaker, Question No. 57 reads as follows:

To ask the Minister of Employment, Labour Relations and Community Development: 1. Is the Minister aware that pavilions which were promised by the former Government for (a) St. Christopher, (b) Fairy Valley and (c) St. Patricks, Christ Church, have not so far been provided? 2. Is the Minister also aware that last year a mockery was made of the people of Fairy Valley by Government by the dropping of an old wooden school building without a roof on the grounds, and that the building has now fallen after a year of disuse? 3. Would the Minister have modern pavilions erected with dressing room and toilet facilities at Fairy Valley, St. Patricks and St. Christopher?

Hon. W. W. HALL: Mr. Speaker, the answer to Question No. 57 is as follows*

There is no evidence on the file to indicate that plans were drawn for the provision of a pavilion for St. Christopher, Fairy Valley and St. Patrick's. No provision was made in the Capital Estimates 1986—87 for such facilities.

The Government was not responsible for siting an old wooden building at Fairy Valley grounds. The Ministry of Education and Culture had acceded to a request made by the former parliamentary representative for Christ Church East to donate a classroom unit to the Rockville Cricket Club at Fairy Valley, provided that the Club met the cost of transferring the unit from Wotton to Fairy Valley.

It was never contemplated that any Government agency would be responsible for the expenses incurred in converting the unit into a meeting room and pavilion for the Club. The Ministry is currently preparing its Development Plan for 1988—93 and consideration will be given to the provision of sports facilities for Fairy Valley, St. Patrick's and St. Christopher.

Mr. SPEAKER: Supplementaries?

Mr. E. BOURNE: No supplementaries, Sir.

Mr. SPEAKER: That is the end of Replies to Parliamentary Questions.

GOVERNMENT BUSINESS (RESUMED)

THE FIREARMS (AMENDMENT) ACT, 1987

Order No. 5 was called - To move the second reading of a Bill to amend the Firearms Act, Cap. 179.

Hon. M. A. KING (Christ Church West Central): Mr. Speaker, the Firearms Act of Barbados, which is at Chapter 179, provides that no person in Barbados may carry a firearm unless he has a licence to do so from the Commissioner of Police. There are certain exceptions to that general rule, set out in Section 4 of the Act, and they include among other persons, persons in the Defence Force, the Police Force and dealers in guns.

This amendment which is now before this Honourable House seeks to make provision, as is stated in the Objects and Reasons, for certain foreign security personnel to be exempted from the provisions of the Act in exceptional circumstances and subject to certain conditions. In other words, what the Act seeks to do is to give to foreign security personnel the right to carry firearms in Barbados in certain exceptional circumstances and subject to certain specific conditions which are set out in the Act.

Those security personnel to whom this Bill will relate are those who accompany visiting Heads of State or visiting Heads of Government, or other representatives

of foreign Governments, and the situations which are contemplated are ones that there are likely to be of extraordinary risk.

In the Bill, the conditions under which the permission may be granted for the foreign security personnel to carry firearms are set out. The procedure, very briefly stated, is that a request has to be made through the Ministry of Foreign Affairs of Barbados. That request will then be communicated to the Commissioner of Police who, before he makes a decision on the matter, has to consult with the Ministers responsible for Legal Affairs, Foreign Affairs and Defence and Security.

This Bill has become necessary against the background of representations made by the Commissioner of Police.

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

Hon. Dr. R. C. HAYNES: I beg to second that and reserve my right to speak.

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

On the motion of Hon. M. A. KING, seconded by Hon. B. M. TAITT, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. R. P. BYER in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is in Committee.

Clauses 1 and 2 were called and passed.

On the motion of Hon. M. A. KING, seconded by Hon. B. M. TAITT, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. M. A. KING, seconded by Hon. B. M. TAITT, the Bill was read a third time and passed and cited as the Firearms (Amendment) Act, 1987.

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

On motion of Hon. B. M. TAITT, seconded by Hon. Dr. R. C. HAYNES, Mr. SPEAKER left the Chair and the House went into Committee of Supply, Mr. R. P. BYER in the Chair.

COMMITTEE OF SUPPLY

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

AMENDMENT TO EXPLANATORY NOTE TO HEAD 24 - PENSIONS, SUBHEAD 1 - PENSIONS, GRATUITY AND OTHER RETIRING BENEFITS

Hon. Dr. R. C. HAYNES: Mr. Chairman, this is a simple and straightforward Resolution which seeks to amend the Explanatory Note to Head 24 — Pensions, Subhead 1 — Pensions, Gratuity and other Retiring Benefits. 3.45 p.m.

The Accountant General has brought to our attention the need to make one or two amendments to facilitate the more satisfactory administration of, in one instance, pensions, and to clarify the precise chapter under which the Anglican Church Act occurs. This is Chapter 375, and this could be misleading, looking at the Estimates as they now stand.

In terms of pensions, this refers to officers of the National Sports Council. Retiring benefits for those individuals are apportioned in accordance with the pensionable emoluments received from the Public Service and the National Sports Council. I am referring to persons who may have been in the service and then transferred to the National Sports Council. Since the National Sports Council receives most of its funds from the Consolidated Fund, it is therefore proposed that the entire pension be paid from Head 24 and that the appropriate adjustment be made.

The opportunity is also being taken to make a correction in relation to the wording which might give the wrong impression as to the chapter under which the Anglican Church Act falls. So in terms of the present presentation in the Estimates, this would have to be adjusted in such a way to insert after the words "Anglican Church Act", the words "Chapter 375, Retiring Allowances (Legislative Service) Act, Chapter 12A."

The existing note reads, "Consequent upon the coming into operation of the Anglican Church Act Chapter 12", which clearly gives the impression that Chapter 12A is the Anglican Church Act. This is not the case, and again the Accountant General seeks this clarification.

As I said, it is a fairly routine Resolution, largely of an administrative nature.

I beg to move that Head 24 stand part.

Hon. B. M. TAITT: I beg to second that and reserve my right to speak on it.

The question that Head 24 stand part of the Schedule was put and resolved in the affirmative without division.

SUPPLEMENTARY ESTIMATES 1987 - 88

No. 1 - \$325 000

HEAD 76 - MINISTRY OF EDUCATION
AND CULTURE

Subhead 8 - Construction and Improvement of Secondary Schools - \$100 000.

Hon. C. V. WALKER (St. George North): Mr. Chairman, this Resolution seeks to give credence to Head 76, Subhead 8 - Construction and Improvement of Secondary Schools, and Subhead 35 — Erection of Statues.

The Addendum, as it reads, states very clearly that provision was made in the 1986 — 87 Estimates to carry out remedial work to some of the buildings at the Lodge School. There was a delay in starting the electrical installation work and, therefore, the funds which were provided for this purpose had lapsed in the 1986 - 87 financial year. No provision was made in the 1987 — 88 Estimates to complete the project at the Lodge School and, therefore, the sum of \$100000 is being sought under this Head to meet the cost of carrying out the electrical installation work at the school.

Mr. Chairman, an amount of \$400 000 was provided in the 1986 — 87 Estimates of Expenditure under Head 76, Ministry of Education and Culture, Subhead 9, the Lodge School, Item 23, Structures. This was to complete the work under the World Bank Project, and funds were provided for carrying electrical work in the hall, pavilion and some of the existing buildings at the school. There was a balance of \$93 485 remaining in the vote at the end of the financial year.

The World Project Office invited tenders during January of 1987. However, Mr. Chairman, this tender has not yet been awarded.

I beg to move that this Resolution do now stand

Hon. B. M. TAITT: I beg to second that.

Mr. D. A. C. SIMMONS (St. Thomas): Mr. Chairman, do I understand the Minister to be saying that \$100000 was voted in 1986 under this same Head? Was it spent?

Asides.

Mr. D. A. C. SIMMONS: Ninety thousand dollars was not spent. So what you are coming now for is a revote of money that lapsed? But why was it not spent? I do not think we have been told.

Mr. C. L. TROTMAN (St. Michael Central): Would I have caught your eye, Mr. Chairman?

Mr. CHAIRMAN: The honourable Member for St. Michael Central is on his feet.

Mr. C. L. TROTMAN: Mr. Chairman, I have no doubt that the Minister of State for Education will reply with his usual consummate ease to the question raised by the honourable Member for St. Thomas. 3.55 pjn.

I have a query of a somewhat different nature. In as much as we are dealing with the Lodge School, and the Lodge School has over the last five or so years been the subject of some considerable concern for the taxpayers of Barbados, I have a concern related to that matter. My concern is to discover whether in the expenses related to the school we would be able to say, in respect of the very unfortunate and regrettable situation regarding the difficulty at the Lodge school over headship, what is happening in regard to the locus of the current headmaster, the place where he is supposed to be residing, what is happening in regard to the current use of the building allocated to the person of the headmaster, and how soon we can look forward to a discontinuation of what is a very unfortunate situation for all of the people of Barbados.

Hon. C. V. WALKER: Mr. Chairman, first to respond to the honourable Member for St. Thomas, I think he was not listening when I said that \$400 000 was provided in the 1986—87 Estimates. I also did point out that there was \$93 485 not spent because no requests for tenders went out prior to January 1987.

Asides.

Hon. C. V. WALKER: I think I speak rather clearly, Mr. Chairman.

Mr. D. A. C. SIMMONS: On a point of order: You speak loudly, because if I did not ask why, I would not have heard from him that it is because no tenders went out. That is all I was asking, Sir.

Hon. C. V. WALKER: The second point was raised by the honourable Member for St. Michael Central. The status of the Head at the Lodge School is being addressed, and as far as the building is concerned, it is still being occupied.

With those comments, Mr. Chairman, I do move that

Hon. B. M. TAITT (St. Michael West): Mr. Chairman, I crave the indulgence of the House, because, as you know, Head 76 has two subheads, Subhead 8 and Subhead 35, which is new. This is the provision of \$225 000 for the erection of a statue to the memory of Dr. Charles Duncan O'Neal.

I merely wish to say, Sir, since for reasons of travelling I was unable to participate in the Private Members' discussion which is still before the Honourable House, on the question of a Charles Duncan O'Neal's statue

Hon. C. V. WALKER: Mr. Chairman, if the honourable Member would give way, I intended to deal with this item separately.

Mr. CHAIRMAN: Could you give the Minister the opportunity to deal with this?

Hon. B. M. TAITT: I am willing to give the opportunity, but what in fact was about to happen, if you had moved that Head 76 stand part, is that this part of it would not have been debated, because although it appears as a subhead, in actual fact once you move that the Head stand part, that is the end of debate, I recognised that what was about to happen would inadvertently not have allowed any debate, and hence I started the debate. Now the Minister is ready to lead on this, I would give way.

Mr. CHAIRMAN: It is a bit unusual, but the Minister may now continue.

Hon. C. V. WALKER: Mr. Chairman, I think the Leader of the House anticipated I was going to move that Head 76 stand part.

Mr. CHAIRMAN: Do I understand the Honourable Minister to be continuing on Head 76, Subhead 35?

Hon. C. V. WALKER: Yes, Mr. Chairman.

SUBHEAD 35 - ERECTION OF STATUES

Hon. C. V. WALKER (St. George North): This subhead deals with the erection of a statue, and this is a new subhead under Head 76, Object 23 — Structures. No provision was actually made in the 1987—88 Estimates, since it is a new Head, for the erection of statues, and the sum of \$225 000 is being sought for the erection of a statue to the memory of Dr. Charles Duncan O'Neal. It is intended that the erection of the statue should coincide with the celebration of the 21st anniversary of independence.

Mr. Chairman, notice of a Resolution was given in this House of Assembly, at its meeting on July 15, 1986, by the honourable Member for Christ Church East Central (Mr. R. L. Morris) under Private Member's Business, and at least eight Members spoke on that Private Members' Resolution. It is still an on-going debate. However, Mr. Chairman, it is considered that this Honourable House support this Resolution today.

The Ministry of Education and Culture does have an on-going obligation and programme to raise the awareness of Barbadians about our national identity, and to promote a knowledge of Barbadian history within the context of national development. The erection of a statue and similar structures can actually serve, we are sure, to enhance the process of cultural awareness by perpetuating the memory, historical and social significance of individuals and notable events.

Charles Duncan O'Neal is eminently qualified as a person whose memory should be perpetuated by a fitting memorial in the form of a statue, and it is for this reason that we ask for the sum of \$225 000 to be placed under this new Head.

Mr. Chairman, as I said, we have had much discussion on this under a Private Members' Business Resolution, and the Government is responding to the request to honour Dr. Charles Duncan O'Neal.

I beg to move that Head 76, subhead 35, stand part.

Hon. Dr. R. C. HAYNES: I beg to second that.

Mr. D. A. C. SIMMONS (St. Thomas): Sir, the Opposition is supporting this, but I should just want to make a comment on the printed Resolution. I believe that we are entitled in here to strive for some kind of accuracy and excellence. I would like to know in which volume of these laws are we going to find Duncan O'Neal. This comes out of the Ministry of Education. It is not the very best example of the written word.

(*Aside: "Statute" for "statue"*)

Hon. C. V. WALKER: Mr. Chairman, this comes out of the Printing Office.

Mr. CHAIRMAN: So you are saying it is the printer's devil, then?

Mr. D. A. C. SIMMONS: This occurs three times. The Printer does not even know the difference between a "statue" and a "statute." Great efficient Government!

Hon. B. M. TAITT (St. Michael West): Mr. Chairman, I would like on behalf of the Government to apologise for this very glaring and puerile error which appears

in the document. It is a manifestation of a regime which we inherited

Laughter.

Hon. B. M. TAITT: and which we are endeavouring manfully to correct, but, Sir, for ten years the Philistines infested the corridors of Government with all kinds of bacchanalian and backward approaches to mores and quality. 4.05 pjm.

Asides.

Laughter.

Hon. B. M. TAITT: Sir, there is no excuse for the deficiencies which manifest themselves in things like "statute" for "statue". As a matter of fact, there are many areas in Barbados where we are going to have to become a little pedantic so that we can correct some of the directions in which we are going. I say this quite seriously.

We are the Government and, therefore, we have to take the responsibility for this particular error. I make no excuses for it. I am saying, however, that we have a gargantuan task on our hands and we have to face it, and that is what the Democratic Labour Party Government has been doing in the last year, and we intend to continue.

Aside.

Hon. B. M. TAITT: It is a facetious point? No, Sir, I am not taking it facetiously, because, Sir, the language in this country has been infested with a lot of garbage in recent times. We have phrases like "point in time", we have people who cannot tell the difference between a singular noun and a plural verb and vice versa. The former Attorney General, the Leader of the Opposition gets into a little difficulty from time to time.

Aside.

Laughter.

Hon. B. M. TAITT: That is part of the problem. You think that once you have won it at age 19, you do not have to do anything else, but that is when the learning begins.

Those of us who understand scholarship understand that that is only a beginning.

Aside.

Hon. B. M. TAITT: He is the worst exponent. If he is your student, God help us!

Laughter.

Hon. B. M. TAITT: Quite seriously though, Sir, I -* think the honourable Member made a good point in pointing out that the documentation which is coming out of the Government Printery and other places will have to be improved, because these standards have to be set for our young people to follow. I think that even though the point was raised facetiously, the opportunity should be taken.....

Aside.

Hon. B. M. TAITT: No, no! That is why I am responding to it seriously. The point has to be taken that we in this Chamber and we as adults, in this country have a responsibility to start setting back the standards which will help us to achieve excellence. These are not small points. That a series of people could allow this word "statute" to appear for "statue" means that they do not know.

(Aside: Four times!)

Hon. B. M. TAITT: Mr. Chairman, I am going to apologise for this error, because it is our responsibility, we are the Government. We are not going to shirk like the honourable Members over there when they were the Government. What we promise you, though, Sir, is that by an effluxion of time, and with the kind of assiduous integrity we are bringing to the restoration of the quality of life in this country, we are going to guarantee that it will not be long before the high standards of excellence to which this country has been accustomed, and for which we are known throughout the Caribbean and beyond, will be back to the levels we are accustomed to.

Aside.

Hon. B. M. TAITT: The honourable Member is asking, facetiously, if the Cabinet approved. The Cabinet

Aside.

Hon. B. M. TAITT: comprises - do not hurry me off this point, let me take care of the three of them — of excellent people. I say that because if you go through the annals of Barbadian history during the last ten years but one, you are going to find that there were a series of things occurring of which lone voices in the wilderness would speak, and which would be pooh-poohed by a lot of Philistines, crass, unlearned and unwilling to learn, animalistic people who inherited and infested the corridors of power in this country, and it is about time — I know the honourable Members would not like me to use these words, but the facts are clear — that we set standards for our young people. They look at us and they emulate us, and, therefore, we must be willing from time to time to deal with these matters and bite the bullet.

We have too much foolishness going on in a country which is being passed off with a laugh. We have radio stations in this country where we have people reading news who cannot read. We have people who are calling words wrong. We have people saying words like "sucksess", and instead of "event", they are saying "eve-unt", and we had people talking about "con-dul-unces" instead of "condolences." For the past week, all through Barbados, all you could hear is "con-dul-unces", like if it is a new form of condom. These are things which are not good for us as a society, and, therefore, it is good that we could find "statute" stuck in here when they mean "statue".

It is possible, Sir, that we will have to get a statute to establish the statue so that we can restore our statute.

Laughter.

Dr. E. A. SIMMONS (St. Michael South East): Mr. Chairman, I want to support this Resolution for \$225 000 for a statue to Dr. Charles Duncan O'Neal. I think that we are at a very crucial historical point in history, since the debates on Dr. Duncan O'Neal and the events of the past month or so, and we really need to look at our history and at how we as a people want to educate those of the present generation and the generations to come. I do not think that this statue should be looked at in isolation.

I have said in other places that if there was one shortcoming of the Democratic Labour Party in its social revolution after 1961, it was that the educational process relating to our ancestry was not well documented enough and taught to our children. We, as a people from an African background, seem to be unable to come to grips with our past. Any people who are to go forward must take cognizance of three critical factors: (1), where they came from; (2), where they are; and (3), where they want to go. I think that this Resolution gives us a very good opportunity to put in perspective the kind of historical, analytical education that we want to teach to our children and children to come.

This statue of Dr. Charles Duncan O'Neal should only be one element in the erection of statues to what must be the proud past of our ancestors who came through the Middle Passage, who have fought against all the odds to establish what is now recognised as the most advanced democratic process in the Caribbean, and who have brought us probably the highest percentage of educated people concentrated in any one spot in the Caribbean. I think, therefore, that we have to think in terms of a park where statues of our proud forefathers stand, and not only those born in Barbados, because I would like to see in that park Marcus Garvey because we cannot talk about Dr. Charles Duncan O'Neal unless we talk about Marcus Garvey. I think that it is absolutely

clear to those of us who read about our history — I am not talking about King George VIII and Henry IV, I am talking about the history of our people — that Marcus Garvey had a profound influence on Dr. Duncan O'Neal as he did have a profound influence on the black countries as far afield as Ghana, Nigeria, and Liberia. If we are to use historical monuments to teach our children and their children about their past, then we really have to start to dig up the history, which is painful to some of us, to teach the full lesson to our children. Needless to say, standing tall in that park must be the statue of a man called Errol Walton Barrow. Maybe somewhere a little below him, one of a man called Grantley Adams. I would not push for anybody else, because I remember that the Honourable Leader of the Opposition in his eulogy only mentioned those two as being people in recent past of any great significance to Barbados. Those are the people I can think of who would be examples of the great social revolution which our people have had to undergo. 4.15 pjn.

So I want to see the erection of this monument and the concept of the erection of the monument set in a broader framework, not only to say that we went to America and saw a monument and we want to put one up, too, or that we went to Cuba and saw a monument and we want to put one up too. We have to see it in terms of the total educational process which must take place in this country, and I think that now is the time for us to seriously analyse and introduce to our educational system text books, some of them very simple, starting from the prima standard, because that is where you have to start, with your perspective based on African heritage. (I hope that the first library of black literature to be built in this country will be built in St. Michael South East.)

I think it is absolutely necessary that this is where the focus must go. A man must be taught of his ancestry and the achievements of his ancestors. He must not always be taught about the negative things that happened. I think this is an opportunity for all of us who really feel strongly about our culture not only to write the esoteric historical text books, because you read them when you get to the age of 20 and you are at the university and your ideas are already formed, but to write the simple text books so that the kids who are four and five years old can read, if you want to introduce a paper at the 11-Plus Examination to ask children about where they came from and who their heroes really are. I think that this is a good opportunity for us to analyse from that historical perspective where we are going and to incorporate into this whole concept a total look at not only the statues, but the historical things and the educational process that should come out of a venture like this.

Hon. H. deB. FORDE (Christ Church West): Mr. Speaker, I do not believe that there would be one right-thinking member of this community who would disagree with most of the sentiments expressed by the honourable Member who has just spoken. It is not often that I agree with him. The only disagreement that I have with his speech is that he cannot resist the temptation to be partisan on every aspect of public affairs. Perhaps when he has been in Parliament for a little longer, he will recognise that, no matter what political disagreements we may have, particularly when it comes to an election, certain aspects of the public affairs must rise above political partisanship. I consider how we honour our national heroes to be one such area.

I agree with him that if there is something sadly lacking in our education and in our national life, it is the accent we put on the recognition of those people who have contributed significantly to the development of our country, and also in the recognition of the historical links which we have with Africa. We have recognised, sometimes beyond a reasonable measure, our connection with Europe, a connection which we have as well. We have not recognised particularly our connection with, the civilisation of Latin America, particularly Central America. I believe that there are some people who would be now more willing to recognise the latter-day connection with the Middle East and with Asia than they would recognise the connection with Africa, so I think that I would want to say very strongly that I support the sentiments that are being expressed for our literature and our teaching in the schools to put some accent on the historical development of our peoples, particularly on the black races.

As a bit of information for the honourable Member, he should be aware that the Richard B. Moore Library was given to Barbados as a donation inspired by the agitation of people such as Reginald Pierrepont, a man who for all of his life worked and campaigned for the recognition of black people, and particularly for people in the Caribbean, by the Rev. Reginald Barrow, the father of the late Prime Minister, who was one of the people agitating for the purchase of this library, by the present Leader of the Senate, Sir James Cameron Tudor, who urged on Mr. Louis Lynch, a former Member of this House, and I to inspire the Lions Club to raise the money for the purchase of this library.

Asides.

Hon. H. deB. FORDE: Yes, I was a much younger man then.

We obviously did it without the fanfare of some, conscious of the fact of where our historical roots lay, no matter what some people may say, and I am pleased

that the Richard B. Moore Library has been given to the Government as a trust to be upkept. Unfortunately, I do not believe that the library is now as well used as it ought to be.

Richard B. Moore was an exceptional man who, like DuBois and others, understood very clearly the role which black people had played in the history of the world and set about to collect the works produced by leading black scholars. I have heard the honourable Member for St. Michael East speak on this subject in very learned tones. I believe that he probably has a deeper understanding and knowledge of the bibliography of the black race than many of us here in this House. I have exchanged with him from time to time thoughts on this subject. It is a very serious one, I am not going to treat it lightly at all. I believe we ought to put some accent on this. 4.25 p.m.

Sir, I also believe that we ought to have a broad-based committee to look at the way in which we honour our national heroes. I am conscious of the fact that the last time I spoke on this matter, the then Deputy Prime Minister, now Prime Minister, felt that his personal approach was to deal with the subject one by one as it comes to the fore, but I think that, given the stage at which we are, we really ought to have a broad-based committee to look into the manner in which we should honour our national heroes, the way that we recognise national heroes, the criteria which we set up and the place at which we should honour our national heroes, whether it is necessary to have a national hero park, whether that is the most effective way of inculcating in the minds of our citizens the part which they played, or whether we should have various locations around our country to show by % statues or whatever you like the effigies of those who have contributed so much to Barbados. I believe that just as we have set up a National ^ Honours Committee, there should be a national committee looking after this subject.

It is a bit of a matter for regret on my part that we have watered down the National Honours system to the extent now that there are no restrictions on the acceptance of former Imperial Honours. The Barbados Labour Party Administration set it up, and we began to allow the conferment of Imperial Honours, I call them, on Barbadians, and I think we rationalised it on the basis that they had served outside of Barbados by and large. But we have now got to the stage that once again we are conferring, almost willy-nilly, Imperial Honours on all of our officials, and I think we have to decide where we are going.

The acceptance of a foreign honour should be a matter of last resort, as far as I am concerned. If we have found that our Honours List is so restricted in the

numbers that can be awarded in any one year, I think, as Knight of St. Andrew or Dame of St. Andrew, that the numbers are so limited that we find that we have too many applicants and too few awards to be made, then further guidelines ought to be set up for the National Honours Committee to follow.

When we set up the National Honours system, we purposely restricted the numbers at the time. We believed we were putting in the public's mind that they were so valuable and so necessary that not many people would likely qualify for them, but there is no doubt that there are people who now qualify, and maybe there is some room for the Government to look at this matter. It is a committee that is non-partisan, it has on it the Government's side, the Opposition's side and other private citizens who we believe would reflect quite correctly the criteria that are necessary.

Aside.

Hon. H. deB. FORDE: I am not talking about the criteria for the Justice of the Peace that the Honourable Minister for Trade has raised. The honourable Member is trying to get me off the main point.

I really feel that this' matter needs careful thought. I am not making the comments by way of criticism. I believe that what has happened is that we want to recognise a series of people, and because Imperial Honours are offered to us on each occasion, we feel it but fair that we should accept them.

I am aware of one distinguished Barbadian who is most deserving of the highest national honour that this country can give, but he has felt so strongly about the honours system that he has declined from both sides. But of one thing I am certain, that if he was even persuaded to accept one of the national honours of Barbados, he could never be persuaded to accept an Imperial Honour, as a matter of principle. I have heard him express that sentiment in this House, he feels so very strongly on the matter.

As one of the people who felt that Barbados had moved beyond the stage where people should feel more comfortable being known as a Knight of the British Empire rather than being known as a Knight of St. Andrew or whatever you want to call it — I wish you could call it a Knight of Christ Church, Sir - I felt very strongly that we should have our own national honours system. I still believe that if we have to have an honour system, it should be based and focussed here on Barbados, and if we move beyond that, it should be a recognition of the Caribbean. The guidelines under which people accept ' foreign awards must be carefully set out and restricted so that we do not get confused that because something

comes signed by a Privy Councillor in England or somebody, it is better. I really do not believe that we were right on that.

Secondly, Sir, I want to make one passing point, because I am trying to move this beyond my party, your party, and that sort of line. I am aware that there was somewhere in the Ministry a proposal to erect a life-size statue to Sir Grantley Adams. I do not believe that that is an area of contention between the two parties, just as a statue to Duncan O'Neal or a statue to Errol Barrow will not be an area of contention between the two parties. There may be others that will be contentious, and that is why I say they should be moved into the realm of a national committee that will bring non-partisan considerations.

I am aware that Mr. Karl Broodhagen had done the initial work on a statue of Grantley Adams, and I think what was left was for us to bring down some money for this purpose, and I would seriously urge the Government to look at that as well, and in due course have money provided for these purposes. I hope that the Ministry of Culture would give really serious consideration to the points that have been made, not only in this debate and will be made in this debate, but to the points which were made in the debate on Charles Duncan O'Neal.

I must make a point following on from a point made by the honourable Member for St. Michael South East. It is about time that we collect the very important documents which reflect our history. I find it very difficult to understand how the works of great people, like Sir Erskine Ward, for instance, who was so knowledgeable about the history of the Thirties, and others not as distinguished or knowing in that way but who have contributed much — a good deal of correspondence, notes of invaluable meetings - are being lost to the Caribbean. I am aware that some of the manuscripts of work of a former Prime Minister have gone off to England already. I am wondering what has happened to the very valuable document that the late Prime Minister would have left.

Only today I was raising with the Clerk of Parliament, the records that come out of the Leader of the Opposition's office on public business. These records should never be allowed to be taken by me as my personal records when I leave. They are part of the public business of Barbados. When I correspond with the Prime Minister, or whoever it is, or the Governor-General on any issue of legislature, that is part of the public records. We are not keeping them safely. A lot of them are wasted, and there must be a wealth of this country's history that is receiving that sort of treatment. I am really deeply upset about it. I think we should provide money for it. I think we have among us the scholars who are capable of

retrieving and advising on the storage and safe keeping of these records.

Only last week, I drew to the attention of the honourable Member for Christ Church East Central (Mr. R. L. Morris), who is deeply conscious and aware of this subject, that valuable records concerning Dr. Charles Duncan O'Neal were all around the place. One person walked into my office and showed me the record, to which I referred in my speech, of the late honourable Member at the age of 16 taking care of his uncle in a way that, in my view, marked the deep influence which he must have had on his future career. I begged the person who owns it to let me have that record.

We ought to be conscious that the people from North America and elsewhere are taking documents and are not paying a cent for them. They are storing them in the libraries overseas and in their private collections just as they have been storing the work of our artistes, the early calypsonians, for instance, of Trinidad. You cannot find some of the works of our early artistes now. All those works are being lost to the Caribbean and we really must do something about it. I hope that this debate, at least, would focus our attention on that as well.

Mr. R. L. MORRIS (Christ Church East Central): Mr. Chairman, I think it is a very useful exercise to discuss the original Resolution on Charles Duncan O'Neal as well as have the continuation today.

I tend to go very much with the honourable Member for St. Michael East (Dr. E. A. Simmons) who has, on more than one occasion, spoken against the lead of the history type of approach, the writing up of influences of the past. I think that that debate has exercised the historians for a very long time — what was the role of man on history; the role of man on these unseen forces, forces that cannot be explained, on historical development; what is the relationship between a person and the times in which that person lives; and what is the importance of these unseen forces in shaping that man. This is a debate that will go on forever, but I think that he will recognise with me that one can identify in these periods one or two individuals who stand out, who, clearly, make an impact on the period in which they live.

It is very difficult for me really to think in terms of a man as an individual cut off in time and making an impact on any society. I see individuals as part of a continuum and as part of the whole ebb and flow of things around them. So biography would not be my favourite method of trying to elaborate on the process of development, I think that it is a tool to understanding, and when a call is made for a biography of the late Sir Grantley Adams, Charles Duncan O'Neal or the late, great Errol Walton Barrow, it is not, to me, a significant call, because, quite frankly, a great injustice can be done

to a society by concentrating on biographies of individuals, because, in the first place, if there is to be any real sense in these biographies, there is going to be an overlap. In other words, a biography of Charles Duncan O'Neal has to be partly a biography of Grantley Adams, because they were living and interacting all the time, and any biography of Grantley Adams that tends to play down Charles Duncan O'Neal is not a biography, it is not legitimate writing, and any attempt to write about Charles Duncan O'Neal without giving large scope and scale to Sir Grantley Adams would also be nonsense.

The thing that one wants to do, I think, is to try and get the feeling of a particular period and put it into context, and one has to operate within a paradigm of one's understanding of what history means. In other words, history cannot be this happened, and this happened next. One has to bring some understanding, some philosophy, of a particular perception of how we as human beings operate. Whether we use an African context of interpreting our existence, or whether we look at a class context, which might not even look at race in any significant way, or whether you want to blend it, or whether you want to look at the fact that we came out of a colonial background, and, therefore, those influences have to be strong, one has to be very careful what the messages are when we sit down to write these so-called things called biographies and when we start looking at the importance of persons.

How can one look at Charles Duncan O'Neal without recognising that, in his formative stages, his greatest influence would have come from people like Keir Hardy, the Brailsfords and the Mevinsons. These are Englishmen, brilliant Englishmen. They influenced him. When you look at Errol Walton Barrow, you recognise the influence certainly of Marcus Garvey. But how can you leave out Lasky? And when one asks the question, who was more influential in Barrow's development, was it the black Africanist Marcus Garvey or was it the Englishman Lasky?, it is very difficult to say. Which of us here can claim that in our development we have an influence that is only a black influence or whatever? Which of us have not, because of the time when we were educated, been as much exposed to the writings of Marx, and would have assessed them — whether we imbibed what he had to say or not, certainly our thinking would have been, to some extent, influenced by that — as to the writing of Garvey and several other types of writing? It is a very complex thing.

I think that what we want to distill out of all of our discussions of Charles Duncan O'Neal is the essential Barbadianess and, to extend that, the essential Caribbean element in these persons as a guide to where we have to go in the future. I think that has to be important. I think that, basically, we are Caribbean nationalists and Barbadian nationalists, and we are trying to see what are the

influences that went into these elements, because, quite frankly, our view now must be forward. We have to be looking at the future, it is extremely important. In doing that, we cannot turn our eyes to the past, it is impossible, but what we are trying to do is to set a developmental path for our children, we want to give some sort of concrete understanding of where we have to go, and it is extremely difficult to bring that kind of definition to things like ideals, values and attitudes.

Sometimes, quite frankly, I am amazed about how our most educated persons would discuss things like national honours, because when you get into the realm of ideals and values, you are not into reason anymore. I have always felt that an honour cannot bring anything to a man, but a man can always bring something to an honour. To make some person a Knight, or O.B.E., or whatever, to me, cannot bring anything to that man, the man has to carry something to the honour, and I can never understand why some of our leading persons get very hot about continuing honours and whether they are going to be imperial, or local, or whatever. I have one position on that - do we need them at all? I do not define these things. I do not make distinctions about them. What do you need them for? What is the relevance of an honour? There is no honour that can uplift anybody in here, and I cannot understand why so-called intelligent people get caught up in these things. But the older you get, the more you begin to understand that there is a lot of the irrational, in how people behave, and that is why when we are looking at heroes and statues, so much that is partisan, so much that is really not healthy, is brought to bear on discussions like these.

A statue for Charles Duncan O'Neal has nothing to do with whether he is related to the DLP or BLP. A statue for Sir Grantley Adams has nothing to do with that. It has to do with the fact that they are all part of the mainstream of Bajan humanity, and if you are great, you are great. 4.45 pin.

There is no point splitting hairs about whether Tom Adams was great, a few years after his death, or Errol Barrow. We cannot be too quick to make judgements in historical context. I would talk about Charles Duncan O'Neal, because at least over 50 years of history have flown by, and we have had a chance, as some people say, to be revisionist historians, if you want to call us that. With Grantley Adams, it is the same, to some extent. But you and I would know the kinds of history that we would have heard about the great John F. Kennedy, the kind of person he was supposed to have been in the Sixties, the kind of camelot atmosphere around him. Now you start hearing things about him that in some ways indicate exactly who or what he was. I think you have to allow a certain amount of time to pass before you start making historical judgments about these so-called great figures. That is my own caution.

Some of the same documents that the Leader of the Opposition mentioned will turn out to be positive and some will turn out to be very negative. For purposes of truth and history, you do not want to hide any of them. I think that these documents should become the property of a national repository, the archives of all kinds of literature. It makes it very difficult going ahead writing histories about these persons.

I have seen histories written in Barbados about men. Let us talk about Sir Grantley Adams. The man would have spoken millions of words in this Chamber, and to give some sort of paraphrase to what he was saying and to centralise it and focus it must be part of the historical process, must be part of the man. But a history that is based on newspaper sources and conversations with someone, and then you get Sir Grantley Adams boiled down to 100 or 200 pages, because you take important incidents along the line but you do not tap the man seriously, that, to me, is not history and it is better not written. It is a very dangerous thing, it is a story. On the other hand, you get a man like Foot writing on Aneurin Bevan, and he has to write at least three volumes about Bevan, because the man lived a significant life, you must write a significant history about a man who lived a significant life.

I want to make this point very seriously, I am sometimes afraid when people talk about this person is a historian and so on, including myself. It is easy in a small country to put these titles on to you. What it means when we say a man is a lawyer is that he studied law, for three years plus two, and he is practising out there. A man who has studied medicine — he has done a Bachelor's in medicine, sometimes he does not go any further — he is called a doctor. A historian in our context means that the person has done a degree in History, just as so many economists have done a degree in Economics, sometimes Economics and something else. It is very easy in a small country like ours to give these kinds of titles to persons, but the truth is that, in many cases, we are not ready and we are not equipped in several areas, and let us be honest about that.

We do not have the kinds of historians that we need, ones who can sit down and write a constitutional history of Barbados as the time approaches for our celebration of 300 years of a Parliament, < to write the biography of Charles Duncan O'Neal or Erruj Walton Barrow. I think the honourable Member for St. Thomas (Mr. D. A. C. Simmons) was talking about substantial histories on these topics. Let us recognise that, in fact, we have more history teachers than we have historians, because a society will not easily afford anybody doing the kind of rigorous research necessary. You are not going to be paid to do it, to take time off from work and go to Edinburgh to write that episode of O'Neal's history when he was in Edinburgh, or go down to Trinidad where he spent 13

years and do that kind of research, and to do it thoroughly. Our society is not in a position yet where it takes seriously spending money on this kind of exercise, and, therefore, you will get the kind of product that will reflect really not a professional approach.

We have to be serious about this. It is not going to be an easy thing to write good history for our students and the children who are coming unless we take certain approaches to the kinds of human resources that we want to develop in our society. We are not going to get original economists easily, the kind who are reflective and can come up with different types of theories that they want to try out. We are going to get people who will be following one or another school of economic thought, and that is true basically of almost all of the disciplines, because we are a small society and we are going to reflect that sort of thing.

I want to get back to the statue of Charles Duncan O'Neal. Nobody will debate it is necessary, as nobody will debate that we will have a statue to Sir Grantley Adams and one to Errol Barrow in due course. The question has been raised as to where we will put these statues once we have decided that we have a good sculptor or whatever, a person who can get the Ukeness in the way that we would want it, because I do not think anybody wants anything other than a representational likeness. We do not want any abstraction, we want to see the person as near as possible to how they looked. We do not want the kind of controversy that developed in Guyana and in America about the kinds of statues we want.

Where to place them? I would suggest strongly, for instance, that Charles Duncan O'Neal and Errol Barrow should be as near to this Assembly as possible, somewhere near where the taxis park, with Charles Duncan looking towards the bridge and Errol Barrow looking towards these Houses of Parliament. I believe that is a good location for them, and I think they should be in the natural concourse that people should pass and see them without having to go and look for them.

I like the idea, Sir, of having statues in a park and so on, but I believe that we will probably develop in that area at some future time another area somewhere from the main concourse. In the case of these two particular persons, I would like to see them somewhere out there.

As far as the guy who now occupies that place is concerned, Lord Nelson, I have no difficulty in terms of history about his continuing presence in Barbados, but I see no reason why it has to be in the place he now finds himself, and I believe that a suitable location can be found for translating. I understand, as a matter of fact, that because of concerns of traffic, the Ministry of Transport and Works might be considering moving him from there. When he went up there we were in the horse and

buggy stages, and what I am saying is that if you have to move him, do not move him a few meters; you can find some place suitable to displace him.

I think the focus here should be in having Charles Duncan O'Neal nearby, and this is not disrespecting the call from several people in St. Lucy that he should be placed in the roundabout outside of the St. Lucy's Parish Church when the roundabout is finished. I respect their feeling of parochialism to have the statue down there. I can understand that. He felt very strongly about his parish. As a matter of fact, it is the first place that he actually contested an election.

Mr. CHAIRMAN: The honourable Member has one minute more.

Mr. R. L. MORRIS: He was always very strong about St. Lucy, as was his nephew, but I believe we are not yet developed where we can put important statues like these in areas away from the centre, I believe that in future times, as the northern lobby becomes stronger, as the north begins to develop further with air strip and so on, perhaps they might be able to get a second effigy and place it in that particular area.

Mr. Chairman, I have no difficulty whatsoever in supporting this Resolution.

Hon. B. M. TAITT: Mr. Chairman, you will recall that I wanted to say a few words on this subhead. I would like to endorse what has been said by the three previous speakers, and I would like to spend a little time on the whole question of values in relation to statues.

From time to-time, I hear in Barbados, by people who are supposed to be intelligent and well-educated, comments about what happens in the United States. They talk about America and they talk about how the Americans are crass and things of that nature. But, Mr. Chairman, when one has spent time examining the way that society has gone about preserving its heroes, when one has examined the way in which it seeks to perpetuate its own history, that is one of the areas in which young • countries like Barbados can borrow from the United States.

We argue that we are an old country. Our history goes back to 1625 or 1627, and in our constitutional arrangements we have talked, quite legitimately, I think, about how people who sojourned in this place regarded themselves, and even as we look at how the walls in this very Senate Chamber are adorned, we are aware of the kinds of influences which predominate in this society of ours. 4.55 p.m.

Recently, I was on a visit to Atlanta, Georgia, and I went back to a place I had been some 15 years before. It was the spot which is now the shrine for Dr. Martin Luther King. When I visited it before, it was the place where he was born or where he had lived most of his life, and it was his father's place, and I had talked then with the old man. When one went back to it, they had built a substantial shrine which has been designed in a way to evoke a particular set of emotions as one comes within the framework of a building, of an ambience and of a whole situation which, when once you become part of it, it brings to bear the whole essence of what Dr. Martin Luther King stood for and gave his life for. And in a very strange way none of the negative stories that are written about him can have any effect on that kind of environment, precisely because the way in which it has been designed and the quality of the product is such that it deals only with the high points and it ignores the valleys.

When one translates what one finds in that and one considers, for example, that Errol Barrow only recently had been invited to Emory University to participate in a symposium that had been organised under the aegis of — note what I am going to say now, Sir — President Carter — not former President Carter or ex-President Carter, but President Carter — where at Emory University they were having a symposium on democracy in the Western Hemisphere and they were opening a library that was going to perpetuate the memory of the President of the United States that had come from Plains, Georgia, one sees that both the Martin Luther King Shrine and the President Carter Library-cum-shrine are only manifestations of the point I am trying to make, that they have taken all of the aspects of a man's life, of his development, of his influence on, first, his society, and on the rest of the world, and they have left it for generations yet unborn to be able to come and, if you will pardon the expression, sip at the cup of this knowledge and this learning.

I think that the three honourable Members who spoke before me were alluding to the same kind of thing. What we are saying is that we in Barbados have got to become a mature society. We have got to determine how we are going to preserve those high points in our mores, in the quality of our life, that we wish to pass on to future generations. We never have to worry about the low points because they pass themselves on. It is never difficult to learn the bad things in a society. We all pick them up almost by osmosis. But it is the high points of the society that require nurturing and, almost, tutoring, so that we can imbibe and learn from them.

I recall, and some honourable Members in this Chamber will recall, that there was a man who used to teach us when we were going to school. He now writes, and I do not always agree with everything he writes, but, basically, his message has never changed. I speak of a man called Gladstone Holder, who has always said, when I was eleven years and perhaps earlier, that we have to teach

people how to get heroes, how to have heroes and how to nurture those heroes. And while we may disagree on who might be a hero, there are some people who are accepted by all and sundry as heroes. There, therefore, should be no difficulty, Mr. Chairman, once we have agreed on who the heroes are, in determining that they are heroes, and that we wish to perpetuate their memory, not for their own sake, but for what they mean to the society and what they can mean to the society for many years from our time.

Mr. Speaker, it is remarkable that there are people who will still think that \$225 000 is too much money to spend on the erection of a statue — what are we going to do with statues? I think that we have a duty — "we" meaning all of us in this Chamber and beyond — to assist the entire society in understanding why we have to have statues.

In Jamaica, and I am an unabashed admirer of things Jamaican, the people in Jamaica, certainly the leader in Jamaica through time — and because the history of Jamaica is so different from the history of Barbados — have been able to create a concept of nationalism which is not always prevalent in Barbados, and in the preservation of their own heroes, they have set a standard which many of us in the Caribbean can emulate. They have agreed among them — there is no contention among the political and other divisions in Jamaica about their national heroes. There is none of the petty sniping and peevishness, which is attendant upon Barbadian discussions about heroes, in the Jamaican society. There are absolutely certain about who are important to them in the promotion of their culture and their society. It may very well be because they have had to fight battles that we have never had to fight.

Of course, we have prided ourselves, and we will continue to pride ourselves, on being intellectual giants. We tell ourselves constantly in Barbados that we are the most intelligent people that God has created. Despite the fact that a former Bishop of Barbados managed to point out that there were more bourbons in Barbados than anything else, we still continue, and have continued, in the fallacious definition of ourselves as the most intelligent people in the world. Yet, we do not always recognise where true intelligence lies in the bowels of the masses of the people of the country.

Mr. Chairman, Barbados must have statues. Barbados must have statues if for no other reason than to allow the young people who do not know who was Duncan O'Neal, who do not know who was Grantley Adams, who will not know who was Errol Barrow, to ask somebody, when they come to the place where the statues are, wherever they are located. "Who was this man?" or "Who was this woman?". They will be told,

and they will at least help to cement the historical development of the society. 5.05 p.m.

Mr. Chairman, my friend, the honourable Member for Christ Church East Central, spoke in a very graphical way about his distrust of the biographer. But one of the things which the British have done successfully is to insist that all of their so-called scholars be biographers of somebody. It is one of the ways in which the British have perpetuated their own society, and they have got biographies written about some people who, were it not for the fact that that system exists, would never have a word written about them. I am saying that to say that while I understand his concept of history and what history is, I think we are too young a society, the Hoyoses notwithstanding, not to have the stories written about our heroes. The biography gives the youngster a measure of excitement, when it is properly written about a particular life. Although it may not be totally representative of the times, and although it might not be all-embracing in its emphasis of a particular sweep of history, it allows an example of the times to be used for those who had not lived those times.

And so every single honourable Member in this Chamber, and those within the sound of my voice, can speak of Sir Winston Churchill as their personal hero, even though Sir Winston Churchill may have had absolutely no use for any black person in Barbados or anywhere else. As a matter of fact, I almost came to bloody discussion, with a man who I still regard as my friend, when I said that Sir Winston Churchill had done nothing for me as a person and that he had fought bitterly at the idea of there being an Indian independence, and if there had been no Indian independence there would have been no Barbadian independence. Well, who told me to say that? The honourable gentleman, not in this House, who is a historian of sorts and who knows everything to know as an educated Barbadian, went on to tell me how Sir Winston Churchill had fought for democracy and had saved me from the hordes. Well, I long ago learnt that that kind of approach to historical information is fine for a certain way of life and it is better to leave it where it is.

The fact is, though, that true history will have to record that there were people other than those who fought for democracy in the same manner.....

Mr. CHAIRMAN: The honourable Member has one minute to wind up.

Hon. B. M. TAITT: The honourable Members in the Chamber would understand the question of time, Sir.

There are others who would have participated in the historical development, but the fact is that Sir

Winston Churchill's biography has been written and re-written and re-written. This is how it is done, and this is how it will be done: doctorates from the University of the West Indies will be granted to persons who can pursue in miniature - well, in broader terms — the historical developments associated with a particular life, but linking that life with the times of that life in a way that the current historians or the current writers of history in Barbados cannot do because of their limit.

Asides.

Hon. B. M. TAITT: Let us call them historians, if for no other reason than that the children are told by their teachers that these are history books and we must not confuse them. What we have to hope for is that especially the university - I crave your indulgence, Sir - will allow those children who are told that these are history books, in due course to recognise what we all recognise, that they are beginners, that they are things which we read so that we will know that we have to go and read something else.

The long and short of what I am saying, and what I think honourable Members are saying, Sir, is that this Honourable Chamber and the Members of this Honourable Chamber have a duty to generations yet unborn to pass Resolutions such as this one. We have a duty to take time out from time to time to lay down our arms pro tern, as it were, as we join together to bring to the current generations and the generations to come evidence that we are a serious people, that we, too, have a history, and that by the creation of things like statues we are preserving that history and making it possible for them, in the long term, to understand who they really are.

Mr. Chairman, I am sure the opportunity will present itself for us to discuss this in greater detail again, * but I am grateful for your indulgence up to the moment, Sir.

Hon. C. V. WALKER: Mr. Chairman, I think we have had quite a bit of debate on this Resolution, wide ranging, of course. First, I would like to say to the honourable Member for St. Thomas that on June 16, just a week ago, when notice was given of the Resolution, it was "statue" and not "statutes".

The honourable Member for St. Michael South East — we assure you that it will not be the last statue.

The honourable Member for Christ Church West — we will be taking a look at the literature as it relates to the historical roots that we should really be letting our children be exposed to at an early age. If we are a country, we need to have some record of who we are, what we were, and where we are going.

Note will be taken, of course, of the question of the Honours Committee.

I am sure the honourable Member for Christ Church East Central has seen his personal Resolution bear fruit. Consideration will be given to the location of the statues.

The honourable Member for St. Michael West spoke of Dr. King and the shrine. Indeed, he does have a dream, and maybe we, too, in Barbados one day will have a dream of having our shrine, although maybe not as wide and ranging as the one in Atlanta.

The question that Head 76 stand part was put and resolved in the affirmative without division.

SUPPLEMENTARY ESTIMATES 1987-88 -
No. 2 - \$3600000

HEAD 73 - MINISTRY OF FINANCE - \$3 600 000

Hon. Dr. R. C. HAYNES (St. Michael South Central): Mr. Chairman, this is a supplementary Resolution which seeks to bring some administrative correctness to what has transpired in respect of this particular investment.

There can be no doubt that the investment -by the Government in BET has turned out to be one of the better decisions taken in terms of the purchase of equity in commercial ventures in Barbados. I think the reason for that is that not only was a decision taken to make the investment, but it was made in a situation in which there was an appropriate level of management and know-how to take care of the investment. 5.15 p.m.

The return on the investment to date has been very satisfactory. Indeed, the sum that we are talking about here basically represents earnings from the investment in BET.

To give some background to this, Sir, in 1984, subsequent to the incorporation of Barbados External Telecommunications Limited, popularly known as BET, the Government of Barbados entered into a loan agreement with Cable and Wireless in the sum of Bds. \$3.6 million for the purchase of shares in BET. The rate of interest was some 5 per cent per annum and the principal, that is the \$3.6 million, was repayable within ten years of the date of the loan.

When we look at the table of dividends, we will see that that loan has been repaid in a short period of time. Many of you will have seen from the Press today that BET made a very substantial profit last year and it is hoped that we will be seeing more investment from that company in Barbados.

The only problem that we have here, which this Resolution seeks to correct, is that at the time when the loan was made, and subsequently, there was no indication in the accounts of Barbados that the loan was entered into, and all that we have had so far would be the receipts in terms of dividends on the revenue side. In other words, what the Resolution seeks to do is to correct an error that was made in 1984 and try to bring the accounts up to date. It was obviously an oversight, but it has to be done at some point, and once it is brought to your attention as Minister of Finance, you have to deal with it.

A rather complex process has to be gone through. To rectify the situation, we will have to debit Head 73, which is the Purchase of Equity by Government in Commercial Enterprises. This is genuine equity purchase as compared with some of the items that appear under that Head, which is really a matter of financial losses rather than equity purchase. That Head will have to be debited by \$3.6 million, which means then that this supplementary has to come before Parliament, and that is why this is here.

We will have then under Head 92 - Per Capita Receipts, to credit the \$3.6 million, and then under Head 22 - Charges of Debt, to provide for the \$3.6 million there again, and then, of course, you credit the revenue with the same amount of money. In this way the public accounts would be kind of tidied up. It is a question of debiting on one side and balancing on the other side. It is purely an accounting mechanism that has to be gone through in order that the Accountant General would have his records up to date.

If anyone wishes to ask any questions on this I will be happy to respond.

I beg to move that Head 73 stand part.

Hon. B. M. TAITT: I beg to second that and reserve my right to speak.

Mr. O. S. ARTHUR (St. Peter): Mr. Speaker, I rather suspect that the Minister of Finance might have been given incorrect information where this particular matter is concerned. I think that the civil servants obviously must have gone back to the Estimates of 1985 in draft and approved forms and picked up the story from there.

The truth of the matter is that in the Draft Estimates of 1985—86, under this same Head 73, Subhead 3, which provides for the purchase of equity by Government, there was provision for the purchase of these shares to which reference is being made, but that was taken out of the Approved Estimates for 1985—86. The truth is that is/was as it should have been, and the Minister is totally incorrect in saying that nowhere in the public accounts of Barbados does one see any record of this transaction.

There is a difference between the Draft Estimates and the Approved Estimates. The Draft Estimates of 1985—86 made the provision for the purchase of the shares, but the Approved Estimates did not, and there is a very good reason for it, because the purchase of these shares had already been approved in the Estimates of 1984—85. If you will turn, Mr. Chairman, to the Estimates laid in the House of Assembly on March 13, you will find appearing in the public accounts of Barbados under Head 73, Subhead 3, a provision of \$24.26 million for 1984-85 for the purchase of equity by Government in commercial ventures, including the Barbados External Telecommunications Limited.

Mr. Chairman, this matter involve a lot of notional accounting. I want, first of all, to establish the fact that it was no oversight by the Barbados Labour Party, that we did bring to the House of Assembly and had the House of Assembly approve on March 23, 1984, Head 73, Subhead 3, including a vote of \$24.26 million, included in which was provision for the purchase of shares. It is wrong to say that there is no record in the public accounts of this country reflecting that. It has been brought to the House and passed already.

If there is some reason for the Accountant General to go into this notional accounting to tidy up this matter, I am wondering if the best method by which the matter can be dealt with is by way of supplementary provision to vote money which this House has already voted. Perhaps you should enquire whether the error stemmed from the fact that a provision for the purchase was in the Draft Estimates as laid in the House but not in the Approved Estimates as approved by the House for 1985 — 86. Remember that you are dealing with public servants in many respects, and I am saying that if the problem is that this matter has not been brought to the House, there is enough evidence to suggest, it has been approved by the House already.

The purchase of these shares did not in a sense reflect an actual expenditure representing a charge against the Consolidated Fund. The shares were, in fact, purchased on the agreement that there would be repayment out of future dividends. And if we are speaking in terms of tidying up everything that has to be tidied up, I must ask the question of the Minister of Finance whether

the servicing of the debt incurred has been reflected in the public accounts, and if not, what is the Accountant General proposing to do in that respect. It would be difficult, given the nature of the transaction, to understand how the expenditure voted in the House could have lapsed. 5.25 pjn.

Asides.

Mr. O. S. ARTHUR: The Honourable Minister of Finance seems not to understand that what was involved is that the loan itself was a notional idea. The Government acquired 25 per cent of the shares of Cable and Wireless. It acquired 15 per cent of the value of the shares of Cable and Wireless by capitalising the Property Transfer Tax. The other 10 per cent of the value of the shares of Cable and Wireless was acquired by the Government entering into a loan arrangement in which Cable and Wireless would pass over to the Government of Barbados 10 per cent of their shares on the understanding that the Government would pay for those shares out of future dividends. It was, therefore, always in the realm of notional transactions, and to comply with the requirements of public accounting, all that would have been required would have been for us to bring the transactions to the House of Assembly and have them approved by the House of Assembly, and I am saying that when once we understand that that is the situation, one must seriously ask, given that this transaction was already approved by this House, in 1984/85, whether we are not, in fact, now going to unnecessarily inflate what would appear to be the size of the Government deficit and whether there is not another means by which this matter can be brought to book by the Accountant General without us necessarily having to vote money for what is mainly a notional transaction.

I am obliged to you, Sir.

Hon. Dr. R. C. HAYNES: Mr. Chairman, it is quite clear that the honourable Member does not quite understand what took place. He says that it appeared in the Draft Estimates but disappeared from the Approved Estimates.

Mr. O. S. ARTHUR: Mr. Chairman, on a point of elucidation: I am saying that for the Estimates of 1985 — 86, you have Draft Estimates and Approved Estimates. If you would turn to Head 73, Subhead 3, of the Draft Estimates for that financial year, you will find that there is provision under that Head for the purchase of equity in BET, but it does not appear in the Approved Estimates for the same year because in the previous financial year the purchase of shares in BET had already been approved by the House.

These are the Draft Estimates for 1985 - 86 and these are the Approved Estimates for 1985 - 86. Compare the two and then go to the Approved Estimates for 1984 — 85 and you will see that provision was already made for the purchase of the shares. So I must again question what is the purpose of this supplementary.

Hon. Dr. R. C. HAYNES: It is clear that the honourable Member is working himself up because he does not understand what has happened. I was trying to explain to him.

He just said that there was a figure in the Draft Estimates for 1985 — 86 and it disappeared in the Approved Estimates. The Approved Estimates of 1985 — 86 would be the document of which the Accountant General would have to take cognisance, not the Draft Estimates that come in here as a matter of debate. As far as the 1984 — 85 Estimates, it appeared in the Approved Estimates and it lapsed.

Aside.

Hon. Dr. R. C. HAYNES: Never mind the transaction, it is the time framework of the transaction and the completion of the transaction.

The Accountant General of Barbados spends all of his time, or 90 per cent of his time, matching expenditure with what is in the Estimates. Only today we had to come to Parliament and change two minor errors relating to a change in relation to a particular chapter in the Laws of Barbados. I can assure you that if this matter was in order, there is no way that the Accountant General in Barbados would have asked for an adjustment to it. This is nothing to do with the Ministry of Finance as such. The fact is that the Accountant General has asked for this matter to be regularised, and he has given the House every possible reason why it should be regularised, that it was in the Draft Estimates and disappeared from the Approved Estimates.

Asides.

Hon. Dr. R. C. HAYNES: He asked how are you going to indicate the debt service element of it. If you had listened to me, you would have heard me point out about six or seven steps that had to be taken, including debiting the Charges of Debt Head, Head 22, so that the Charges of Debt element will be reflected under that Head. I said so when I introduced the Resolution, and if he had listened, he would have been able to understand quite easily what was being done.

It is largely an accounting correction that is being done at the request of the Accountant General of Barbados, and I am satisfied, from their representations, that it needs to be done.

The question that Head 73 stand part of the Schedule was put and resolved in the affirmative without division.

On motion of Hon. B. M. TAITT, Mr. CHAIRMAN reported to His Honour, the Speaker, the passing of three Resolutions in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. B. M. TAITT, seconded by Hon. E. E. GREAVES, the Resolutions were read a first and second time and agreed to. 5.35 p.m.

THE BARBADOS WATER AUTHORITY (AMENDMENT) ACT, 1987

Order No. 6 was called - To move the second reading of a Bill to amend the Barbados Water Authority Act, 1980-42.

Hon. B. M. TAITT (St. Michael West): Mr. Speaker, Section 2 of the Barbados Water Authority Act, 1980-42, makes provision for the seconding or transfer of public officers and employees from the Public Service to the service of the Barbados Water Authority while retaining eligibility for pension. However, a similar provision is not included in the Act with respect to those casual employees who were transferred from the former Waterworks Department and who were pensionable under the Casual Employees (Pensions) Act, Cap. 20.

When the staff of the former Waterworks Department was assigned to the Barbados Water Authority, the Authority was directed to make provision for those casual employees, approximately 219 employees, who were in the service prior to July 1, 1971, to be granted retiring benefits on the same basis as if they had remained in the general service. What that means, Mr. Speaker, is that on retirement an employee should have benefits computed on total service, that is, with the Waterworks Department and the Water Authority. However, under the Casual Employees (Pensions) Act Cap. 20, only service with the Public Service can be considered for computation of pensions. In order for service with the Authority to be pensionable under the Casual Employees (Pensions) Act, the Water Authority Act, 1980-42 will have to be amended to include an appropriate provision, and this amendment comes to this Honourable Chamber to achieve that objective.

I think it is a matter that is non-controversial and I therefore beg to move that this Bill be read a second time.

Hon. E. E. GREAVES: I beg to second that and reserve my right to speak.

Asides.

Mr. C. L. TROTMAN (St. Michael Central): Mr. Speaker, contrary to certain malicious comments coming from areas of the pit, I realise, Sir, that it was only my tardiness in rising and nothing to do with my stature which occasioned the comments.

Mr. Speaker, I wish to laud the motion before the House, but I want to make a few comments regarding matters related to it. In the first place, it has taken, in my view, and the view of the organisation I have the honour to represent, much too long for the legislation which followed the change of two Government departments into statutory boards to be enacted. I refer, Sir, to the Barbados Waterworks Department, now the Barbados Water Authority, and the Barbados Port Department, now the Barbados Port Authority. I think that there was a certain negligence, I would not wish to go beyond that, in the way the matter was approached initially.

I recall as far back as June, 1985, when the Barbados Workers Union was very concerned about the cavalierish manner in which the Government of the day was treating the employees of the Barbados Water Authority, and we sought certain assurances to secure the pensionable rights of the workers of that particular organisation. The management of the Water Authority demonstrated every good wish and every good intention to look after the interests of the work force, but it seemed very clear to me, and to my colleagues who were with me representing the interests of the workers at the time, that the problems which were being experienced were problems not of the management of the Water Authority, but problems to do with the Government, and the negligence and, I venture to say, the callous, cavalierish manner in which the Government treated a fundamental issue of the contractual terms of employment of the workers, who had worked for the Central Government for many years and who were seconded from the Central Government to a statutory board, without them being consulted on the matter.

Sir, if you did not have the greatest confidence in my integrity, you would say to me that such a thing could not have happened, but I wish to assure you, Sir, that it actually took place, that several workers, who had worked, in some cases, in excess of 20 years for the Central Government of Barbados, were taken overnight and were dashed into a thing called an Authority by the Minister and the Government of the day — I think this was a Johnsonian action — without having any opportunity whatsoever to indicate what their views were. As a matter of fact, Sir, in a meeting on June 11, 1985, with the Barbados Water Authority, I had the occasion to speak very strong words to the management on the matter, and I asked the management of the Barbados Water Authority whether the workers had been asked at the time whether they wanted

to be seconded. We were opposed as a union, and I am still opposed as a person, to the high-handed action that had taken place in seconding staff without any discussion whatsoever with them, or with their duly nominated representatives.

I go beyond that to say that it seems to me that this is in a direct contravention of Section 103 of the Constitution of Barbados. We have several attorneys-at-law and Attorneys-at-will who might be able to address that matter and say whether the actual paragraph of the Constitution is correct, but I think there is something which is grossly inaccurate and improper relating to this matter of secondment without discussion. I refer, Sir, to the arrangement where you could remove a person under the pensionable arrangement to an arrangement less favourable than the arrangements which he enjoyed, and without discussion and without being able to spell out what the new conditions of service would be. I would imagine that that was, in fact, a contravention of those terms.

I am pleased that the Democratic Labour Party Government has taken steps to regularise this matter and to give effect to the submission which the Barbados Workers Union had fought for on behalf of the workers of the Barbados Water Authority. This seems to me to be a very reasonable approach, and I am sure that the workers, who will be meeting very shortly to discuss other matters, will be very pleased with this particular arrangement.

I wish at the same time, Mr. Speaker, that I laud the Democratic Labour Party Government for regularising that Johnsonian error, to draw to your attention that this was not an isolated matter. From as early as 1980 or thereabout, we in the Barbados Workers' Union had to draw to the attention of the Barbados Labour Party Government at the time that there were in gross neglect of their responsibility to workers who were being transferred from the Central Government arrangement to a statutory board. You may recall, Sir, as an example, that the Port Department was converted into a statutory board just at the end of the decade of the Seventies, in 1979, and for some time thereafter there was a failure of the combination of the Barbados Labour Party to come to grips with the fact that those persons in the Port Department needed to have certain assurances regarding what would happen when they reached the age of retirement or if they died in service. Nothing took place, although there were vigorous efforts made by the Barbados Workers Union to get the Government to come to grips with the issue. 5.45 pjn.

As a direct result of that, there have been persons, Mr. Speaker, who have suffered a loss in their pensionable calculations. As a matter of fact, one very charming

young man - he is not so young, he is only 68 or 69 now — was forced into retirement by the Administration of the Labour Party, before he attained the age of 65, on the grounds that under the previous arrangement he was an established worker and therefore had to retire at age 60. He had got some years of service under the Barbados Port Department and some years of service under the Barbados Port Authority for a total number of years in excess of ten years, and yet the Barbados Labour Party Government has failed, even up to this time, to deal with his situation.

(Aside. They do not have any Government now.)

Mr. C. L. TROTMAN: I am sorry, Sir. They do not have any Government now, I am advised, so the Government of the day will have to come to grips with the need that there is to have Mr. William Nurse, of 3rd Avenue, Dash Gap, St. Michael, purely, coincidentally, one of my constituents, benefit, as he should, from his years of service.

(Aside: First and foremost a union member.)

Mr. C. L. TROTMAN: First and foremost a union member. Thank you very much.

Laughter.

Mr. C. L. TROTMAN: That particular person even now has not benefitted from what he ought to have had, that is, Sir, a pensionable arrangement, given the need that there is under Section 103 of our Constitution to make sure that he does not suffer any loss as a result of changes when there "is a change in his work relationship within the Public Service. I wish to urge the Democratic Labour Party Government, and the Minister responsible for this area, to go back and look at the matter of William Nurse to ensure that that man, who also has to take care of an older aunt, does not suffer any further as a result of this error of 1979 which applied to him early in the 1980s.

Let me hasten to tell you, Sir, that there has been much correspondence over my signature on the matter. It is not a matter I am raising now for the first time. I have written to various departments of Government between 1982 and 1985 on the matter. There is, therefore, no reason why Mr. Nurse's matter ought not to have been settled.

Furthermore, Sir, there is the matter of a Mr. Vincent Hall, who has had a problem of that sort. All that he has been able to benefit from was a letter of January 9, 1979 that tells him that he will remain on secondment, a secondment he never asked for, a secondment he never discussed, until such time as a pension

scheme or provident fund scheme for the benefit of officers and employees of the Authority is established.

These persons have suffered unduly. When an effort was made to come to grips with the matters, it was dealt with in a manner that left many of us who are believers in social justice in some concern as to exactly what was being done.

I recall that we have had occasion to write to the Government to seek to have the present Government's assistance in clarifying what, in our view, is a most unsatisfactory situation arising out of the previous Administration's beeps, boops and slunders or slanders or misbeeps — I am not too sure what the actual quotation is. It has come to our attention that again at the Barbados Port Authority, and again because there has been no systematic arrangement to deal with pensions of workers in statutory boards who came out of the Public Service in a satisfactory manner that was unequivocal, fair and streamlined, that we have got a dichotomy which has worked to the advantage of some people and which could only have been arranged for political gain.

Among other persons there was, Sir, a Sylvan Mason, who worked as an able-bodied seaman for in excess of 20 years, a Port Department person who went over to work at the Port Authority. When he went off on retirement in May 1982, he received a pension of \$280. That is what the Barbados Labour Party worked out as his pension at the time, \$280! And there are other persons like him!

Aside.

Mr. C. L. TROTMAN: The Administration of the day was the Barbados Labour Party, although I give some attention to the fact that my parliamentary colleague from St. Thomas (Mr. D. A. C. Simmons) would have me believe that somebody else worked it out.

At the same time that he went off in May 1982, he had occasion to examine what his pension was like in relation to other people's pensions. He found that there were persons who had retired before, as early as 1975/1976, who had worked for between ten and 13 years and whose pensions were in excess of \$380 a month. They had gone off, Mr. Speaker, before 1976 and, therefore, they had not had the benefit of wages and salaries increases in 1976, 1978 or in 1980, and, as I am sure you are aware, Sir, the calculation for pension has to do with your total emoluments during your last year of service up to age 60.

Something would have to be fundamentally wrong with having such persons, retired, as they were, six years previously, who had done as much as seven years

less than these gentlemen, but could get \$100 per month more in pension. But if you recall that that was done hot and sweatily just around 1984/1985, you may be able to understand, Sir, that there was in fact a problem associated with it. Even now, I am at a loss to discover what is to happen in that situation. My organisation has written to the Permanent Secretary in the Ministry for the Civil Service and we are endeavouring to have that matter dealt with, because, obviously, somebody has to come to grips with it and make sure that we do not any longer suffer from that kind of misplaced justice.

Still on the matter of pensions, Mr. Speaker, I wish to suggest to the Government that statutory boards share much in common, and I am very pleased to see that the Barbados Water Authority is going to have a pension arrangement which does not deny a worker within the Barbados Water Authority any monies less than a person who is working for the Civil Service proper. I wish in that connection to draw to the attention of the Government that just across the street from the Barbados Water Authority is the Caribbean Broadcasting Corporation, a statutory board, as many of the others are statutory boards. Although it is supposed to pay its own way in some respects, it is a statutory board, nonetheless, which the Governments up to now have not recognised as having, so far as the workers are concerned, the right to a pension scheme. I think that it is an unfortunate dereliction of duty on the part of the Administrations of the past not to recognise that the workers at CBC need to have a pension scheme. I urge the Government — I believe this is going to get on the news tonight at 7.30.....

(Aside: Nobody is here from CBC.)

Mr. C. L. TROTMAN: The manager is here, you do not recognise?

Laughter.

Mr. C. L. TROTMAN: Mr. Speaker, I urge the Government to ensure that the Caribbean Broadcasting Corporation speedily has arranged for it a pension scheme no less satisfactory and no less beneficial than the pension schemes of all other statutory boards and of the Government proper. I think that if we go in that direction, we would be showing to the people of Barbados that we do not have any dichotomy between one form of statutory board and another. 5.55 p.m.

I thank you, Sir, for your patience in this matter.

Asides.

Mr. D. A. C. SIMMONS (St. Thomas): Do not mind the dinner. I will not be so long, Sir.

This whole business of pensions and the transfer of rights is an area that has bothered me for many years. I

first came against the problem at the Housing Corporation in 1976. When the Barbados Labour Party took over the functions of Government in 1976, there were many persons who had been employed under the Democratic Labour Party's regime and who had been transferred to the National Housing Corporation without their pension rights being secured. This is something that has happened under both Administrations since 1961. I took steps then to ensure that the pension rights of all those who came over from the Central Government to the Housing Corporation were preserved. I would not make an issue of the fact that, under the Democratic Labour Party, their contributions, their National Insurance and so on, were not paid up. What I found is in the records of this House in a speech I made.

Sir, these individual instances of hardship will come up from time to time. The only way we can get to a resolution of this is to pass one piece of composite legislation which embraces all statutory bodies. I had discussed this when I was Attorney General, because of a matter that had been referred to me, that it seemed that the time had come, and perhaps the present Government should look at it, when we should pass an enabling piece of legislation which provides in its principle, quite simply, that where an employee is employed by the Central Government and subsequently transferred to another statutory corporation or quasi-governmental body, automatically his pensionable rights of the Central Government are transferred and secured and stored with the quasi-governmental body. It is a simple piece of legislation and it will put that beyond doubt. All you need to do is to list the various statutory bodies in the Schedule and say that the Act will apply to them. I think that will settle it for all times. We can have three pages of legislation — a very simple thing. I had hoped, if I had been given a chance, to work on this, and I hope that the present Attorney General under the present Government will look at it. I think that is the simplest way of doing it, and we can have a deeming provision to go back and be retroactive to cover any cases that may have been pre-existing.

The late Prime Minister, Mr. Barrow, once said that you should not indulge in self-adulation in politics, but sometimes you have to say things that you did, otherwise the historical records would be inaccurate. I think the honourable Member who just spoke, my friend from St. Michael Central (Mr. C. L. Trotman), ought to be aware that when I left the Caribbean Broadcasting Corporation in March 1981, Mr. Keith Foster was at the time evaluating proposals from Evan Mandeville Associates in respect of the establishment of a pension scheme for the workers at CBC. I started that. I had to leave it

Laughter.

Asides.

Mr. D. A. C. SIMMONS: I had to leave everybody up there and go along about my business - I told them to keep the job — so I never got a chance to see that to fruition.

Laughter.

Mr. D. A. C. SIMMONS: But what has disturbed me is that six years have rolled by and the matter seems to have got no further. This is awful. I suppose its the same thing at the Transport Board.

Asides.

Mr. D. A. C. SIMMONS: They have one now.

Government is a continuous process, and what we did not finish, provided the principle is right and accepted, one will expect that the present Government would go ahead and implement. And it is really shocking to the workers at CBC that for six years they have not been able to firm up their pension position.

Far be it for me to give advice to the honourable Member for St. Michael Central, but, assuming that the three cases lie mentioned are not statute-barred, would they not be appropriate matters to raise with the Ombudsman? I wonder. Perhaps we need to look at it. It might be an area for the Ombudsman to get into rather than the Permanent Secretary in the Public Service Ministry. They pass you all kinds of notes and files going to the Accountant General. They would tell you that the files were up at the Governor-General because they had this business with pensions where the files went from the Accountant General, Auditor General, Governor General and back — all the Generals - and the poor worker was always made to wait for months on end before he got his money. I wonder if, perhaps, these could not be referred to the Ombudsman. It is just a suggestion.

I am obliged, Sir.

Hon. B. M. TAITT: Mr. Speaker, I am grateful to the honourable Members who have made contributions to this debate. I think they are all very enlightening.

On the question of pensions raised by the honourable Member for St. Michael Central (Mr. C. L. Trotman), first, I wish to deal with the individuals of whom he spoke. It is quite unfortunate that in the year of our Lord 1987, we could still be in a situation in Barbados where individuals could have the kinds of hardships which he has described. I can only say that this Government will deal with such instances both with compassion and dispatch.

The whole question of pensions for persons below a certain level is one that has never had a systematic, sympathetic examination by anybody. If one examines

the law on the Statute Books as it relates to pensions, one will see that it is a conglomeration of confusion. There are certain aspects of pensions that are very clear. There are certain classes of persons in the Services whose pension rights have been very securely preserved and secured, beginning with us in this Honourable Chamber, generally speaking, and moving downwards. But as we come to a certain level, as the honourable Member has discovered, the question of how they are dealt with and how they ought to be dealt with has always been one left somewhat in °Σ''''''*~(.e" and it is unfortunate that at this time what _in J-^y uicse are matters which are still outstanding.

This Democratic Labour Party Administration has committed itself during this present period to tidying up pension rights. As that applies to statutory boards, the only concession one is able to make is that the boards have been formulated at such different times and in such different circumstances that it has been somewhat difficult to implement the system along the lines as outlined by the honourable Member for St. Thomas where a single omnibus Bill would take care of everyone. An example of some of the difficulties would be that statutory boards, such as the Child Care Board and the Sanitation Authority, would have come across from the local Government system, whereas certain other statutory boards, such as the Industrial Development Corporation (IDC) and the later statutory boards, having been formulated at later times, were given corporate status — I do not wish to say of a different kind — but their corporate status was grounded in a different philosophical approach to Statutory Corporations. Even so, I think the Honourable Chamber would be surprised to know that a corporation as recent as the Board of Tourism, which had been created in 1958, still does not have a pension scheme, still is in the process of having a scheme being put together and being discussed from time to time, whereas its sister corporation across the street, the IDC, has had one going almost ten or more years. 6.05 p.m.

It also has something to do with the kinds of management which have been in existence in the respective statutory corporations. The Caribbean Broadcasting Corporation is always better off when not much is said about it. The corporation's history is an unfortunate history, and the pension scheme is only a reflection of that history. The lack of a pension scheme in the Caribbean Broadcasting Corporation is evidence of the confusion which has been at large in that corporation almost from its inception. So, Sir, until we as a body can recognise that the Barbadians who work in one area of endeavour are not to be distinguished from the Barbadians who work in a relevant and similar area of endeavour, we are to have this kind of confusion.

One of the difficulties with the Caribbean Broadcasting Corporation is that, even from the point of view of the trade union movement, there has been an inherent

weakness in it, in that because of its history there is not likely to be any substantial public lament if the Caribbean Broadcasting Corporation had, as a result of industrial action, closed for a period of, say, four months. The people of the country, especially in the previous period, would hardly have felt so severe a loss as they might have felt if, say, the port had closed for two days. As a result, therefore, the trade union has not always had the strength and the clout, especially during the time of the Barbados Labour Party, that it could have had in other areas.

But that is not the reason why there has not been a satisfactory pension scheme. The reason why there has not been a satisfactory pension scheme would have to be laid at the feet of the weak management systems that have been in existence in the Caribbean Broadcasting Corporation and other similar statutory boards. Many of the managers of corporations such as these have had little interest in the welfare of their staffs. They have had no concern for, or understanding of, management concepts which see such things as pension schemes as part of the productive process. Many of the managers in many of the corporations have been interested in themselves only, and, once they have been able to secure fat and decent contracts, have paid little or no attention to the welfare of their workers. That is why we have had this dislocation and difference of approach to the various statutory corporations.

By its very nature, the statutory corporation requires a certain individualistic approach. The whole reason for having statutory corporations was to remove them, or their particular activity, from the broad Civil Service activity of the day. In that context, therefore, the Water Authority, which has always been a profitable institution, even when it was the Waterworks Department, and the Natural Gas Corporation, which is now the National Petroleum Corporation, have always had a different approach from some of the other statutory corporations. The Central Bank is a statutory corporation, and yet the conditions of service which existed at the Central Bank from its very inception have always been superior to the conditions of service in any other institution in Barbados, precisely because those whose responsibility it was at the beginning for the management understood the necessity to have a high quality environment for its staff.

Aside.

Hon. B. M. TAITT: Yes, but if you understand that kind of approach, then you can understand that to find a basis for comparison for oneself, one might have to set up the proper framework for those around one. The top of the iceberg always knows how to deal with itself if you make the bottom right.

The point is, Sir, that I am not saying these things for purposes of vilifying anybody, except to say these are

facts which we have to recognise and they are difficulties with which Governments are faced. If one examines the large number of statutory bodies in this society, one will + see that even the schools have this strange distinction between the "older secondary schools" and the "newer secondary schools", like if the older secondary schools used to teach old people and the newer secondary schools teach new students. You can still find the situation where the conditions of service which existed in the one were different from the conditions of service which existed in the other. All of these are part of the problems of the society which we have to iron out, and which the Governments have been called upon to iron out at some tremendous difficulty, because we are discussing resources and we need help from the management teams that function in these various organisations, and sometimes it comes as a shock to a Government to discover that something you took for granted has not existed and had never existed. And so I can only give this Honourable House the assurance that the Government will proceed along a better way along the path toward making right all of the the things like Mr. William Nurse's difficulty and the CBC's problems with a pension scheme.

Aside.

Hon. B. M. TAITT: A new path, a new way, Sir.

What I would say is that the Caribbean Broadcasting Corporation is farther along the way and is nearer toward the goal of providing a higher quality environment than it has ever been. We will deal with that when we come to look at the next item, rather than do it here.

The Bill before us, therefore, is part of the continuation of this, and it embodies the principle. I would say for the Minister of the Civil Service that the Minister of the

Civil Service has been cognisant of this and has undertaken a review of the various bits of pension legislation which we now have on the Statute Books with a view to having a single system. One has to acknowledge that the Social Security system, brought in under the National Insurance Scheme, envisaged that there would be a commonality of social security for all concerned in this system, and really there is no place in the 1987 Barbados, there certainly is no place in the 21st century-looking Barbados, for disparities in pension for various people working in what I choose to call the broad Public Service. Therefore, you can be assured that the Government will continue the process of equalising the system.

Thank you, Sir.

The question that the Bill be now read a second time was put and resolved in the affirmative without division. 6.15 p.m.

On the motion of Hon. B. M. TAITT, seconded by Hon. E. E. ORE A VES, Mr. SPEAKER left the Chair and the House went into a Committee on the Bill,-Mr. R. P. BYER in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is in Committee.

Clauses 1 - 3 inclusive were called and passed.

On the motion of Hon. B. M. TAITT, seconded by Hon. E. E. GREAVES, Mr. CHAIRMAN reported to His Honour the Speaker the passing of one Bill in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. B. M. TAITT, each seconded by Hon. E. E. GREAVES, the Bill was read a third time and passed.

AMENDMENT TO RESOLUTION NO. 85/1985 RE CBC.

Order No. 8 was called - To move the passing of a Resolution to amend Resolution No. 85(1985).

Hon. B. M. TAITT (St. Michael West): Mr. Speaker, this Resolution is a simple matter, one which the House has dealt with already.

Some time ago the House passed a Resolution for the sum of \$14.6 million, guaranteed for the Caribbean Broadcasting Corporation, for the redevelopment of the Caribbean Broadcasting Corporation to allow it to effect certain changes in its direction and to bring, primarily, certain amenities to the Caribbean Broadcasting Corporation to allow it to do its work.

The House passed the Resolution in which the sum would be guaranteed by the House - \$8.5 million would be borrowed on the local market and the remaining \$6 million, for reasons which were apparently acceptable at that time, would be borrowed on the Eurodollar market in U.S. currency, some \$6 million U.S. currency, and elaborate arrangements were put in place for the making of that loan.

When I became the Minister responsible for the Caribbean Broadcasting Corporation in 1986, on a review of the policies relating to the Caribbean Broadcasting Corporation, it became apparent that the reasons advanced by the corporation to the Ministry of Finance, and accepted by the Ministry, for the borrowing of the money in US currency, which may have been valid at the time - there was not sufficient evidence that they were - could be no longer valid in June of 1986 and

thereafter, because the primary reason advanced for the Eurodollar loan appeared to be that the corporation would have to be meeting certain expenditures in US currency, and that if the loan could be made in US currency, there would be some substantial savings in foreign exchange. When, however, a minute examination of the details surrounding the transaction was undertaken, it became evident that all of the things which were to be purchased by the US dollar loan had already been purchased, and were, in fact, lying in the harbour. So it seemed that the reason for the loan in US currency was either obviated by the activities that had gone on or had never really been in existence.

One is not able to go into great detail of how the transaction occurred. On closer examination by the new board, one discovered that monies had already been drawn down from the local bank where the \$8.5 million was being arranged, and that whether it was lack of competence, or whether it was a misunderstanding of the arrangements, or whatever were the reasons, the fact is that most of the transactions, including and involving foreign currency, had already been effected, and the cost of the foreign loan was far in excess, even though it was being arranged by a local bank, of any arrangements that could be made to get the additional \$6 million on the same terms and conditions as the \$8.5 million that had preceded it. So one asked the Chairman of the Board to examine this, and, surely enough, the Financial Controller of the Caribbean Broadcasting Corporation and the chairman concluded that it would serve no useful purpose. Indeed, there would be an effective saving if the loan were acquired on the local market. 6.25 p.m.

The local banks, which were, in the words of the Minister of Finance, "awash in liquidity" at the time, had no difficulty whatsoever agreeing to the remainder of the loan being in local currency. So suitable other arrangements having been made to satisfy the necessary negotiated position between the bank, which stood to gain substantially from the foreign funds loan, and the corporation to settle their position, the arrangements were put in place, and that is why this Resolution comes before the House now seeking to have the note amended to allow for the US\$3 million to be borrowed in local currency rather than in foreign currency, US currency. The loan of \$14.5 million having already been guaranteed by this House, but having been guaranteed in terms of Bds \$8.5 million and US\$3 million, it is necessary, as the Addendum indicates, to amend the note to allow for the full amount to be borrowed in local currency.

Mr. Speaker, the temptation to discuss the Caribbean Broadcasting Corporation and the redevelopment project in its fullness is very present, but I do not believe that it is necessary — it is not so much the hour — and appropriate at this point for me to go into that detail. I

believe that when the substantive Minister with responsibility for the Caribbean Broadcasting Corporation is in the House and is ready to make a statement, the time would be right for a full debate.

In case honourable Members are wondering, the Prime Minister has retained responsibility for the Caribbean Broadcasting Corporation and, therefore, I consider it inappropriate at this stage to open a full debate on the corporation. However, I stand ready to answer any questions which any honourable Member might wish to raise on this or any related matter to do with the corporation, because in the context of collective responsibility, we are still able to respond, as necessary, to any queries which may be raised in this Honourable House.

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

Hon. E. E. GREAVES: I beg to second that and reserve my right to speak.

Mr. D. A. C. SIMMONS (St. Thomas): Mr. Speaker, I think the Opposition will accede to the veiled implication of the Acting Leader of the House not to engage in a full-scale debate in the absence of the substantive Minister today, but there are one or two matters that we feel need to be aired.

CBC is not going to carry what I say; they hardly ever do. I do not care about that. I have so much to say, Sir, that we will have to set aside a day.

I am disturbed by the signals that are coming out of CBC, the information that is being given to me, that workers, including well-known supporters of the Democratic Labour Party at CBC — if pressed, I still will not call the names — are saying that never in the history of the corporation has there been so much confusion as presently exists[^], I say that from information in responsible reports. I have notes that have been sent to me and other correspondence, that is why I think I had better wait for a full day.

The staff seems to be in a state of limbo, certainly unhappiness. I do not know if it is because CBC, by reason of its size at first, together with the vast expansion of staff and physical accommodation that was not adequate to accommodate this expansion of staff, always tended to be an organisation in which confusion thrived. I believe human relationships were strained because of the lack of proper physical facilities.

The good thing about this Resolution is that it allows the country over the next few months, or year or two, to build a proper plan, and we hope that with the erection of that structure, the attitudes and relationships will become more harmonious. I hope they are not

ingrained, but it was certainly an organisation in which there was a lot of back-biting, news carrying.

Aside.

Mr. D. A. C. SIMMONS: That probably explains it. We were looking for a neat way to explain it. The Honourable Minister of Trade has hit on it — it is a news organisation, so everything is news worthy.

Aside.

Mr. D. A. C. SIMMONS: It was established in confusion by one who was not known to be a skilled organiser or administrator. I am being prompted from the other side to say these things, mischievous and wicked!

Laughter.

Mr. D. A. C. SIMMONS: Seriously, Sir, wherever I had been chairman, I always tried to apply the principle * that if you made the workers happy, if you attended to the needs of the workers and saw them secure and happy in their jobs, it was more likely than not that their work performance would improve and there would be better productivity. That is a precept that I held in the three corporations for which I had responsibility. If the problem is that there is this seething discontent, there is this feeling that management responds too easily to rumour and acts upon rumour, and that memos flow between departments and persons even more so now than in the past, I think that a word to management ought to be to reconsider the present policies or procedures, because the passing of memos and paper tends to antagonise workers. The listening to unfounded rumour, and then acting on it, will also antagonise the workers.

We had said during the Estimates that this corporation * has the potential to certainly lead in the development of cultural habits, patterns and attitudes, that it has a positive role to play in the development particularly of the young and impressionable. But at the same time, one must not complain too much that it has not been profitable in every year of its operation, because one has to balance the social benefit against the economic cost and benefit, and the social benefit is not necessarily measurable in monetary terms. 6.35 p.m.

I wonder if the Minister could help us. There is a rumour circulating that, within the first five months of this year, the corporation lost \$1 million.

As I understood it, STV was to have been introduced with a view to offsetting the losses that have been > occasioned over the years, plus the loss occasioned by the abolition of the licence fees. It is about time the country knows precisely where we are at in relation to STV and

its introduction. It is no good for the public to be aware that the members of the board have the benefit of a trial run, if you like, of STV. They can receive programmes from overseas through the satellite, and have been receiving them for some weeks now. I am not criticising it - let the board see, let them make up their minds — but there must come a time when the board has to make the decision. What is going to happen about the introduction of STV? Is a date fixed for the introduction of STV? It seems to me that the sooner it is introduced, the sooner will the losses currently being incurred subside.

There was a letter which appeared in the newspapers a few Sundays ago, I believe, under the hand of the chairman suggesting that they would be looking very seriously at the introduction of cable television. I would like to warn now, but I will reserve my other comments for the full debate, that I think that is going to be an introduction of a financial albatross around the corporation's neck. To cable Barbados satisfactorily, initially will incur a cost in excess of \$30 million. I am not talking about a part of Barbados. The Minister of Finance would probably have some of the pre-existing studies that were done. There are also problems with the cable. If we get a hurricane and these cables come down, you have to go over the whole thing again and recable. You cannot cable parts of Christ Church and omit St. Lucy or St. Thomas, because you are going to cause confusion, you are going to cause dissatisfaction. I am going to deal with this at another time when we come prepared to debate CBC.

Aside.

Mr. D. A. C. SIMMONS: There is other technology that can be used which "includes setting up a couple booster points around the island. I am not going to discuss that this afternoon. I am dealing with the information.

Laughter.

Mr. D. A. C. SIMMONS: We are not going to talk, because we understand the Leader of the House's position on what we consider is the misuse of television last night to promote the candidature of the Democratic Labour Party's candidate.

Aside.

Mr. D. A. C. SIMMONS: They had him on for about five minutes last night talking about himself.

Asides.

Mr. D. A. C. SIMMONS: No. The writ had been issued yesterday.

(Aside' The writ was issued today.)

Asides.

Mr. D. A. C. SIMMONS: Was it issued today? It was issued yesterday afternoon.

Asides.

Mr. D. A. C. SIMMONS: We are not going to complain that during the week of mourning in respect of the late Errol Barrow, the Opposition - I would not say felt peeved - was concerned at the bias of the management of CBC in not inviting a representative of the Opposition to televise a tribute to the late Prime Minister. The night that he died, the Leader of the Opposition telephoned in his tribute. Whatever political differences there have been between the DLP and the BLP, I believe that all of the members of the Barbados Labour Party recognise the contribution made by the late Errol Barrow, recognise what he has done for Barbados, and we would have been happy for a representative of the Party to have televised a genuine and sincere tribute, because I think honourable Members know how we felt about Mr. Barrow. It was a slight on the part of the corporation to ignore the party that represents 42 per cent of the electorate, or whatever it is.

Aside.

Mr. D. A. C. SIMMONS^ It cannot be ineptness, because it went on for a whole week, and they were showing the same people every night on television saying the same thing. That got stale. I think other people could have been used. But no, they kept repeating the same thing!

The reason why the Acting Leader of the House was not given a play was that the corporation well understood the relationship between the Acting Leader and the late Prime Minister. They know that he would have been too grieved, Sir, to speak on television!

I just draw those matters to the attention of management. We will have a full scale debate on another occasion.

I am obliged to you, Sir.

Mr. C. L. TROTMAN (St. Michael Central): Mr. Speaker, it had not been my intention to speak to this matter since, as the honourable Member for St. Thomas (Mr. D. A. C. Simmons) said that he would, I wanted to respect the request of the Acting Leader of the House and leave comment for a later time. But certain remarks have been made about the workers and the rights of workers which prompt me to address the subject, which, obviously, is very dear to me.

I wish, though, to say that I am very pleased to hear of the great feelings which the Barbados Labour

Party claims it had towards the late Prime Minister, because, on returning to Barbados, I was disturbed to hear of certain comments regarding a certain public meeting in Speightstown the night before he died.

(Aside: Mr. D. A. C. SIMMONS: It was fair comment.)

Mr. C. L. TROTMAN: I, Mr. Speaker, have no doubt that some of it was "f-e-a-r" and some of it was "f-1-a-i-r". Be that as it may, I have no doubt that there will be a time and a place for addressing that subject.

CBC has been a sore matter for some time, and one cannot avoid recognising that that has been so, and one may properly say that it has been a sore matter under all Administrations. But I am particularly concerned that there seems to have been the kind of approach to the labour management relations at CBC which have caused difficulties, and from which there are going to be some grave and traumatic problems associated with the pulling back from it. 6.45 p.m.

The honourable Member for St. Thomas speaks of the memo regime that there is. We have to say that we have heard of some of this, but the trade union has been pleased to be able to say, and I would wish to say publicly, that we have been able, when those memos have gone out, to have the management and the Board of CBC prepared openly and willingly to meet to discuss those memos, and in those cases where persons are members of trade unions, we have so far, on every occasion, been able to have memos withdrawn.

I wish to compare and contrast that with the occasion before 1986 when memos were not sent, but rather, persons were arbitrarily and, in my view, maliciously terminated, and when one dared speak to the matter, one found oneself becoming the butt of public haranguing. I remember that on one occasion we had to speak to one person as being "a gorillaphant general", the occasion of the Minister giving instruction not to deal with the Sandra Simmons' dismissal. The honourable Member for St. Thomas will well remember the dismissal of that person, the high-handed manner of the termination, and let me hasten to say that the honourable Member for St. Thomas was not involved in that. I have said before now that during the time that he was Chairman of the Board at CBC, I had only the very best relationship with him as manager.

Asides.

Mr. C. L. TROTMAN: As Chairman I thought he was the manager. Mr. Speaker, I am sorry. It seems as though there was some loss in my perception as to how the board was managed at the time.

During the time he was the chairman, we had only the best relations, although I recognised that we still had a difficulty as a union with the Minister, and we also recognised and shared the same difficulties that the "*" chairman had with the Minister. We accept that, in the same way that he had to leave, we had to leave the person to God and to the hands of the voters of St. James North.

Mr. D. A. C. SIMMONS: On a point of order, Sir: the difficulties did not prevent me from agreeing with the union on a 22% per cent increase for the workers — the best they have ever had!

Mr. C. L. TROTMAN: Mr. Speaker, the difficulties did not prevent the chairman from yielding to very strong negotiations' pressures in an effort to get a fair and reasonable increase for the workers at CBC. Let me say that, whatever the pressures were that I thought the chairman was labouring under, he was on the side of the workers at CBC during his time. I hope that this would not cause him to rise on a point of order. That is not to >, deny that outside of the time that he remained the chairman, there were arbitrary and malicious terminations. Of course, the rules of this Honourable Chamber would not permit me to list, and the time at our disposal will not allow me to chronicle, the names of " those persons who were arbitrarily and maliciously terminated, some of them at the intervention of the Prime Minister of the day, the late Prime Minister Adams.

Asides.

Mr. C. L. TROTMAN: Mr. Speaker, one has to recognise that that kind of treatment of workers was not in those days limited to the CBC. No statutory board was free from that arbitrary and malicious and, I venture to say, capricious behaviour. Nor was there only the arbitrary terminations, there was the denial of trade union rights * when the Minister — in fact he was the Chairman of CBC — I am referring to Nigel Barrow — denied the workers at the Caribbean Broadcasting Corporation their rights under ILO Conventions 87 and 98, the right to free association and the right to bargain collectively, in direct contravention to the mores and customs of Barbados, which is a signatory to those two ILO Conventions. And because it suited him, and the \$400 that he offered, to deny those workers their right under the Trade Union Act to join the trade union, up to now we still have problems at the Caribbean Broadcasting Corporation.

So I am aware of the rumours to which the honourable Member for St. Thomas makes passing reference. But I am also aware that they have their genesis in the fact that those workers, obviously afraid because they were given the choice of \$400 or capricious termination * and victimisation, as they had seen other people victimised, had no choice, in their perception, and now

these same people, perhaps being a little ashamed to come back to the same parent body that they were members of, do not now know where to turn now that they perceive that they may have certain difficulties. Some of them are coming back, Sir, and we are welcoming them, as any good trade union will do, with open arms. We are prepared to represent them when the occasions arise, and we have no doubt that our trade union capacity to encourage managers under this regime to meet and to negotiate, or to persuade them by other means if they are not persuaded by discussion to negotiate in good faith, will be able to bring justice to bear on behalf of those workers at CBC or anywhere else where there may be the perception of problems.

I have to refer as well, Sir, to job security before and job security after 1986. No person who was working anywhere can give of his best, whether it is at CBC, NHC or the National Sports Council, unless he has a good sense that in his job, providing he works satisfactorily, he has no need to fear. And I will commend again the honourable Member for St. Thomas, because on another occasion when he was Chairman of another Board, the management of which had made up their minds to terminate a particular worker whose name I cannot call, except to say that he was Perry Mason, the chairman, recognising that particular predisposition of the management towards terminating the workers, recognised that there was an *ad miseri cordiam* plea that we were able to make in that case and very quickly was able to say that he agreed with the trade union and was not disposed to taking the position that denies trade union rights to workers.

We can only say that had that same attitude of the honourable Member for St. Thomas been consistent with the attitudes of other members of the previous Administration, then the Barbados Workers Union and the labour movement of Barbados would not have had the problems that it had, and the workers of Barbados would not have suffered in the way that they suffered between 1976 and 1986. I compliment him and those other persons who, like himself, in my estimation, were disposed to fair treatment of persons. I cannot speak for the other two members of the Opposition at this time, because we never had to deal with them in industrial relations, but they are all honourable persons. I have dealt only in a letter with the Honourable Leader of the Opposition, and that was a letter which was so clear-cut that it did not give me enough scope to be able to read and to understand him properly.

Hon. H. deB. FORDE: On a point of explanation, Sir: The honourable Member should know that my roots were in the Barbados Workers Union long before he came into the organisation.

Mr. C. L. TROTMAN: Mr. Speaker, I am aware that the roots of the honourable Leader of the Opposition

were in the Barbados Workers Union, but I have some doubts regarding why the roots were lifted up and transferred. I am not too clear as to what happened around 1963/1964, just about the time that I understand he was uprooted from his involvement within the Barbados Workers Union. I do not know, Sir, I remember that around that time there was some problem to do with the sugar workers, but I have made no connection whatsoever. 6.55 p.m.

I think, Sir, that the whole problem of worker morale is very important, and I wish to suggest to the Minister responsible for the Caribbean Broadcasting Corporation, that it is a matter that has to be addressed, but it is a matter that cannot be addressed in the short term, because there is a history of lack of morale. I would like to think that we are addressing it.

I was pleased to see the Government moving in the direction of reinstating certain workers who had been dismissed capriciously and maliciously before 1986. I have no doubt that those reinstatements have given a certain sense of purpose, a certain sense of assurance, to workers at CBC, and indeed in other Government departments, that if a worker has lost his job through no fault of his own, that worker is not going to be left by the wayside. It leaves me, and I believe it leaves my organisation, the Barbados Workers' Union, with the feeling that we are now going to be heard in the call that we have been making to the Government to look again at those laws which govern the security of tenure of a worker.

We are very concerned that when a worker goes to work and loses his job, that all that is offered him from time to time is a few paltry dollars in compensation for his service. I venture to say, Mr. Speaker, that in the same way that the property of any of the companies that have been listed during the discussions here this afternoon is very important to those companies, and whereas the assets, the shares of any private enterprise are important to those private enterprises, the worker, who has nothing else but his job, considers his job to be as vital and as important to him as the private property is to the businessman. Consequently, Sir, it is my considered opinion, and the opinion of my organisation, that the Government should act with alacrity and despatch to ensure that we begin to look for job security legislation which would underwrite the right of employment to the worker, the right to his job, so that when a worker is terminated capriciously and frivolously, he does not get a \$6 000 cheque, and then cannot find a job anywhere else in Barbados because he is blacklisted, but that given the circumstances of the termination he would be able to say, "I want to continue in my job at that work place." It is very important that we look towards that kind of arrangement and to make sure that legislation is brought for that kind of protection.

In that regard, therefore, it was good news to see the reinstatements by CBC.

We have submitted a proposal about the restructuring of CBC. I hope that the CBC will recognise that there is a need to restructure. We cannot have the STV that the honourable Member addressed, if we are going to have that; we cannot have the beautiful structure that I hope there will be, at least the improved structure; we cannot have everybody under one roof and try to have a dynamic organisation to deal with the changes in technology and the need for giving out news in a different manner - I do not mean carrying news, Sir, I mean giving out news in a different manner — unless we endeavour to restructure the Caribbean Broadcasting Corporation.

I have said before that it is over-managed and under-managed, and that that has not got anything to do necessarily with the number of persons around, but it has to do with the management capacity of the persons who are around. It has no direct reflection on anybody who is there at the moment, but it has to do with the matter of the devolution, if you will allow, of status, the upgrading of persons not necessarily by virtue of capacity to do jobs, and sometimes of putting a square peg in a round hole. I am suggesting that when we look at the restructuring, we need at CBC to see what are the greatest skills of the persons and let them work in their areas of greatest efficiencies and greatest competencies in such a way as to bring to the people of Barbados the very best we can get from a Government-owned and Government-operated radio and television station. Certainly, it is my view that if we were to manage better, we would not get the kinds of errors, slip-ups and disturbances and problems that we hear of from time to time.

It may very well be that the Member for St. Thomas might very well have found in a different sort of arrangements that there could have been room for the submission that he spoke about regarding the tribute, although I have no doubt that other persons might have done a different arrangement in different other circumstances. All one can say about those kinds of things is that one has got to understand that nothing starts from nothing — one thing follows another. The Barbados Labour Party will cry foul today of a number of things, and some of us will agree with them that we would prefer to see a different arrangement, but let us bear in mind that we are today only trying in many ways to change the situation which had been created over the last ten or so years. That is not to say that we should not try to correct problems where we find them as quickly and as expeditiously as possible. That is not to say that CBC does not have room for improvement. That is not to say that we cannot find ourselves in a situation in the immediate future where we can be fully satisfied that we are getting the full benefits from CBC.

When we say that, Sir, we do not mean that it is catering to the needs of the Democratic Labour Party, because many of us on this side have been forced to recognise that we have been worse off than the members of the Opposition. When they speak of their difficulties let it be clearly understood that where those difficulties exist, they exist more for some of us on this side than they do for them. As a matter of fact, I would be very happy, speaking very personally, if I got the coverage of the honourable Member for St. Peter or the honourable Member for St. Thomas. I do not expect to get the same coverage as the Honourable Leader of the Opposition, because I would expect him to get daily coverage, as he does.

Aside.

Mr. C. L. TROTMAN: Oh yes. On CBC, Mr. Speaker, and in the print media. If I were to get some of that coverage, I would feel very good. I think I do some things to deserve it, but that is not here or there, and I understand that the more one gets, the more one wants, and I do not blame the members of the Opposition for feeling that way and for wanting more than what they get. The Bible itself speaks to that, Sir, and I am sure that, being a religious person, you would recognise that the more they have got, the more they will want, and the more coverage they enjoy, as they did previously, Mr. Speaker, and based on the coverage they got previously they would expect a continuation.

We hope that we will be able to see improved television programming. We hope we will be able to see a continuation of the improvement in morale at the CBC. We are sure that, with the Barbados Workers Union continuing to struggle for the rights of the workers, that will happen, for contrary to what some people, who are under some misapprehensions, have said in Speights-town and other places, the Barbados Workers' Union has continued its unswerving commitment, as the Leader of the Opposition has been careful to recognise, and as the member for St. Peter on another occasion was careful to recognise, in struggling for the upgrading and the improvement of the workers of Barbados, regardless of which party has formed the Government.

I thank you, Sir.

Dr. E. A. SIMMONS (St. Michael South East): Mr. Speaker, I think one of the things that we have to recognise is that television is the most powerful medium known to man today. It has the visual and the auditory impact, and we in the Third World have got to be very, very careful about how we move forward in television, and I am speaking primarily about cultural penetration.

The developed countries are spending millions of dollars in trying to mass feed the Third World. This is

not by accident, and I know that the Government of which I am a part would not allow either the Opposition or the Press to pressure them into taking any precipitate action as to what they do with television, because the medium of television will determine in a large way what happens to our country. 7.05 pjri.

I would like to refer to two incidents which I have had. I remember that back in the days when there was a programme called "Dr. Kildaire", a lady was in the office with a pre-school child. She was sitting there and the little boy was running around. After about two hours, a white salesman came into the office, and I was privileged to hear the little boy say, "Mummy, look the doctor is coming." The point is that before that child had gone to school, the programmes on television had taught that little child that doctors are supposed to be white. This engenders in young black children that they are not to aspire to professions.

I remember another incident, one which occurred when I lived in the United States. I was a Camp Counselor, teaching underprivileged children from Harlem, and a very intelligent youngster told me that black people were inferior. I asked him why, and his explanation was that Tarzan had to go into the jungle to teach black people how to tame the elephants and the wild beasts.

We have in Barbados programmes like the "A Team" in which black people are portrayed as big giants with lots of gold chains around their necks and cannot put a sentence together. These are poor images that we are putting forward to our children.

I would like to see the television cameras brought into the House of Assembly, probably every week for half an hour or hour session at prime time, so that our children can sit down at home and see people of their own kind in intelligent debate, and not only in Parliament, but in other places where there are forums where children even before they go to school will want to say, I want to be like the Leader of the Opposition

Asides

Dr. E. A. SIMMONS:..... they have that choice.... or like the Minister of Health, or the Minister of Tourism. These are the kinds of positive images that we must put forward in television.

I remember our dear, departed Prime Minister making some comments about the President of the United States and people in Barbados getting very annoyed about some of the comments that he made about him being a cowboy. The television media has borne out that a lot of those comments that the late Prime Minister made were correct. But the point I am making is this. Television in

the United States plays a very important part in determining who is going to be the President of the United States, because that is the medium politicians use, and part of that medium is also beamed to us in the Caribbean. Therefore, it is important that we understand how important the medium of television is, because our lives and our future are directly tied up with that medium and what emanates from North America, because that is where we get most of our programmes from. A lot of people in Barbados, from all levels of society, no longer consider what their grandmother taught them to be correct. They now take in the values which they see coming over on television, that if you want to be a successful businessman, you must drink a particular kind of scotch, or you must smoke a particular kind of cigarette, and, therefore, you would have achieved it you lived that kind of lifestyle. If we implant those kinds of ideas into our children, then we would have fallen away from the values our parents taught us, which we know to be very good values.

I am quite sure that the Government of which I am a part will not be rushed by Members on the other side talking about whether Cable T.V. is good, or whether STV is good. I am sure that the Government will sit down and work out a plan making sure that when they do bring an improved television programme to the people of Barbados, it would incorporate values which would be germane to the development of this country and give more exposure to local programming, with an accent on the development of the community and villages in this country.

I will urge the party of which I am a part that they take their time and work out a programme. Once you have a programme, that programme is there to stay. Therefore, there is no need to come to a conclusion tomorrow or at the weekend. Sit down and take your time and look at all the perimeters before you make your decision, because the decision that you make now will influence what happens to our children and to our grandchildren.

I thank you.

Hon. B. M. TAUT: Mr. Speaker, I am grateful to honourable Members who have made what can be termed restrained contributions to this debate. I know that this is not the end of the CBC debate because there is a lot to be said about, and for, the Caribbean Broadcasting Corporation.

I wish to respond to a few comments. First of all, I regret very much that it is necessary to express regret about the position which was brought to our attention by the Opposition benches on the question of tributes and the unavailability of time for them on CBC.

I wish to state categorically that whatever occurred was not the result of any Government policy. Clearly, it would be puerile for the Democratic Labour Party Government to forbid or in any way seek to hinder an expression of tribute to our great leader coming from the Opposition, or anybody else, for that matter.

I find all aspects of banning and all aspects of disallowing people to express themselves on the radio and television in Barbados totally and completely alien to what I believe in, and anyone will remember that on assuming responsibility for the Caribbean Broadcasting Corporation, the first official act which I performed was to indicate that there would be no banning or disallowance of anybody going on the Caribbean Broadcasting Corporation's airwaves. So to the extent that CBC did not allow the Opposition to pay tribute, one can only regret that and say that it is unfortunate. I do not know the circumstances and, therefore, I cannot speak in any detail about it.

I believe it is fair to reiterate that during the ten months that I had responsibility for it, in conjunction with the Board of Directors and the senior staff of CBC, CBC was given a policy framework with which it could operate. To my knowledge, the two policy documents that were hammered out are still the bases on which the corporation proceeds in its presentation of news and programming. These documents provide a broad policy outline which had not been available to the Caribbean Broadcasting Corporation before. I wish to say that the present Board of CBC comprises some of the best minds in the area in the Caribbean, and I am satisfied, from the period that I had to work with them, that their attitudes and intentions are of the highest quality and the highest levels for radio and television in Barbados. 7.15 p.m.

I agree with the honourable Member for St. Michael Central (Mr. C. L. Trotman) that the solutions to the problems at CBC must be seen as long term solutions. I am proud to be associated with the restoration of persons into the family of CBC who had been maliciously, unlawfully and disgracefully dismissed from that corporation. I am sorry that the honourable Member for St. Thomas is not in his seat, because I wish to say to him, particularly, that a lot of the losses which CBC is currently incurring were brought about by the capricious action of persons, both in the political directorate of the Barbados Labour Party and in the CBC during their time, who dismissed persons for political reasons, and who allowed themselves to be caught up in a drama of victimisation, resulting in the present board having to spend large sums of money to satisfy legal requirements.

The facts are there, and they are available for anyone who wishes to pursue them. The fact is that many of the people who were dismissed brought wrongful

dismissal suits, and the legal advisers, both the Labour Party adviser and the current adviser, advised the corporation that settlement was the order of the day. There were more than 20 wrongful dismissal or libel or slander suits involving CBC that I knew of during the year I was there that had occurred before June 1986.

I want to say further that the CBC's finances had taken a turn for the worse before the present board took responsibility for CBC. I do not like to discuss CBC in terms of profit and loss, it is not necessarily the best way in which we, at our stage of development, should be discussing the major means of dissemination of information, entertainment and cultural development in our society. That notwithstanding, the losses which have occurred at CBC during the year in question, as I understand it, are in fact less than the \$1 million referred to by the honourable Member. My information is that up to June 23, 1987, the revenue for CBC was \$3 603 278, and the expenditure was \$3943931, which gave losses, before depreciation, of \$337 653.

As you know, the equipment at CBC is the beneficiary of huge depreciation, partly because of policies which no one in the annals of management fully understands, and the depreciation attributed to CBC is now \$370 000, and the loan interest is \$284 000. You can see right away that between depreciation and loan interest, we are talking about over \$654 000, which would constitute part of the net losses, to date, of \$992 556. I feel that that kind of information can be given to the House. It is information which has been supplied by the Corporation, so it is subject to errors and omissions which should be excepted.

Mr. Speaker, I am glad that my colleague, the honourable Member for St. Michael Central, referred to the restoration of people at CBC. Let me repeat, the restoration of people; the rehabilitation of the psychological health of a large number of people who are associated, and have been associated, with the Caribbean Broadcasting Corporation, a lifting of the oppressive weight which was hanging down on them, many of them who have been at the Corporation for some considerable time.

That there are management problems now at CBC is only part of the ethos of a developing country movement forward where, as the honourable Member said, a pattern of management by rumour was the order of the day. I make no apology, Mr. Speaker, for saying that there are very few managers of high quality available in Barbados at this time in our development. Most of them are either with the trade union movement, in the House of Assembly, or in place in most of the institutions in Barbados already. It is very difficult to go around finding high quality management at the same rate and of the same standard that you can find in some developed countries. Even so, it seems sometimes that the worst

management-gravitates towards the statutory corporations. I should leave that there, Sir, until we come to have a full scale discussion on statutory boards or on a particular statutory board. Suffice it to say that CBC, apparently, has been able to find the high quality management that we have been discussing, and it will take some time before CBC is able to settle down and go forward.

But even in the area of providing more spacious and better accommodation, ineptitude still was able to come to the fore. After the building which we are building up there had been approved, and after everything had been done, it was discovered that the studio they had planned for, and that had been approved, was smaller than the studio which they had, which is the existing studio in the condemned building. Had it not been caught in time, we could have found ourselves in the position where, having spent nearly \$20 million, we would have been worse off. Fortunately, the new management has been able to spot it in time.

The Chairman of the Board has to take a lot of the credit. I know there are some people who have given him some stick, but the Chairman of the Board has put in a lot of time, as all chairmen have had, apparently, to do from time to time, except for the hiatus when the fat gentleman filled the place. Mr. Speaker, I do not wish to say anything pejorative about anybody and, therefore, I will not speak about Mr. Nigel Barrow here, but CBC has always had people who have had to work extraordinarily long hours, and the present chairman ought to be applauded for the amount of time which he has spent — he and the other members of the board, but he in particular — trying to get CBC going in the right direction. 7.25 p.m.

I wish to congratulate the "board on the direction it has been taking - and here I am responding directly to what the honourable Member for St. Michael South East (Dr. E. A. Simmons) has been saying towards an image on television that is commensurate with what he is calling for. They have taken the first step. The honourable Member is suggesting that medical surgery is necessary, but he also knows that sometimes, even in the best regulated hospitals, the high quality surgeons will not recommend radical surgery after they have examined the patient, for fear that the patient will die of shock. A graduated approach to the restoration of the health of this has to be adopted.

Aside.

Hon. B. M. TAITT: We have to do some rehabilitative work first, as the honourable Member is saying.

To be serious, Sir, CBC has started in the right direction. It has local programming, even though persons in Barbados will quarrel, and properly so. This is a demo-

cracy, and people must quarrel about things they do not like. There are people in this country who seem to feel that people must agree always about everything all of the time. That does not happen even in a controlled environment. It is necessary for intelligent people to disagree, and therefore, when CBC attempts to go in new directions, the citizens of this country ought to make their views known and felt. There will be controversy, there will be complaints, and I will continue to feel aggrieved that CBC can continue to do some of the things which offend me as an individual, but I can still applaud them, as a corporation, for trying.

On the question of the date of STV, this is an instance of the classic way that Barbadians, in particular, and West Indians, generally, continue to treat themselves. It is a kind of self-flagellation.

Asides.

Hon. B. M. TAITT: Is that the correct word? I have to check these days, there are so many wordsmiths around.

People have this tendency to beat themselves, so somebody said they must get STV and somebody said you had to fix a day. When the good Lord was creating, the earth, he did not fix the days in advance. He did what he had to do, and when he got to the sixth day, he suddenly realised, according to the legend, that he was tired and he set up a seventh day and said, 'let me get a rest.' He finished the work in six days, but there is nothing which says he had indicated he would do that. But in Barbados, STV is to come, and therefore you have to fix a date, and therefore some journalist, who has to get a front page story, has to run down the chairman every day and say, 'You said the 29th, today is the 29th, and you have not produced.'

The fact is that STV has never been done in Barbados. The fact is that cable television was recommended by the previous board and there is no evidence anywhere as to when the decision was made to move from cable to STV. There is no evidence on any file anywhere. STV suddenly came about and was in progress. It was not even in the board minutes. The last evidence of anything is " that the technical person on the board, who is still on the board, and who could not be described by anybody, even under the most pure circumstances, as committed to the Democratic Labour Party, cannot indicate when the change was made from cable to STV. Cable was recommended, suddenly STV was on. No one can find where the scheduling for STV occurred. No one has the history or experience in the implementation of STV, and I think the country should be aware that no one had any experience of STV, that is, subscription television, before, and, therefore, part of the problem of its implementation has to do with the trial and error approach which the

Caribbean Broadcasting Corporation implemented and had had to continue to implement.

Mr. Speaker, we said that we will have a full debate on this, and in due course we will have a full debate, but the truth has to be told. CBC is trying, in conjunction with Cable and Wireless, to find a hybrid system which would take account of the benefits of cable television while utilising STV, which has been purchased and which is in place. The reason why it is being tested for as long as the honourable Member has asked about is because it is a paid service, and when it is put on the market for sale, it has to be an acceptable product. That is the view of the board, and that is why they are not able to answer more expeditiously.

I hope that I have answered all the questions raised. In due course, I promise this Honourable House that there will be a full debate on the CBC, including the policies and the directions in which it should go, and the amount of money which ought to be set aside.

Aside.

Hon. B. M. TAITT: I have no doubt that, in due course, the whole question of ownership, control and expenditure on CBC will form part of serious examination by the Government, and an opportunity will be provided for further debate in this Honourable Chamber.

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

Hon. B. M. TAITT: Mr. Speaker, there is just one little formality. I assure the House that we do not intend for them to be kept unnecessarily, but there is an item on the Order Paper which has been on the Order Paper for some considerable time, and I believe that it would be in the interest of all concerned if the honourable Member in whose name it stands could be given the opportunity to have the item called so that it may be withdrawn from the Honourable Chamber. I speak, Sir, of Item 10. I am asking Your Honour to oblige the Minister for Trade, Industry and Commerce to deal with the matter.

Mr. SPEAKER: Order No. 10. WITHDRAWAL OF

CARICOM ENTERPRISES BILL

Order No. 10 was called - To move the resumption of debate on the motion for the second reading of a Bill to provide for the implementation by Barbados of the

Agreement for the establishment of a Regime for Caricom Enterprises and for related matters.

Hon. E. E. GREAVES (St. Lucy): Mr. Speaker, I do not propose to proceed any further with this Bill at this point and I am therefore seeking the leave of this Honourable Chamber to withdraw this Bill.

The question that the Bill be withdrawn was put and resolved in the affirmative without division.

Mr. SPEAKER: I have an announcement to make.

ANNOUNCEMENTS BY HIS HONOUR THE SPEAKER

Mr. SPEAKER: I am to announce that I have received: Accounts and Statements for the month of March, 1987 as prepared by the Accountant-General.

ADJOURNMENT

Hon. B. M. TAITT: Mr. Speaker, that brings us to the end of Government Business. I must thank honourable Members for the very expeditious removal of items from the Order Paper. I am very grateful to honourable Members for their co-operation.

I wish to apologise for not having made arrangements for dinner, because we anticipated that we would finish a little earlier than we actually did. But in keeping with the dictates of the health requirements of the society, we think that the foregoing of this small morsel at this time will do nothing to your collective health. Those of us, Mr. Speaker, who are going to our respective homes will have no difficulty whatsoever.

Mr. Speaker, I wish to move that this House be now adjourned until Tuesday, June 30, 1987 at 12 o'clock noon, Sir.

Hon. M. A. KING: I beg to second that, Sir.

The question that the House be now adjourned until Tuesday, June 30, 1987 at 12 o'clock noon was put and resolved in the affirmative without division and Mr. SPEAKER adjourned the sitting accordingly. 7.40 p.m.

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(OFFICIAL REPORT)

FIRST SESSION 1986 - 91

HOUSE OF ASSEMBLY

Tuesday, June 30, 1987.

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

PRESENT

His Honour L. A. Weekes, J.P., (Speaker)
His Honour J. J. Payne, (Deputy Speaker)
Hon. H. deB. horde, Q.C., M.A., LL.B., (Leader of the Opposition)
Hon. B. M. Taitt, B.A. (Hons.), MA., LL.B. (Hons.), (Minister of Health)
Hon. P. M. (Jreaves, - g.C, B.A., (Deputy Prime Minister, Minister of Transport, Works and Telecommunications and Leader of the House)
Hon. Dr. R. C. Haynes, M.B., Ch.B., F.R.C.P. (fcdin.), (Minister of Finance)
Dr. D. G. Blackman, B.A., M.A.
Hon. W. O. Franklin, A.I.C., M.I.A.S., J.P., (Minister of Agriculture, Food and Fisheries)
Hon. N. K. Simmons, (Minister of Employment, Labour Relations and Community Development)
Hon. H. A. Blackman, B.Sc., (Econ.), (Minister of Housing and Lands)
Mr. D. A. C. Simmons, Q.C., LL.M.
Mr. O. S. Arthur, M.Sc., (Econ.)
Mrs. M. Barker-Welch, (Parliamentary Secretary, Ministry of Employment, Labour Relations and Community Development)
Hon. C. V. Walker, (Minister of State, Ministry of Education and Culture)
Mr. L. L. Brathwaite, J.P.
Mr. E. Bourne
Dr. E. A. Simmons, M.D.
Hon. W. W. Hall, (Minister of Tourism and Sports)
Mr. C. A. Neblett, B.A.
Mr. C. L. Trotman, M.A.

Mr. P. J. M. Miller

Mr. R. P. Byer, LL.B., L.E.C.

Prayers were led by Father Ivan Harewood. Mr.

SPEAKER: The House is in session. MINUTES

Mr. SPEAKER: The Minutes of Tuesday, June 23, 1987.

Hon. P. M. UREAVES: Mr. Speaker, I beg to move that the Minutes of Tuesday, June 23, 1987, as circulated be taken as read and be confirmed.

Hon. B. M. TAITT: I beg to second that.

Mr. SPEAKER: It there are no alterations or objections, let those Minutes stand confirmed.

PAPERS LAID

Hon. P. M. GREAVES: Mr. Speaker, I am commanded to lay the following documents:

On behalf of the Honourable Minister of Legal Affairs, the Report on the Probation Department for the years 1983 and 1984.

On my own behalf:

The Annual Report and Audited Financial Statements of the Transport Board for the period 1983-84.

The Annual Report and Audited Financial Statements of the Transport Board for the period 1984-85.

GOVERNMENT NOTICES

Hon. P. M. GREAVES: Mr. Speaker, I beg to give notice of the following:

Resolution to amend the Explanatory Note to Head 16 - Ministry of the Public Service, Subhead" 1 - General Administration, Item 11 - Maintenance of Property.

Resolution to grant the sum of \$156785 from the Consolidated Fund and to place it at the disposal of the Government to supplement the Estimates 1987-88, Part I - Current, as shown in the Supplementary Estimates 1987-88, No. 3 which form the Schedule to the Resolution.

A Bill to amend the Road Traffic Act, Cap. 295. A

Bill to amend the Banking Act, Cap. 322. FIRST

READING OF BILLS

On motion of Hon. P. M. GREAVES seconded by Hon. B. M. TAITT, the following Bills were read a first time:

A Bill to amend the Road Traffic Act, Cap. 295.

A Bill to amend the Banking Act, Cap. 322. ORAL

REPLIES TO QUESTIONS

Hon. P. M. GREAVES: Mr. Speaker, on behalf of the Honourable Minister of Housing and Lands, I beg to give notice that Oral Reply to Parliamentary Question No. 63, asked by the honourable Member for St. Michael North East, is ready.

ORDERS OF THE DAY

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

SUSPENSION OF STANDING ORDERS

Hon. P. M. GREAVES: Mr. Speaker, 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. B. M. TAITT: I beg to second that.

The question that the several Standing Orders be suspended for the remainder of the sitting was put and was resolved in the affirmative without division.

GOVERNMENT BUSINESS

THE OCCUPATIONAL TRAINING (AMENDMENT) ACT, 1987

Order No. 2 was called - To move the second reading of a Bill to amend the Occupational Training Act, Cap. 42.

Hon. Dr. R. C. HAYNES (St. Michael South Central): Mr. Speaker, the Bill before Parliament seeks to amend the Occupational Training Act, Cap. 42, to, firstly, put in place one of the pledges in our manifesto, namely, that the proceeds of levies should be paid into the Consolidated Fund. This Bill, Sir, would make it mandatory for all training contributions collected under the Act, the Occupational Training Act, to be paid into the Consolidated Fund. 12.25 p.m.

As a result of that, the Bill seeks to make other amendments to that Act consequent on the provision making the contributions under the Training Levy payable into the Consolidated Fund. It also seeks to re-enact certain provisions of that Act which were omitted from the Revised Edition of the Laws of Barbados which came into force in 1987.

You may recall, Mr. Speaker, that on April 7 of this year, I increased the levy payable by employees and self-employed people from 0% to 0.5% while that payable by employers remained the same. To give effect to this proposal, it was necessary to examine the provisions of the Occupational Training Act, and, therefore, you will see incorporated in this amendment the new rates for the Training Levy which came into effect as stipulated in the Budgetary Proposals of 1987.

While we were examining the legislation to put the budgetary proposal into effect, it became clear to us that we would need to do one or two other things in respect of this particular piece of legislation. In particular, Sir, it deals with an omission whereby previous amendments to the Occupational Training Act were not published in the new Laws consequential on the law revision, and the entire Bill had to be done over again. When contacted on the omission of that section of the law, the Attorney General indicated that the Bill had to be substantially modified on account of the fact that the edition of the Laws of Barbados which came into force on March 1, 1987 did not contain in the Occupational Training Act, 1979—88, now Cap. 42, many of the provisions as inserted by the Occupational Training (Amendment) Act, 1982.

It would appear that the substantial amendments that were made by the amendment of 1982 were not

included in the Bill at the time when the new law revision edition came into force. This means, Sir, that there was no authority, really, under the existing law as it stood, because of the omission, to put in place the Budgetary Proposals or anything else, except what was on the Statute Book, as I understand it. Therefore, it became necessary to go through this major exercise and, virtually I think, as far as I can see, re-enact a new Bill.

I am not trying, Sir, to blame anyone for what has happened. One understands when one is in Government how these things happen.

Asides.

Hon. Dr. R. C. HAYNES: As I say, I am not trying to blame anyone. These things do happen, and when the opportunity arises to correct them, the correct thing to do is to come to Parliament and deal with the matter.

So we are taking this opportunity then to put the budgetary proposals in place, to effect a manifesto pledge, namely, to make it lawful for the proceeds of the Training Levy to be paid into the Consolidated Fund, and also to correct a glaring omission from the Laws of Barbados, namely, the amendments to the Occupational Training Act.

Mr. Speaker, that is the best I can do from a non-legal point of view, and I move that this Bill be now read a second time.

Hon. N. K. SIMMONS: I beg to second that, Sir, and reserve my right to speak.

Mr. O. S. ARTHUR (St. Peter): Mr. Speaker, it is very significant that, in introducing this Bill, the Minister who introduced it restrained himself to legal and procedural matters, as if the matter that we are concerned with here this afternoon is a matter that is best dealt with from the point of view of tightening up whether a levy is going into the Consolidated Fund or whether an initial piece of legislation contains a significant omission or not. I submit to the House that training, the development of our young people, is a matter that is of such tremendous importance at this time that it deserves the fullest possible debate in this House, a debate that should allow us to branch into areas other than whether the levy is in the Consolidated Fund or not. Indeed, Sir, the most pressing problem facing this country now, in my view has to do with the high incidence of unemployment, particularly the high incidence of unemployment among the young people of the land.

One was hopeful that the Government side would have grasped the opportunity to put forward a full and comprehensive statement of Government's training policy, since, to date, this House has not benefitted from an articulation on this particular subject matter. And the issue, Mr. Speaker, becomes all the more pressing when

one puts occupational training within the narrow context, mark you, Sir, of the financial affairs of this country. Because the fact is, Mr. Speaker, that the provision for training this year is such that although the Training Levy is to yield \$6.75 million, only \$3.5 million has been allocated to the National Training Board.

(Aside: So far.)

Mr. O. S. ARTHUR: We on this side would obviously, Mr. Speaker, be very grateful to the Government if it could indicate the areas in which the compression in its training activities are to take place, so as to put Government in the advantageous position of using a part of the Levy, which should be used really to train the young people of this country, to assist the Minister of Finance in helping to purchase stationery for various Government departments, and so on and so forth. We start, Sir, from that basic position, that the training levy is designed to yield \$6.75 million now, but only \$3.5 million is actually going into the training of the young people of the country. 12.35 p.m.

One also has to focus this debate against the backdrop of the fact that there are over 8 000 applications at the National Training Board waiting to be processed, that is prior to the flood that one anticipates in July when new entrants to the labour force come on the market.

I need, Mr. Speaker, despite the heckling from the other side, to take the debate outside

Aside.

Mr. SPEAKER: I assure the honourable Member that I will not allow any heckling.

Mr. O. S. ARTHUR: Mr. Speaker, I know you will not allow heckling from the other side.

We need in this House, Sir, to take the debate on training beyond the narrow legal limits as to whether the Training Levy is going into the Consolidated Fund or not. Indeed, Sir, there are many countries in the world, in particular in Latin America and in Germany, where there is a training levy and the training levy is not going into a Consolidated Fund, but is used very productively to train the young people of the country.

I need also, Mr. Speaker, to move the debate beyond the narrow question as to how much Government is spending or not spending on training. I think we need to go into the present direction of Government's training programme. One gathers that the present Government's training programme is now to be summed up in a concept called Tech-Voc, in which Government's emphasis is to focus not, from a holistic point of view, on the fullest

development of young people, but is to be reduced simply to a narrow focus on the technical and vocational aspects of training. This is a very significant departure, in my view, from the past approach to training which saw training not only from the point of view of providing a system by which a few select basic skills could be upgraded, but from a broader point of view as creating systems and mechanisms by which the young people of the country could have avenues opened to them, to develop all various parts of their personalities.

If one were to analyse, Mr. Speaker, the systems that were in operation in the past, one would recognise that there was provision not only for technical and vocational training, such as is contemplated, apparently, now under the present dispensation, but there was also provision for training designed to cater to the development of non-manual skills. The question, therefore, that I have to pose to the Government is, where is the non-technical and non-vocational aspects of the training programmes within the current dispensation of things?

There were also plans in train, Mr. Speaker, to so organise the management of the Training Fund as to enable institutions such as BIMAP, the Barbados Employers Confederation, the Polytechnic and the Barbados Community College to be able to draw from the National Training Fund to supplement the programmes that they had ongoing, programmes which were financed directly from the central budget. The question that obviously springs to mind is, given the existing arrangements regarding the use of the Training Levy, by what means is Government going to make sure that the in-plant training programmes, which were formerly financed by way of the Training Fund through its relationships to the Barbados Employers Confederation, to BIMAP and so on, are financed in the future?

I stress the point, Mr. Speaker, and I go back to the financial aspect of the issue, that the Training Levy yields \$6.7 million, of which only \$3.5 million is to go to the National Training Board this year. In the past, however, BIMAP, the Barbados Employers Confederation, the Community College and the Polytechnic were able to draw from the National Training Fund to finance special schemes for young people that could not be accommodated by their own programmes. There is no provision in the Estimates this year for subventions to BIMAP, the Employers Confederation, the Polytechnic and the Barbados Community College as would have been the case in the past when the Training Levy Fund was not going into the Consolidated Fund. And one wonders, therefore, whether the in-plant training programme that was set in motion in the past is to be frustrated because the Minister of Finance now finds it necessary and convenient to use a training surplus as a means of financing the general Government.

Asides.

Mr. SPEAKER: May we have some order, please?

Mr. O. S. ARTHUR: Thank you, Mr. Speaker.

I started my presentation by making the case that the problem of youth unemployment is the most important single problem facing this country, and I believe that we have to begin to think innovatively as to how youth unemployment is going to be resolved. Obviously, Mr. Speaker, training is one important way by which we can address the problem of youth unemployment. So long as we live in a world where the 17 year-olds and the 18 year-olds are thrown out on the job market each year, then we are going to have a tremendous problem accommodating that rush on the job market. There is simply no way by which our economy can expand fast enough each year to accommodate three to four thousand persons with minimal academic skills. We are not creating jobs in that volume.

Indeed, Sir, when one begins to compare employment statistics across the globe, one of the most misleading points, obviously, is not to recognise that there are different countries with different levels of skills development. In some countries youth training is mandatory. In Germany, for example, it is so much so that they have found a mechanism by way of training to block the entry of persons on to the labour market, and one therefore runs a very important risk in picking up the Barbados' Labour statistics and comparing them with Germany's without recognising that the training systems in the two countries obviously operate in different directions to impact differently on the level of unemployment.

Our distinct problem in Barbados, where unemployment is concerned, as I understand it, is that we have too many unskilled people chasing too many unskilled jobs, and a part of our general approach to employment generation is to narrow the gap between the demand for unskilled jobs and the supply of unskilled jobs, and to that extent, from a narrow economic point of view, training becomes not only a means by which we can block entry to the labour force, but a means by which we can reconcile the supply of skills with the demand for skills as it is likely to evolve. My broad concern, Sir, is that I think we have approached youth training from too narrow a point of view. 12.45 p.m.

The Skills Training Programme, the Work Experience Programme and the Apprenticeship Programme are all important additions to our national systems by which we can cater to the needs of our young people. But even if one were to take a careful stock of the direction in the development of our educational systems, one would

observe that, as the educational system itself has changed, we are having a situation in this country in which there is an increasing demand for training outside the traditional apprenticeship area, outside the traditional basic skills area and outside the traditional clerical area such as are now being catered for under the Work Experience Programme.

We have in this country, Mr. Speaker, a situation in which there is a large number of young people with one potential skill alone, Sir, which need not necessarily fit into a traditional apprenticeship area as conceived, which, perhaps, would not necessarily fit into a skills training programme as conceived, and which might not even fit into the Work Experience Programme as initially conceived. We have these young , people coming out of school, those with one talent and one skill, and I want to submit to the House, Mr. Speaker, that our training programme is not sufficiently designed to cater to persons whose potential talent in life fall outside the realm of those traditional areas which are now being catered to by our Apprenticeship Programme, our Skills Training Programme and our Work Experience Programme.

Many of us in this House have gone to speech days and spoken to young people. There are young people in Barbados now who want to be fashion designers. There are people in Barbados who want to be interior decorators. There are young people in Barbados who have ambitions to be top class publishers, printers and novelists, and I am saying, Mr. Speaker, that if we are to conceive of training not just as the development of a specific narrow range of skills, but as a means of allowing people to develop their talents, however those talents are to be defined, then there is an advantage to us in this country at this juncture, Mr. Speaker, to reconsider the scope and the programme direction of our existing training programmes such that they become means by which we can develop talents particularly of a non-traditional sort.

I, therefore, very much agree with you, Mr. Speaker, that we are missing an opportunity when I contemplate that we now have one whereby we could have been spending \$6.7 million this year in the development of both traditional and non-traditional skills and talents on the part of our young people, but we have decided not to use that full \$6.7 million to assist in the development of the talents of young people — broadening the programme, if necessary, going into non-traditional areas, if necessary — and have decided, instead, to capture \$3.2 million of it for general purposes, ignoring, Mr. Speaker, one of the easiest ways, one of the most effective ways, by which Government can radically begin to address the problem of young people at source. I really, Mr. Speaker, could not enter into this debate unless I said that it is a very backward step on the part of

Government to economise on the use of training funds for general purposes rather than to seek to utilise the training funds to the fullest to open up avenues and possibilities for the young people of this country.

I, therefore, Mr. Speaker, have to solicit from the Minister of Education exactly what is envisioned from the new concept of the Tech-Voc approach to training. Do we see all of our young people in the country as being only interested in technical and vocational training? Is this the mirror image that we have of the young people in Barbados? Am I also, Mr. Speaker, to understand that the shift in the emphasis is going to go back to a more academic approach to training, given that the subject itself has been shifted from the Ministry of Labour and Community Development, where it has traditionally been located, to the Ministry of Education? One also needs to enquire of the Government whether the role of the National Training Board as the central co-ordinating organisation for the conceptualisation and the implementation of the training programme is now to be followed through.

I am very unhappy, Mr. Speaker, that the National Training Board, has, to some extent, been too narrowly perceived as a form of employment agency. It is a fact. We have to be serious.

(Aside: By you?)

Mr. O. S. ARTHUR: Generally, on that side of the House, Mr. Speaker, the National Training Board is perceived, as a means by which when you meet with your constituents, as a place to which you send some of your young constituents with forms with a view to getting a little pick in the Work Experience Programme, Skills Training Programme or Apprenticeship Programme.

Under the Barbados Labour Party, Sir, because of the relationship that was encouraged by the use of the training funds off budget, and this is the important point, the National Training Board was also conceived of as a focal point through which the training programmes of a vast category of training institutions could be co-ordinated. The fact that the full extent of the Training Fund had to be allocated between a number of given institutions in the area of training, including BIMAP, and the BEC, put the Training Board in a position in which it could act as a co-ordinating agency as regards training at the national level. The question that obviously must arise, Mr. Speaker, is now that the full Training Levy is going into the Consolidated Fund, and this is a serious question, what precise role is to be exercised by the National Training Board in relation to other institutions which are involved in the training of young people?

Laughter.

Mr. O. S. ARTHUR: Honourable Members on the other side can laugh at the point, but it is a serious point. We have a large number of different organisations in this country involved in the training of young people, and the interface between those institutions and the National Training Board was established precisely because there was a Training Fund to be administered, to which BIMAP the Polytechnic, the Barbados Employers Confederation, and others were entitled. There is no provision made for it here, Mr. Speaker.

I am saying that even though the system had not been perfected, one was working towards a situation where there could have been a co-ordinated approach to the training of young people, with the National Training Board as the focal point. I am also saying that the fullness of the role to be performed by the National Training Board is not as an employment agency, so to speak, but the fullness of its role, in my view, must be the extent to which it can be a catalyst working to bring all of the various training institutions in the country together to develop the broad talents of the young people in the country. I am concerned, Mr. Speaker, that the nature of the financial arrangements that have been made regarding the use of the Training Levy is going to put the National Training Board in a position where that broad co-ordinating relationship can be compromised. I would welcome a position from Government as regards the question as to how we can take such a role as existed before from the National Training Board and build it, rather than reduce it, to the advantage of the young people of the country. 12.55 p.m.

So, Mr. Speaker, to sum up, I am concerned that we are being guided by a false economy, by a false sense of financial management which is saying that the Training Levy should be a source of surplus available to the general Government, to be used not for the development of the talents of the young people of Barbados, but, Mr. Speaker, to help finance the general purposes of Government. I think that is a backward step, Mr. Speaker, and I would have been pleased if the Minister, in the same way that he has supplemented or has made provision to supplement housing in the Budget, in April had made provision or given a commitment that the full \$6.7 million to be raised in the name of training this year by the use of the levy would have been provided in full to the National Training Board or to some other designated training institution.

I am unhappy with a situation, Mr. Speaker, where we know we have a problem with our young people, but we are economising on training and the development of our training programmes so as to create a financial surplus for Government. That is bad for the economy. It is wrong.

I am also concerned, Mr. Speaker, that there seems to be a drift in our training programmes back to narrow confines concerned with the technical and vocational ^ skills in a few selected traditional areas. When one takes note of the diversity of potential talents possessed by the young people of this country, the drift backwards to the technical and vocational approach to training is a major mistake.

I am also submitting for the consideration of the House, Mr. Speaker, that the National Training Board had under a previous dispensation been moving towards a situation where its relationship to the apparatus of Government would not only be as an employer of people, but that of the co-ordinator of the training programmes and a catalyst for change in the area of training. I submit, Sir, that the present financial arrangements which put the Training Levy into the Consolidated Fund reduces an important aspect, the interface between the National Training Board and the related training institutions and I am therefore submitting that this Government is going backward rather than going forward where training is V concerned.

Thank you, Sir.

Dr. E. A. SIMMONS: Mr. Speaker, I just want to make a few comments following up on what the honourable Member for St. Peter (Mr. O. S. Arthur) has said. I am glad that he has elevated this discussion to a general look at training in Barbados, but it would seem to me that the honourable Member, who had copious notes, probably picked up the wrong pile when he came here and had to follow them.

In addition, it seems to me that he obviously spent a lot of time out of Barbados and, therefore, missed some of the historical things that took place in Barbados. I am quite sure that he was not here in 1976, because in 1976, "*** when the Barbados Labour Party went to the people of this country, they said some things in their manifesto.

He is talking a lot about what this Government should do about unemployment and young people, and the training schemes that should be put in place by the Democratic Labour Party.

In 1976, on page 23, in the conclusion, this is what the Barbados Labour Party manifesto said:

"The educational system fails to provide adequately for the children of school age and for the young people generally. There is nothing to look forward to but a life of unemployment and frustration." ^

From 1976 to 1986 the Barbados Labour Party was the Government of this country. It therefore seems strange

to me that the honourable Member for St. Peter can get up after ten years and pontificate about all the training programmes that should have been put in place when they had ten years in which to put all the training programmes in place.

I want to remind them of some of the things that happened in this country. In 1975, the Democratic Labour Party set up a special youth programme, and in that special youth programme, which was attached to the office of the Prime Minister, the now representative for St. James South (Hon. N. K. Simmons) was put as head of that broad-based programme for the development of youth. When the Barbados Labour Party won the Government, they dismantled that programme and kicked the personnel with the youth programme out of the office.

Furthermore, I find it very interesting that the Barbados Labour Party can come in here and talk about the establishment of training programmes when they

Aside.

Mr. SPEAKER: There is only one honourable Member speaking. Order please!

Dr. E. A. SIMMONS: When they formed the Government in 1976, they found a general training programme in place where civil servants, teachers and nurses were able to get study leave, go overseas with pay to be trained and come back. They dismantled that. They brought the position to such a bad state that nurses were no longer paid during their training periods, and poor people in this country, especially women who wanted their daughters to study nursing, — the small allowances that they had to buy uniforms, stockings were discontinued — could no longer allow their children to go to become nurses, because they did not have the money.

(Asides: Tell them about Erdiston!)

Dr. E. A. SIMMONS: I am getting to Erdiston.

Only people who could afford to buy uniforms for their children could allow their children to go into the nursing programme. You dismantled the nursing programme for poor people, and you are talking about a broad-based programme for poor people in this country!

You created a shortage of nurses in this country, and if you had continued that programme - there are places opened in America for nurses now — we could have had nurses by the surplus to send overseas. But now we find a situation in which, for probably the first time in the history of Barbados, Barbados finds itself with unqualified people to meet the needs overseas. Barbados was always a country which, whenever there were job opportunities overseas had people to send to those

jobs. It is only after ten years of the Barbados Labour Party that we find ourselves with a shortage of qualified people. 1.05 p.m.

In the area of teacher training, you so dismantled Erdiston Training College and whereas before teachers who were out there teaching were allowed to go

Asides.

Mr. SPEAKER: Order, please. I cannot hear the honourable Member.

Dr. E. A. SIMMONS: Teachers were out there teaching were allowed to go to Erdiston and then move back into the schools. You stopped that programme, and you made it mandatory for people to come out of school and go directly to Erdiston, without any assurance that, after they finished Erdiston, they could become teachers. These are the things you did. And now you have the audacity to come in here and talk about training programmes! You dismantled all the training programmes!

You talked about the National Training Programme.

Mr. SPEAKER: Who "you"?

Dr. E. A. SIMMONS: I am sorry, Mr. Speaker, the members of the Barbados Labour Party.

The honourable Member for St. Peter talked about the National Training Programme. When you introduced the concept of the National Training Programme, you had it attached to the Defence Force, but you are talking about a broad-based training programme. It was after many years of cuffing and fighting that we were able to have the proposed training programme moved away from the Defence Force and put under the educational programme.

Further, those of us who follow the Barbados Labour Party would remember, if we go back and look at some of your mentors, that there was an article written, I think it was way back in 1975, by a man who is very closely associated to the Barbados Labour Party who taught me at school. I will not call his name. He taught History. In an interesting article on education in Barbados, he expressed the views of the Barbados Labour Party when he said that we should cut out all free tertiary education in Barbados.

(Aside: Hon. B. M. TAITT: Who is that?)

Dr. E. A. SIMMONS: I am speaking about the former Chairman of CBC, Ronnie Hughes, that is who I am talking about. He said that you should cut out all free tertiary education and we should go back to an era where we concentrated on primary education. He is one of your mentors. I am going to bring that article in here and quote from it, because I think it is important

that the people understand the philosophy of the Barbados Labour Party, that the poor people in this country should go back to primary education.

We know that in the last few years of the Barbados Labour Party's regime, they tried vigorously to stop the financing of tertiary education in this country. The Barbados Labour Party also implemented a General Paper into the Eleven Plus examination, and that General Paper was so structured

Asides.

Dr. E. A. SIMMONS: It was designed to give children coming from a certain home, an upper middle class home, the advantage over the basic education which the ordinary child would have.

Mr. SPEAKER: Confine your remarks a little bit more closely to the Resolution.

Dr. E. A. SIMMONS: Mr. Speaker, I am talking about training and how training is broad-based, because, as I see it, Mr. Speaker, training starts not only from the training programme itself, but it starts in the pre-school and continues at the elementary level. It is only after we reach there that we can really get into the secondary and tertiary. The point I am making is that when we talk about finances allocated to training programmes, the honourable Member for St. Peter really cannot come in here and make any criticism of the Democratic Labour Party, because the Barbados Labour Party dismantled all the programmes that were set in place.

I would just like, in summing up, Mr. Speaker, to say for the record that it was the Democratic Labour Party that brought free secondary education to this country, against the great opposition of the Barbados Labour Party which said it could not happen. And you were trying to get back to the days when poor people in this country could not afford a secondary education. Only a few years ago, you introduced a scheme where youngsters had to pay to sit overseas examinations, and you brought it in about a month before the examinations, and poor people in this country who did not have money could not allow their children to sit the examination.

(Aside: Hon. B. M. TAITT: Forty dollars!)

Dr. E. A. SIMMONS: This is the history of this country.

Asides.

Dr. E. A. SIMMONS: So, Mr. Speaker, I just want to remind the honourable Members on that side that when they talk about education and training, they are in no position to criticise. Their record is a very sorry record.

Hon. B. M. TAITT (St. Michael West): Mr. Speaker, the concerns expressed by the honourable Member for St. Peter (Mr. O. S. Arthur) are theoretical concerns which

seem not to take account of the history of the Barbados Labour Party administering the training programme during the ten year period of which he speaks. 

Asides.

Hon. B. M. TAITT: The honourable Member is saying they did not have any training programme, and in that respect he may very well be right. But the honourable Member who spoke said that the debate on what is happening about our young people should be thoroughly examined and should be put within a framework of a philosophy which had its genesis in the way in which the National Training Board would relate to certain agencies in the country. Yet, the Leader of the Opposition is sitting here fretting himself saying that they did not have an Occupational Training Programme.

(Aside: Before 1979!)

Hon. B. M. TAITT: But what difference does it make if it were before 1979? You mean I must now restrict myself to saying the Barbados Labour Party between 1979 and now? [^]

Aside.

Hon. B. M. TAITT: The Leader of the Opposition will fret himself about anything, anyhow, because he is under a certain kind of pressure which has nothing whatsoever to do with this debate.

Laughter.

Hon. B. M. TAITT: Mr. Speaker, the honourable Member framed his words in such a way as to appear to be reasonable in what he was suggesting. The point the honourable Member made about Germany is a point * which one would concede for purposes of analysis. One is saying that in Germany they have, in fact, raised the level of training to the stage where it is now compulsory. But he ought to have gone on to say that the German economy is structured to the point where the workers in Germany play a significant role in the management structure in Germany, where, for example, recreation is not considered to be a thing that is earned by workers, but is something given to the entire community. Workers in Germany who are not working, who are on the dole, are entitled to a vacation paid for by the state, three weeks every year. I am saying that to make the point that in Germany the society has reached a level of development where occupational training fits within the total framework of the economic structure. That is the way the Germans are. [^]
1.15p.m.

Barbados has grown significantly in the last 30 years or so — in the last 25 years, more precisely — Barbados

has grown significantly, but it is still a developing country, and when the honourable Member seeks to put the youths of Barbados within a certain frame work, he is not being statistically

Aside.

Hon. B. M. TAITT: But, man, you are always saying that nobody will hear you in peace!

Aside.

Hon. B. M. TAITT: But you cannot interrupt me. Well, all right, you watch and see.

I beg your pardon, Sir.

The honourable Member, trying to put young people of Barbados on notice that he, the honourable Member for St. Peter, is suddenly championing their cause, suddenly looking for a way to provide them with a measure of training in lieu of jobs, ...

Aside.

Hon. B. M. TAITT: The honourable Member said that 4000 young people will be coming into the work force every year, we will not be able in the context of our economy to find jobs for them, and, therefore, our training programme should go some way toward blocking the entry into the job market. That is the correct representation of what he said, and, therefore, the honourable Member is trying to give the young people of this country the impression that, somehow, the Barbados Labour Party in the last year must have come up with these theories, must have some way of dealing with unemployment, and then by implication, by suggesting that unemployment is the single most important issue in the country, that the Democratic Labour Party has not been doing anything in this regard in the last year. It is a very subtle statement you made without saying it, and that is why it has to be dealt with.

In the first place, the unemployment rate has dropped since the Democratic Labour Party came to office. The honourable Member knows that the work force has increased. The actual numbers show that we have found more jobs in this last year than had been found in any corresponding period when the Barbados Labour Party was in power. It shows, further, that we moved unemployment from a position of 19 per cent, to where we are now, at the end of March, 15.1 per cent. But we are not going to get involved in percentages.

Aside.

Hon. B. M. TAITT: They cannot sidetrack me. The honourable Member, who is trying to talk about tourism

and cane cutting, demonstrates an ignorance of statistics, a lack of knowledge of what labour statistics are, — it is either that, Sir, or he would be intellectually dishonest — because he must know that the statistics are weighted to take account of cane cutting. It was not weighted to take account of tourism, because the honourable Member must know, and the statistics will show, that in this year of 1987 there are persons who are working through the months of May, June and July in the tourism industry that have not worked for the last 11 years. You may call them a few, but the honourable Member for St. Peter will not agree with you, and no honourable Member who has anybody working in the tourism industry will agree with you. But that is not the point, and one is going to find the appropriate time to discuss that kind of development.

One is saying that in the context of training you cannot judge the training effort that is being made by the amount of dollars in any budget, by the amount of dollars in the Estimates, because it is a fact that the training scheme was being abused. It is a fact that large numbers of Barbadian children, young people, were being put into places to work and were being given less than what can be considered even a minimum wage in Barbados. Whereas the scheme called for the payment of a stipend and it assumed that there would be some payment by the employers for those who demonstrated an aptitude, what in fact started to happen is that the employers were receiving from the Training Fund the appropriate payment while the employees were receiving from the fund the appropriate \$50 a week or whatever it was, while working full time for a number of unconscionable employers in this Barbados.

Furthermore, under the Barbados Labour Party a certain system of choosing the employers who would participate in the scheme appears to have been in vogue, so that all kinds of strange employers became trainers. I do not wish to go into any great detail about that, because sometimes the innocent will be hurt by comments that are made which may only apply to a few.

The point is that if we are going to design a systematic and clear and fair scheme of training for Barbados, it has to be framed in the context of the manpower needs of Barbados. It is my understanding — correct me if I am wrong — that a manpower survey is currently going on in Barbados, that as a result of that manpower survey this country will have a clearer picture of what its needs are, and therefore any training which would ensue would be based on the projected needs of the country over a 15 to 30 year period.

I well recall that during the last Session of this Honourable House when the gentleman, whom the honourable Member for St. Michael South East (Dr. E. A. Simmons) has brought to Christian feelings, was the

Minister responsible for Employment, we tried from the Opposition benches to explain to the Barbados Labour Party that a manpower survey is a fundamental necessity in a country that is going to take planning seriously. We tried to explain to them over and over again what a manpower survey was, and to their everlasting discredit they kept repeating and talking to us as if we were complete fools.

Aside.

Hon. B. M. TAITT: The unit was set up, what manpower survey was done? Up to now the honourable Member in his position of Leader of the Opposition does not understand what constitutes a manpower survey. They think that going around and asking a few questions is a manpower survey, and the honourable Member for St. Peter should explain it to him. You have to have someone who understands and who can do the thing systematically. You have to have an expert. Not every Tom, Dick or Harry can go around and do a manpower survey. You have to know exactly what you are doing.

The fact is, however, that the manpower survey is only part of the programme. Even the University of the West Indies has in the last few years been looking assiduously at how it might go about projecting the needs for this society. In the meantime, it is necessary for the society to find work for the young people coming out of school. And in the last few years, the educational system suffered a beating. The educational system in Barbados suffered a tremendous beating at the hands of the Barbados Labour Party in general, and in particular the Minister of Education. It suffered a tremendous drop in its integrity, it suffered a tremendous setback in its attitude, and, generally speaking, it had all of the teachers, or practically all of the teachers in Barbados, feeling that to be in education was the worst place anybody could possibly be. In that context, a substantial number of Barbadian children, perhaps, a whole generation, may, indeed, have left school without the necessary motivation to provide them with the kinds of attitudes which the honourable Member is referring to in discussing training needs and the low skills, the very apparent low skills that can be found among one of the generations in Barbados. It is necessary, first, to take corrective steps, and I have to applaud the Democratic Labour Party Government for the steps it has been taking in the last year to restore education and training to the pinnacles to which they once could state that they belonged. 1.25 pjn.

Mr. Speaker, I do not wish to crow about successes, but there are certain kinds of jobs which had been coming to Barbados precisely because of the aptitudes and the skills of the young people. There are certain companies — I believe one announced yesterday, that it will be setting up —

(Aside: Hon. H. deB. FORDE: Donnelly?)

Hon. B. M. TAITT: Yes, Donnelly.

(Aside: Hon. H. deB. FORDE: We brought Donnelly here.)

Hon. B. M. TAITT: Mr. Speaker, before he starts jumping up and claiming Donnelly, let me say to him for the record that the Donnelly they brought decided not to come to Barbados. They were going to bring people here to transmit information back across the sea. I went to Chicago.....

Asides

Hon. B. M. TAITT: You cannot come up with that foolishness that you have the information in your Chambers as a lawyer. Do not think that you can fool this House. You fooled a lot of people by saying that you have the information as a lawyer. I am saying categorically for this House that Donnelly is the largest printing company in the world and it has all kinds of divisions, and it is the International Division of Donnelly that is coming to Barbados. The division which was coming here under the aegis of the Barbados Labour Party decided that they would not come to Barbados anymore and another division of Donnelly is the division that is going to open in Barbados in September.

Asides.

Hon. B. M. TAITT: Now he is switching! He is saying that Donnelly is Donnelly. One Donnelly is a Donnelly, so a Forde is a Forde! Any Donnelly is a Donnelly, so any Forde is a Forde!

Asides.

Hon. B. M. TAITT: Mr. Speaker, the point that I am making is that the Donnelly that is coming to Barbados in September as a result of the efforts of the Democratic Labour Party will, in fact, draw on the skills of Barbadians which tend towards a certain literacy.

There is a company, for example, that is interested in bringing medical transcriptionists to Barbados. It has recently tested and discovered that Barbados' young people have a high aptitude for aural perception, which is a special capacity to hear well. This is something which, again, will accrue to certain kinds of people who tend to be more literate than technical. There is another company, Sir, that is involved in the transmission of information via satellite that is already here. It has already decided to expand by some 200 jobs. There is a third company that will be doing the same kinds of transmission of information which will be establishing in Barbados some time in November/December. There is a company called CORCOM that was in Barbados

that left about three years ago. I believe they have been persuaded to reopen in the month of November 1987. All of these companies have determined that they would come back to Barbados precisely because Barbados has the kinds of young people of whom the honourable Member spoke. We may, in fact, have too many. Yet, although these people are not determined to be skilled persons in the old-time use of the word "skill", the work or the tasks that they will perform will require a new and different kind of skill which is germane to the industries and the services of the 21st century.

Sir, I am making the point that Barbadians, instead of having to be forced into a mould, the kind of mould which the honourable Member obviously seems to be suggesting, it is the responsibility of the Government if it has a surplus of a certain kind of work, to find the necessary employment, and to find the necessary vocations to suit the kinds of surplus labour that is available. That is without prejudice to any planning which may be done for the next 25 years or so as to what kinds of people we would like to have.

But Mr. Speaker, it cannot be gainsaid that over the next 25 years, we are going to have to go increasingly towards the service industry, that because of the high standard of living in Barbados and the necessary high wages which Barbadians ought to have, and must have, we will necessarily have to move our sights higher up the scale. We will have to have increasingly and necessarily the kinds of service industries in Barbados that will attract the kinds of people who have become accustomed to the standard of living which we have.

I think it is entirely wrong for people constantly to be harping on the fact that "wages in Barbados are too high and that we have to reduce wages. It is unnecessary for any society with 250 000 people, in a world where the relationship between Bridgetown and Moscow is a telephone call away, to be constantly pulling itself down, and constantly putting its people into a position in which they must always appear to be hewers of wood and drawers of water.

There is a man in Barbados who has constantly cited Hong Kong as an example for Barbadians to follow, and people are constantly saying what high productivity one can get in Hong Kong. But the truth is that the culture in Hong Kong, and the culture in Penang, and the culture in Manila is an entirely different kind of culture from the one we have in Barbados. They do not read Shakespeare in Hong Kong. They do not go to plays like the kinds that we go to, like "Balmyard." They cannot understand some of the things we understand, because they accept, to a large extent, the large majority of the people at the bottom, that they were born to remain in a certain state for a very long time.

The people of Barbados, by virtue of the cultures that have coalesced in this society, have come to anticipate a high standard of living, and, therefore, it is the

responsibility of the society to provide that high standard of living. And since we must provide them with occupation, it is our responsibility to train them to participate at that level, and hence I agree with my colleague the honourable Member for St. Michael South East when he talks about the absence of trained nurses in Barbados.

One of the things that is very apparent in the Ministry of Health is that Barbados is at the stage where there are no surplus nurses in this community, and the reason there are no surplus nurses is that the training programme for nursing in Barbados was systematically stopped by the Barbados Labour Party. I recall very well the lady from the Other Place, Senator Miller, making a specific statement that Barbados had too many nurses and that they would stop training them, and from the floor of the House the honourable Member for St. Michael South Central (Hon. Dr. R. C. Haynes) and I warned at that time that we would run into problems.

Today, we have a situation where there are constant calls from people in other parts of the world for semi-trained or trained persons to come and work. For those people who talk about a brain drain, there is no brain drain if a person leaves Barbados as an R.N. and comes back 12 years later with a Ph.D. For those people who talk about a brain drain, there is no brain drain if a person leaves Barbados as an R.N. and comes back. If a person leaves here with five "O" Levels and comes back 15 years later as a neurosurgeon, that is not a brain drain. There are too many people who pick up phrases and use them without reference to what precisely they mean in a particular context. There is nothing wrong with our allowing our middle class-oriented people in Barbados — and I say "middle class-oriented" because the whole society in Barbados aims towards the middle class, the whole society has been oriented to think in terms of a middle class orientation — to go overseas. 1.35 p.m.

'It is perfectly proper for us in the context of an immigration policy to let our people go overseas. Whereas we send people to work on the farms, we used to send people to work in Panama and elsewhere, we sent people to work on the buses in London. There is nothing wrong with our sending our people to work as nurses or to work in any one of those professions and vocations, because Barbados and many other Caribbean countries, but in particular Barbados, have survived from time to time on nothing more than the earnings which Barbados got from what those people whom we have overseas sent back to Barbados. The repatriation of funds from overseas has played a substantial part in the development of Barbados from time to time, so we can have a policy in which we look at this as a serious matter.

This Democratic Labour Party has said that it does not believe in levies, and I am surprised that the honourable Member for St. Peter can be framing a whole discussion in the context of a levy. A levy is a tax. There is no

magic about a levy. We have a Training Levy. What it means is that we have put an additional tax on the people, and the Barbados Labour Party introduced about seven or eight levies into Barbados, or so it seems to the people.

Asides.

Hon. B. M. TAITT: Yes, we said we would abolish levies, but we have found that in the context of what the economy is doing — the honourable Member for St. Michael South Central has explained it *ad infinitum* — we have had to continue some of them. But we have always said that it was improper for them not to be paid into the Consolidated Fund, and the gravamen of the Bill, the *raison d'être*, is to have the money paid into the Consolidated Fund. It is what we said we would do.

If he wishes to discuss training, therefore, it cannot be in the context of a levy, that you are taking \$6 million for training and you are putting it into the Consolidated Fund, because the entire amount of taxes we take from the people, we take to promote a particular programme, and training must take its place in that programme. It cannot be earmarked as though these are funds from the so-called Local Government which are earmarked for road building. We are saying that these are part of the taxes which we take from people, and they, therefore, must go into the full Consolidated Fund where all the taxes go so there can be a proper, lawful supervision of their spending, and so that people cannot do as they did under the Barbados Labour Party, take up the funds and use them unlawfully and use them for wrong purposes. That is the reason for this, and that is why it is not difficult, Mr. Speaker, to support this Bill. I am in complete agreement with it,

My colleague talked about the legal aspects, but those have absolutely nothing to do with the policy, and the honourable Member knows that. It is an opportunity that is being taken to correct an error by the Law Commissioner, who is responsible for publishing the laws, a simple error where something that ought to have been included was not included, and we have taken the opportunity to include it.

Asides.

Hon. B. M. TAITT: Mr. Speaker, the honourable Member is trying to use a Lionel Craig tactic, but he is not as boisterous as Lionel Craig, he is not as good looking as Lionel Craig, nor does he have the capacity which Lionel Craig had to interrupt honourable Members.

Suffice it to say that this Occupational Training Levy is only a device. The training policy must come out of the combined efforts of the Government, and if the Minister responsible for training determines a training

policy, it cannot be determined on the basis of how much money is collected or not collected in a levy fund. It must form part and become a clear aspect of the total -4. funds of the Government. So the honourable Member's argument is, at the most specious, and, at its worst, slightly wicked.

Hon. H. deB. FORDE (Christ Church West): Mr. Speaker, I do not intend to delay the House, as I believe we are going to have a long opportunity on another occasion to discuss the whole question of training. However, I do not want this debate to go down without correcting some of the wrong things, mal-statements, I may call them, and misstatements made by the honourable Member for St. Michael South East (Dr. E. A. Simmons) about the Barbados Labour Party.

First, we should make it clear that we are discussing a Bill which is amending an Act passed during the Barbados Labour Party's regime in 1979, so the new impetus for occupational training came about for the first time in 1979. I am not saying that prior to that there was ^ not an apprenticeship and bursary scheme in Barbados, but it was in a very outworn context going back to the laws passed in the 19th Century. The problem we were having was that we came into what is called the period of the baby boom, when we had a vast number of young people coming out of school with the country not having, and still not having, the capacity to produce employment opportunities fast enough to take up every one.

Also, what the honourable Member for St. Peter (Mr. O. S. Arthur) said is quite correct. Despite the amount of money that we all have spent on education, we were not orienting people to the work place as much as we should have. It is a problem which is being recognised by the unions, particularly the unions on the workers' side, the Barbados Workers Union, and by the political parties.

What is now becoming contentious is whether or not the political party to which I belong made any contribution. I can understand that in the heat of a by-election the honourable Member, as President of his party, is becoming rather excited and has begun to deny historical facts. The fact is that the Barbados Labour Party has had a policy and has been implementing a policy for the training of young people in this country.

Sir, I can also let you know that between 1981 and 1986 some 5 045 young people benefited from the Skills Training Project, a project which was aimed at providing a pool of skilled workers while at the same time equipping young people with a skill enabling them to find jobs in the changing economic climate that there was. The scheme is run by the National Training Board, and > the reasoning behind the levy was to use the funds particularly for that purpose. 1.45 p.m.

As I understand it, the Democratic Labour Party believes that all levy funds must be paid into the Consolidated Fund, because it thinks that if it is a Consolidated Fund, it is safe from being stolen. That is a figment of their imagination, because the training funds have been properly monitored and accounted for and audited. As I did during the debate on the Transport Levy Fund, I challenge the Government that if there has been any corruption or misuse of the funds, it has a duty to lay the information before this House and before the Director of Public Prosecutions. The party, to which I belong will not shelter anybody, no matter who he is, who has misused public funds. We are the party, after all, which sought to bring to this Chamber amendments to the Corruption in Public Life Act and Integrity in Public Life Act, both of which Bills the Democratic Labour Party voted against. The honourable Member must know that.

In additten, we set up, contrary to what the honourable Member for St. Michael West (Hon. B. M. Taitt) thinks, a Manpower Planning Unit. The assistance given for the establishment of that unit came from both the UNDP and the Organisation of American States. When we went out of power the unit was functioning well. It had already begun to provide the Government with valuable information on a wide range of matters affecting the labour market, and it had started the preliminary work for an overall manpower survey.

The honourable Member for St. Michael West believes that 'those of us who belong to the Barbados Labour Party, because we belong to that Party, do not understand what is a manpower survey. I take it that this was just one of these partisan political statements. The point is that this Government now has the benefit of the foundation which was laid in relation to the manpower survey, and it will see that the facts are there, the files are there. They are not to be hidden. It was set up in the Ministry of Labour.

, In its column and in its statements, the Barbados Workers Union had been calling for such a unit for a long time. Further, Sir, you would have found in the manifesto of the Barbados Labour Party, which has already been made a document of this House, on page 28, for instance, a clear policy statement about the creation of employment opportunities for unskilled women and increasing their training opportunities under the aegis of the National Training Board, Child Care Board. You would also have found reference to it at page 29 of the document as to the Party's clear policy when we return. And, Sir, you would have found a conclusive statement on the matter in the Financial Statement and Budgetary Proposals of the then Prime Minister, the then Hon. H. B. St. John, made in this House on Tuesday, May 7. I quote from page 22:

"Mr. Speaker, in this International Year of the Youth, considerable thought has been given by the Government to the provision of a Youth Training Scheme. There is no doubt that in this community, like elsewhere, many young people have difficulty in making the transition from school to work. Young people are further frustrated by the attitude of many employers who are unwilling to hire them for a variety of reasons, for example, lack of experience, lack of discipline or the high cost of hiring. Many suggestions have been made on how to deal with these problems. Some are of the view that there should be a compulsory national Youth Training Service with the Defence Force for all young people, for a minimum period of one year. There are others who violently object to any association of the Defence Force with youth training.

"Having considered all the views, the Government has decided on the establishment of a National Integrated Youth Training Scheme underwritten and controlled by the National Training Board. This effort, co-ordinated by the National Training Board, will utilise all the existing specialist skills and equipment available in Barbados, both in the institutional and non-institutional agencies, and the Barbados Defence Force will be contracted to provide specialist support in areas where they have considerable experience, such as in navigational skills. The National Training Board has designed a special Skills Action Programme to carry this scheme into effect, and special arrangements have already been concluded with the Defence Force to provide an alternative 240 hour special training scheme for young people who wish to combine traditional Skills Training with an option of semi-military training."

I have written several letters between 1979 and certainly today recommending several young people to the National Training Board for training. The honourable Member for St. Michael West Central (Hon. W. W. Hall), the Honourable Minister of Tourism, will be familiar — I do not phone departments and bombard people. I write letters, so the information is there. Nobody can talk about pressure — with the fact that this was an avenue that one used to equip young people who were qualified. I am probably one of the people who have participated in that scheme, and I can speak, therefore, as an employer who has had young people as part of the in-service training. For the benefit of honourable Members, the Community College has been continuing part of the scheme, and as recently as March/April, my office had two of the young people in in-service training in that field, doing on-the-job training.

So I do not mind how partisan we may become and what points we want to score. Historical facts are historical facts. They are there. It is true to say that the Barbados Labour Party recognised the problem and it set about to do something about it, even if we were criticised for establishing a Training Levy to deal with part of the problem that had come about.

Sir, I want also to make a distinction, because there is a lot of confusion in the mind of the honourable Member as to what is occupational training and what is the normal training that is provided for the Public Service. There are two Acts on the Statute Books dealing with training. There is the Training Act, which deals with training of the Public Service *per se*, and there is the Occupational Training Act dealing with non Civil Service training.

The honourable Member for St. Michael South East made a lot of points relating to the Training Act. Under that Act, if you look at the amount of money provided, you will see that training did continue in the Public Service. I am not going to go into that now at large. There were certain areas of the Public Service that one placed the accent on training in those areas and you decreased the need for training in other areas.

In my view, and as the President of the Bar Association has said, we are getting to the stage where you are over-producing lawyers whereas you be well be underproducing in other sectors that are necessary in Barbados. From time to time, your training emphases will change as needs arise. Sometimes you do not need over-training in the teachers' sector, but you may need it in the banking sector. That is what has really been happening in the public sector.

Each one of us recognises that there is need for increased training in the occupational section, and I believe that is where the honourable Member for St. Peter was making the point that the emphasis should be placed. In this regard again, I want to quote from the Financial Statement and Budgetary Proposals of the then Hon. H. B. St. John, at page 22:

"There is one other area, Mr. Speaker, which I wish to deal with before I conclude this section, and it relates to the area of on-the-job training and vocational training in institutions. The Government is concerned about the need to expand the range of courses available at institutions such as the Polytechnic and the Community College. We are equally concerned about the need to encourage employers to carry out training as part of their normal responsibility for the upgrading of their work force. The Occupational Training Fund contemplated that grants could be given to institutions other than the National Training Board for the purpose of ensuring that Barbados' work force was

constantly kept up-to-date, and also, that other institutions could be used for the purpose of expanding particular skills. BIMAP has drawn funds for the purpose of running specialised training programmes. The Government has informed the Ministry of Education as well as the Industrial Development Corporation and the National Standards Institutions of its willingness to consider applications from them for grants to carry out special programmes with the object of fulfilling the needs for an up-dated work force in Barbados. We are willing also to consider applications from employers." 1.55 p.m.

The Policy statement and the position of the Barbados Labour Party is there. It cannot be eroded by any statements made by honourable members.

Sir, I have heard in this House a much better debate that took place on this subject. I never participated in the debate, but the persons who participated were the late Prime Minister, the Hon. H. B. St. John, the present Prime Minister and the honourable Member for St. Michael West — he probably does not recall it. The standard of debate was less acrimonious and non-partisan than it has become this afternoon.

Aside.

Hon. H. deB. FORDE: It was not non-partisan for the honourable Member. The points being made in the interest of the country were clearly demarcated.

Hon. Dr. R. C. HAYNES: On a point of order, Sir: I think the House would be grateful for the rebuke which the Honourable Leader of the Opposition has just given to the honourable Member for St. Peter.

Mr. SPEAKER: No point of order!

Hon. H. deB. FORDE: I am most grateful to you, Sir, for your statement. I would not even ask Your Honour to ask that it be struck from the record. I will leave it there as a gall for him in the future to see how he interferes in a debate, Sir.

Sir, I know I said I am not going to be long, and I am sorry I have to talk for the length of time I have, given certain indications from the Leader of the House, but I want to say that I have seen the debate on training really reach a very high standard. I hope that the House will be given an opportunity in the future to look at training in the context of employment, education and v. duplication of effort, when we can move away from what I said is becoming a very acrimonious and, in some ways, partisay debate, misrepresenting positions certainly of the Barbados Labour Party, when honourable Members well

know that we have been emphasising the need to pursue training in this way.

I do not want to go any further on the matter today, Sir, I will leave the case there. I hope it will not be necessary for me in the future to refer in such detail to the historical record so that honourable Members on the other side may be a little bit more educated about the Barbados Labour Party and the valuable work that it has done in this country — I see the Minister of Education is really amused - and, for his benefit, the valuable work that it will continue to do in the future in Barbados.

Hon. P. M. GREAVES: Mr. Speaker, now, Sir, is a convenient time for us to have an adjournment for lunch, but before I do so, I shall seek leave to revert to the Order of Business, Item (g) Government Notices," on the Order Paper.

Mr. SPEAKER: The Leader of the House is seeking to revert to Item (g) on the Order Paper. If there is no objection, then leave is granted.

GOVERNMENT NOTICES

Hon. H. A. BLACKMAN: Mr. Speaker, I should like to give notice of the following: A Resolution to approve of the vesting in the Barbados Mutual Life Assurance Society of the parcel of land situate at Upton in the parishes of Saint Michael and Christ Church.

Mr. Speaker, my information is that there is no opposition to the Resolution at the moment.

DEFERRAL OF DEBATE ON OCCUPATIONAL TRAINING (AMENDMENT) ACT

Hon. P. M. GREAVES: Mr. Speaker, in order to facilitate the consideration of this Resolution, I shall have to move the deferral of consideration of the Bill we were debating a while ago. I therefore move that further consideration of the Bill to amend the Occupational Training Act, Chapter 42, be deferred.

Hon. B. M. TAITT: I beg to second that.

The question that further consideration of the Bill to amend the Occupational Training Act be deferred was put and resolved in the affirmative without division.

VESTING IN THE BARBADOS MUTUAL LIFE ASSURANCE SOCIETY OF LAND AT UPTON, ST. MICHAEL AND CHRIST CHURCH

Order No. 3 was called - To move the passing of a Resolution to approve the vesting in the Barbados Mutual Life Assurance Society of the parcel of land situate at Upton in the parishes of Saint Michael and Christ Church.

Hon. H. A. BLACKMAN (St. Philip South): Mr. Speaker, my information is that there is no disagreement with this Resolution and I beg to move that this Resolution do now pass.

Hon. B. M. TAITT: I beg to second that and reserve my right to speak.

Hon. H. deB. FORDE (Christ Church West): Mr. Speaker, it is completely non-controversial. I, however, am a policy holder of the Barbados Mutual Life Assurance Society, as, I am sure, some other honourable Members, and I am also a Director of the Board. Under the Act, I am sure that those of us who are policy holders, since it is a co-operative, must declare an interest, and I now so declare my interest.

Mr. D. A. C. SIMMONS (St. Thomas): Sir, I declare my interest. I have several policies.

Mr. R. P. BYER (St. George South): Mr. Speaker, I also declare an interest.

Hon. W. O. FRANKLIN (St. Philip North): Mr. Speaker, I also declare an interest in this matter.

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

SUSPENSION OF SITTING

Hon. P. M. GREAVES: Mr. Speaker, I move that this sitting be now suspended until 3.00 p.m. today.

Hon. B. M. TAITT: I beg to second that.

The question that the sitting be suspended until 3 p.m. was put and resolved in the affirmative without division, and Mr. SPEAKER suspended the sitting accordingly. 3.05 p.m.

ON RESUMPTION

Mr. DEPUTY SPEAKER: This sitting is now resumed.

GOVERNMENT BUSINESS

Hon. P. M. GREAVES: Mr. Deputy Speaker, I move that this House do now revert to Order No. 2 — Government Business.

Mr. DEPUTY SPEAKER: If that is agreed, the House will now resort to Order No. 2.

OCCUPATIONAL TRAINING (AMENDMENT)
ACT, 1987 - (DEBATE RESUMED)

Hon. Dr. R. C. HAYNES: Mr. Deputy Speaker there are one or two points to which I shall reply for the record.

Firstly, the honourable Member for St. Peter (Mr. O. S. Arthur) made the repeated allegation that whereas \$3.5 million were allocated in the Estimates for training, I had raised over \$6 million by a budgetary measure and therefore the surplus would go to general uses from the Consolidated Fund.

Such a statement must be based on ignorance. When a sum of money is placed in the Estimates, that is based on the current revenue/expenditure projections. If funds are subsequently raised in a Budget, then, quite clearly, the programme can be adjusted, and it is silly to expect any Minister of Finance to indicate in the Estimates what measures he will be taking to raise money at the time of the Estimates before a Budget is formally introduced in Parliament. I wish to give an assurance that funds raised under the Training Levy will be used for training.

Secondly, the honourable Member for St. Peter sought to give the impression that if funds were paid into the Consolidated Fund, such funds would not necessarily go to training. Again such a remark is, at best, the result of ignorance, and probably more a consequence of dishonesty.

Asides.

Hon. Dr. R. C. HAYNES: I withdraw the remark, Sir. It is probably as a consequence of his inability to recognise that there are honest people who are Ministers of Finance.

The money will be raised through the levy. It will be paid into the Consolidated Fund. When the money is paid into the Consolidated Fund, it comes under the scrutiny of the Accountant General and of the total apparatus of control which has been developed over the years, and which stems from the Constitution of Barbados, through the Financial Administration and Audit Act, to make sure that taxes raised are properly accounted for.

When the funds are placed into the Consolidated Fund, the Training Board can carry out any policy in relation to training which the Government of Barbados decides on. All the board has to do is requisition the funds in the usual manner, like any other executing agency, whether it be the Ministry of Health or Education. The point is this: that the public funds will be properly accounted for, and that is what this is all about.

We will no longer have a situation where persons can enter into deals with unscrupulous persons in the private sector and get kick-backs out of the Training -* Levy. That is what we are putting an end to. We are making sure that the money taken from the people will be used to train the young people of Barbados and not used to line the pockets of unscrupulous politicians. Those days are all over. That is the position of the Democratic Labour Party.

As far as unemployment is concerned, the honourable Member sought to give the impression that unemployment has been rising in Barbados. That is totally untrue. At the end of March of this year, the unemployment rate in Barbados was 15.1 per cent, a significant drop from the unemployment rate in March 1986. Male unemployment was down to 11 per cent at the end of March this year. Indeed, Sir, at the end of 1986 there was a significant rise in the number of persons employed. The number of persons employed at the end of March of this year was just under 100 000, the precise figure being 99 800, almost the highest level since 1981 in this country.

We have been able to do that by sticking to a policy which was carefully thought out before we came into office. We were able to put to work a programme which we had thought out when we were in Opposition, and we put in place every single measure that we promised the people of Barbados. The record is there for all to see. The young people of Barbados today will be in a position to take advantage of the opportunities which the Democratic Labour Party would have created since it assumed office last year.

He went on to say that money was given to various organisations, and he gave the impression that funds were being withdrawn from BIMAP, the Barbados Employers ^ Confederation and so on. That is totally untrue. We have allocated funds since we were in office to all the organisations which have been the beneficiaries of such allocations in the past.

Mr. Deputy Speaker, I think that the scene is now set for a massive expansion of the housing sector in Barbados. The construction sector continues to expand. For the first time in many years we are enjoying high levels of employment in the tourist sector during the off season. So for this year, the traditional layoffs that take place every year in the months of May, June, July, August and September have been substantially reduced.

He talked about their efforts in training. I am very glad that the honourable Member for St. Michael South East (Dr. E. A. Simmons) took the trouble to point out ** what they did to the nurses in this country. Since we have come into office, we have actually voted money

in this Parliament to compensate the nurses for what they lost during the time of the Barbados Labour Party.

In terms of contributing to the generation of new skills in the industrial sector, we make contributions from time to time from the Training Levy to help in the retraining of people and to help them to develop specific skills to maximise the opportunities offered to them and offered to the country when new industries come into this country. We will continue to make that contribution within the resources available to us.

There can be no doubt, Sir, that, taking the overall position of Barbados today, the economy is much stronger than it was a year ago. There has been no attempt to generate artificial jobs in the economy. We are looking for permanence and we are looking for growth in the economy. The kind of artificial job creatio'n which the honourable Member for St. Peter was talking about does nothing but give you artificially low figures in relation to unemployment levels. What it also does is prevent the young people from at an early stage having a meaningful absorption into the productive work force of this country. It is one way of trying to conceal the levels of unemployment. That is what they were trying to do, use public funds to create artificial jobs to conceal the true levels of unemployment in Barbados. 3.10 p.m.

We are not going down that road. When we make money available to organisations for training, we want people to have skills which will lead to permanent jobs so that that would redound to the benefit of the entire society. I am confident — as a matter of fact, that confidence has grown even more in this month — that the fiscal monetary reserve positions of this country have all improved, and we can now say that we are in a position as a Government, having stabilised the situation that we found, to judiciously launch off on a cautious programme of public sector expansion, implementing many of the programmes identified in the report of the task force on employment. I am satisfied that we have done as much as we could have done safely over the past year in making a contribution to reducing the unemployment levels in this country.

One other point I want to make, Sir, is that at the moment there are many companies in Barbados which are seeking to expand their existing operations, and the Ministry of Finance over the past month has been considering every possible means of trying to assist these companies to expand. Since the formation of the Barbados Investment Council, we have been looking at opportunities to mobilise appropriate levels of financing to facilitate expansion of these companies, and later this year, we may put in place certain incentives which we have in mind at the moment to secure rapid expansion in those areas, because there can be no doubt that if you concentrate on the expansion of existing corporations

in Barbados, the contribution to the reduction in unemployment would be far more rapid, since it takes a much longer time for new enterprises to establish. The gestation, period in terms of job generation would be significantly shorter.

I believe, Mr. Deputy Speaker, that I have responded to most of the, I cannot say, subtle, wild accusations which have been made. I believe that this Bill has its origins in fiscal propriety and also it gives some degree of respectability to what was the clear intention of those people who wrote the Constitution of Barbados, that is, that when funds are taken from the people of Barbados, those funds should be accounted for in a manner prescribed by the laws of this country. I am sure that Barbadians would be much happier to know that when they have paid their taxes by way of levies, those taxes go into the Consolidated Fund of Barbados, and the mechanisms would be so triggered that there would be no delay in meeting the demands of the National Training Board, and no problem ensuring that all the money which is raised for training would be used for training. The people of Barbados, as a result of years of experience, are quite happy when they know that their taxes go into the Consolidated Fund. It is a different matter when their taxes are handed over to the management of people outside the Consolidated Fund. Generally, people are not happy about it.

There is something more about this that I can tell you. Government almost invariably operates year round on an overdraft. There is seldom enough during the year that there is a surplus of money in the Consolidated Fund. The proceeds of these levies have accumulated under the management of several boards in Barbados and the surpluses deposited with various commercial banks, probably earning interest rates at 3 per cent or 4 per cent. At the same time the surpluses from these levies are deposited with the commercial banks earning 3 per cent or 4 per cent, the Government is borrowing at 8 per cent or 9 per cent.

Asides.

Hon. Dr. R. C. HAYNES: Treasury Bills are not the only source of borrowing by Government. The point is that there can be a significant gap between the income that Government is getting from deposits in commercial banks and the money that the Government has to pay when the Government goes out to borrow, and when you are talking of millions of dollars over a year, because of that mechanism, it might well be costing the taxpayers \$3 million or \$4 million a year on that basis alone. So if you forget financial propriety, the Constitution and the Financial Administration and Audit Act, purely on the basis of saving the taxpayers probably \$3 million to \$4 million a year by having access to the money in the

•Consolidated Fund would justify this change. This change would save this country about \$3 million to \$4 million.

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

On the motion of Hon. P. M. GREAVES seconded by Hon. B. M. TAITT, Mr. DEPUTY SPEAKER left the Chair and the House went into Committee on the Bill, Mr. R. P. BYER in the Chair.

COMMITTEE Mr.

CHAIRMAN: The House is in Committee.

Clauses 1 to 2 inclusive were called and passed.
3.20 p.m.

On the motion of Hon. Dr. R. C. HAYNES, seconded by Hon. B. M. TAITT, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. DEPUTY SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. Dr. R. C. HAYNES, seconded by Hon. B. M. TAITT, the Bill was read a third time and passed.

QUESTION TIME

Hon. P. M. GREAVES: Mr. Deputy Speaker, I beg to move that Question Time be now taken.

Mr. DEPUTY SPEAKER: If there are no objections, Question Time is now taken.

Question No. 63, asked by the honourable Member for St. Michael North East.

QUESTION RE HOUSING IN ST. MICHAEL
NORTH EAST

Mr. L. L. BRATHWAITE: Question No. 63 Mr. Deputy Speaker, is as follows:

To ask the Minister of Housing and Lands:
Will the Minister initiate an investigation with a

view to providing some alleviation of the acute housing problems of the constituency of Saint Michael North East so that the stock of houses and house spots available for purchase and renting is at such a level as to satisfy the demand in that area, and in particular, that large areas of plantation tenancies where there is no option to purchase are made available for that purpose?

Hon. H. A. BLACKMAN: Mr. Deputy Speaker, the answer to Question No. 63 is as follows:

Information gathered by the Ministry of Housing and Lands indicates that there is an acute housing problem in the constituency of St. Michael North East, as indeed there is in other constituencies, based on the fact that demand for the rental and purchase of houses and house spots far exceeds supply.

Provision is included in the current fiscal year for a number of service lots to be made available at Long Gap, Spooner's Hill in the constituency of St. Michael North East. Subject to the availability of resources, it is expected that additional house spots and houses will become available as part of the Government's overall housing policy thrust.

Mr. DEPUTY SPEAKER: Any supplementaries? Mr.

L. L. BRATHWAITE: No, Sir. ADJOURNMENT

Hon. P. M. GREAVES: Mr. Deputy Speaker, that takes care of Government Business for today.

I move that the House do now adjourn until Tuesday, July 7, 1987.

Hon. B. M. TAITT: I beg to second that, Sir.

The question that this House do now adjourn until Tuesday, July 7, 1987 at 12.00 noon was put and resolved in the affirmative without division and Mr. DEPUTY SPEAKER adjourned the House accordingly.
3.30 p.m.

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The Annual Report and Audited Financial
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A Bill to amend the Road Traffic Act, Cap.
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A Bill to amend the Banking Act, Cap. 322.

A Resolution to approve of the vesting in the
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SPEAKERS IN THIS ISSUE

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BRATHWAITE, L. L. (St. Michael North East)

BYER, R. P. (St. George South)

FORDE, Hon. H. deB. (Christ Church West)

FRANKLIN, Hon. W. O. (St. Philip North)

GREAVES, Hon. P. M. (St. Michael North)

HAYNES, Hon. Dr. R. C. (St. Michael South Central)

SIMMONS, D. A. C. (St. Thomas)

SIMMONS, Dr. E. A. (St. Michael South East)

TAITT, Hon. B. M. (St. Michael West)

THE

(OFFICIAL REPORT)

FIRST SESSION 1986-91

HOUSE OF ASSEMBLY

Tuesday, July 7, 1987

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

PRESENT

His Honour L. A. Weekes, J.P. (Speaker)

Hon. L. E. Sandiford, B.A., M.A., (Econ.), J.P.
(Prime Minister and Minister of Economic Affairs,
Minister of Education and Culture)

Hon. H. deB. Forde, Q.C., M.A., LL.B., (Leader of
the Opposition)

Hon. B. M. Taitt, B.A. (Hons.), M.A., LL.B. (Hons.),
(Minister of Health)

Hon. P. M. Greaves, Q.C., B.A., (Deputy Prime
Minister and Minister of Transport, Works and Tele-
communications and Leader of the House)

Hon. E. E. Greaves, B.A., Ed.M., (Minister of Trade,
Industry and Commerce)

Hon. Dr. R. C. Haynes, M.B., Ch.B., F.R.C.P.
(Edin.), (Minister of Finance)

Hon. M. A. King, Q.C., LL.B., (Attorney General
and Minister of Legal Affairs)

Hon. N. K. Simmons, (Minister of Employment,
Labour Relations and Community Development)

Hon. H. A. Blackman, B.Sc., (Econ.), (Minister of
Housing and Lands)

Mr. D. A. C. Simmons, Q.C., LL.M.

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

Mrs. M. Barker-Welch, (Parliamentary Secretary,
Ministry of Employment, Labour Relations and
Community Development)

Hon. C. V. Walker, (Minister of State, Ministry of
Education and Culture)

Mr. L. L. Brathwaite, J.P.

Mr. E. Bourne

Dr. E. A. Simmons, M.D.

Hon. W. W. Hall, (Minister of Tourism and Sports)

Mr. C. A. Neblett, B.A.

Mr. C. L. Trotman, M.A.

Mr. R. L. Morris, B.A., Cert. Ed.

Mr. P. J. M. Miller

Mr. R. P. Byer, LL.B., L.E.C.

Prayers were led by Rev. Father Ivan Harewood, Mr.

SPEAKER: The House is in session. MINUTES

Mr. SPEAKER: The Minutes of the meeting of
Tuesday, June 30, 1987.

Hon. P. M. GREAVES: Mr. Speaker, Sir, before
moving the confirmation of the Minutes, I should like to
draw Your Honour's attention to an error on page 2, line
2, where the Minutes indicate that the confirmation was
on the motion of "Hon. L. E. Sandiford". In fact, Sir,
the Honourable Prime Minister was on Government
business out of the country and the Minutes were moved
by myself.

Subject to that amendment, I move that the
Minutes be taken as read and confirmed.

Hon. C. V. WALKER: I beg to second that, Sir.

*The question that the Minutes, as amended, do now
stand confirmed was put and resolved in the Affirmative
without division.*

PAPERS

Hon. L. E. SANDIFORD: Mr. Speaker, I am com-
manded to lay:

The Civil Establishment (Leave Passages)
(Amendment) Order, 1987.

Hon. Dr. R. C. HAYNES: Mr. Speaker, I am commanded to lay:

The Customs Tariff (Amendment) (No. 4) Order 1987.

The Duties, Taxes and Other Payments (Exemption) (No. 2) Order, 1987.

The Annual Report and Statement of Accounts of the Barbados National Bank for the year 1986.

GOVERNMENT NOTICES

Hon. P. M. GREAVES: Mr. Speaker, I give notice of the following:

A Resolution to approve The Civil Establishment (Leave Passages) (Amendment) Order, 1987.

A Bill to provide for the imposition and collection of a levy on income to be known as an employment levy.

A Bill to make provision for the licensing of itinerant salesmen.

FIRST READINGS OF BILLS

On separate motions of Hon. P. M. GREAVES, seconded by Hon. M. A. KING, the following Bills were read a first time:

A Bill to provide for the issue and payment of treasury bills and specified tax certificates.

A Bill to amend the Income Tax Act, Cap. 73.

A Bill to amend the Consumption Tax Act, Cap. 63.

A Bill to amend the Coroners Act, Cap. 113.

A Bill to provide for the imposition and collection of a levy on income to be known as an employment levy.

A Bill to make provision for the licensing of itinerant salesmen.

STATEMENTS BY MINISTERS

STATEMENT BY MINISTER OF FINANCE RE PRESENTATION OF BARBADOS NATIONAL BANK'S ANNUAL REPORT AND FINANCIAL STATEMENT - 1986 TO PARLIAMENT

Hon. Dr. R. C. HAYNES: Mr. Speaker, since its establishment in 1978, the Barbados National Bank has had its share of private and public criticism. The track

record of the bank as regards profitability has not been an impressive one. Its first profit, a modest \$191 000, was realised in 1982, but losses were again recorded every¹ year until 1985, when a net profit of \$1.5 million was achieved. Moreover, of this amount, \$1.2 million represented the profits of the Barbados Mortgage Finance Company, a subsidiary of BNB. Hence, profits derived from the operations of the Bank itself amounted, in 1985, to a mere \$300 000.

I am pleased to report that the year 1986 has been one of significant achievement for the bank. The net profit for the year 1986 was \$2.3 million, an increase of 51.8% over that for 1985.

Profits obtained from the operations of the bank itself, in 1986, amounted to \$1.15 million.

What is even more remarkable is the fact that this was achieved in circumstances in which a mid-year external audit revealed a loss of \$1.6 million on the operations of the bank for the first six months of 1986. 12.25 p.m.

There are two main factors which explain the strong performance of the bank, during the second half of 1986:

- (i) Net interest revenue during the second half of the year was approximately \$1.4 million higher than in the first half of the year partly as a result of improved portfolio management.
- (ii) The loan portfolio improved over the second half of the year, resulting in a situation in which provision for losses on loans during the second half of the year was about \$900 000, as compared with \$4 million during the first half of the year. >

During 1986, the bank experienced substantial growth in its operations. At the end of December 1986, total assets stood at \$404.6 million compared with \$372.2 million at the end of 1985. This represents an increase of \$32.4 million or 8.7% over 1985.

Gross loans stood at \$305.4 million at the end of 1986 - a 10.1% increase over the 1985 figure of \$277.5 million.

Loans for houses and land purchase increased from \$243 million at the end of December 1985 to \$40.9 million at 31st December 1986 at which point BNB controlled 19.6% of the mortgage market.

There was also an increase in loans outstanding to the agricultural, tourism, distributive and construction sectors.

The bank increased its share of the total credit in the banking industry from 28.7% at the end of December, 1985 to 29.4% at the end of December, 1986.

Total deposits of the bank grew by 9.4%. These increased from \$280.9 million at the end of 1985 to \$3072 million at 31st December, 1986 at which point the BNB controlled 22.6% of total deposit in the banking industry up from 22.1% at the end of December, 1985.

The Government wishes to place on record its appreciation of the work done so far by the board, management and staff of the bank. I am confident that BNB is now placed in a position from which it can play a dynamic role in the economy of Barbados.

ORAL REPLIES TO QUESTIONS "

Hon. W. W. HALL: Mr. Speaker, the Reply to Question No. 17 is ready.

ORDERS OF THE DAY

SUSPENSION OF STANDING ORDERS

Hon. P. M. GREAVES: Mr. Speaker, I move that Standing Orders 6, 16, 18, 20, 42(5), 43 and 44 be suspended for the remainder of the day's sitting.

Hon. M. A. KING: I beg to second that.

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

Hon. P. M. GREAVES: Mr. Speaker, there is a new Government Business section in the Order Paper which has been circulated. That is the one we propose to follow.

GOVERNMENT BUSINESS

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

On the motion of Hon. P. M. GREAVES, seconded by Hon. M. A. KING, Mr. SPEAKER '7 the Chair and the House went into Committee of Supply, Mr. R. P. BYER in the Chair.

COMMITTEE OF SUPPLY Mr.

CHAIRMAN: The House is in Committee.

AMENDMENT TO EXPLANATORY NOTE TO HEAD 6 - MINISTRY OF THE PUBLIC SERVICE

Hon. L. E. SANDIFORD (St. Michael South): Mr. Chairman, this is a very simple and straightforward Reso-

lution. It calls for an amendment to the note relating to Subhead 1 — Item 11, Maintenance of Property. It is being requested that that item should read:

"Provides for the maintenance of office furniture and the upkeep of vehicles in the official car pool."

The background to that, Sir, is that a car pool is being maintained by the Government of Barbados, and responsibility for that falls under the Ministry of the Civil Service. A sum of \$45 000 is required for that particular purpose.

I beg to move that this Resolution do now pass.

Hon. P. M. GREAVES: I beg to second that.

Hon. H. deB. FORDE (Christ Church West): Mr. Chairman, perhaps the Prime Minister will tell us how many cars are in the car pool and the specific uses to which the cars are put.

Hon. L. E. SANDIFORD: Mr. Chairman, the information, in response to that specific question, is not immediately available, but I will take note of the question, and if the distinguished Leader of the Opposition wishes, I can communicate to him privately, or if he wishes a statement in the House, I can do it that way, or if he wishes to set down a Question and give notice of the Question — however he wishes it — I can supply the information for him.

Thank you.

12.35 p.m.

The question that Head 16 stand part was put and resolved in the affirmative without division.

SUPPLEMENTARY ESTIMATES 1987 - 88 No. 3-\$156 775

HEAD 16 - MINISTRY OF THE PUBLIC SERVICE -\$156775

Hon. L. E. SANDIFORD (St. Michael South): Mr. Chairman, these are sums of money relating to the inadequacy of funds that have been voted. There are claims on these votes. One relates to utilities specifically in respect of monthly charges for telephone rental in the National Insurance Building.

I wish to inform this House that the monthly charges for telephone rental at the National Insurance Building is approximately \$4 744, and this includes charges for the PBX system and the direct lines at the Data Processing Department. Additional funds of \$68 844 are required to meet expenditure to the end of the current year. I need hardly advise this House, Mr. Chairman, that telephone

services are considered to be necessary for the advancement of the work of the Government in this particular instance.

In respect of the other items, Utilities and Maintenance of Property, Mr. Chairman, if there are further questions and the information is available, I am willing to supply that information to the Committee.

I beg to move that this Resolution do now pass.

Hon. P. M. GREAVES: I beg to second that.

Hon. H. deB. FORDE (Christ Church West): Sir, it is rather early in the financial year to have a supplementary of such a large amount for the Ministry of the Public Service. I would like the Prime Minister, if he has the information, to explain why provision had not been made in the Annual Estimates for a figure in the region of \$157775, of which \$68844 could relate to utilities, which would have been an obvious provision. Was it due to an oversight?

\

It had been my view that the National Insurance had been transferred to the Prime Minister before, but I would like to respectfully suggest, Sir, that the time has probably come for the National Insurance to carry its own separate estimates and to show its own expenditure and to allow it to operate in that way.

I believe that we should probably begin to look at a different method of accounting for the operations of this board and its expenses, rather than it be shown simply on the Consolidated Fund. Just as the Post Office has its own Estimates of Expenditure and Income, so, too, it seems to me that the board, to stress part of its independence, particularly having regard to the purpose for which it is set up, should justify its own separate Estimates, even if they are approved, as we do approve, of the Post Office Estimates. I think that, from an accounting point of view and from the long term security of the National Insurance funds, we would feel much happier with those provisions.

Hon. L. E. SANDIFORD: In response, Mr. Chairman, to the first point raised by the Leader of the Opposition, it was, indeed, an oversight in that particular regard.

As to the second point raised, suggesting that, perhaps, the National Insurance Fund could have its own Estimates along the lines of the Post Office, I wish to give the Leader of the Opposition the assurance that we will examine this particular suggestion to see what other merits or demerits there are of the proposal and will respond at a later date.

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

SUPPLEMENTARY ESTIMATES 1987 - 88 NO. 4 - \$879 920

HEAD 75 - MINISTRY OF LEGAL AFFAIRS - \$879 920

Hon. M. A. KING (Christ Church West Central): Mr. Chairman, this Resolution seeks provision of the sum of \$879 920 from the Consolidated Fund to supplement the 1987—88 Estimates. The purpose of the appropriation is to complete renovations to Carenage House where the Immigration Department is now housed. Repairs and renovations to the building have already started, and these funds are required to complete the work.

I beg to move that Head 75 stand part.

Hon. P. M. GREAVES: I beg to second that.

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

SUPPLEMENTARY ESTIMATES 1987 - 88 NO. 5 - \$1 771 058

HEAD 84 - MINISTRY OF TRANSPORT, WORKS AND TELECOMMUNICATIONS - \$1 771 058

Hon. P. M. GREAVES (St. Michael North): Mr. Chairman, in March of this year, this Honourable House passed provisions totalling \$870000, broken down as follows:

Other Personal Emoluments	-	\$ 100100
National Insurance Contributions	—	9 500
Transport Levy	—	400
Supplies and Materials	—	500
Structures	-	759500

At the beginning of the year, there was a commitment for amounts due from sundry creditors of \$308 000, so the expenditure to date has been \$813 992.75, leaving a balance only of \$57 007.25. 12.45p.m.

Sir, a number of works have got to be carried out which will be committed to this subhead, Renovations of Government Buildings, for example, the work of the renovation of Parliament. Contract 2 on the House of Assembly building was awarded in May last year to M & M Construction Limited and was due for completion at October 31, 1986. We are now in July 1987, and that work has not been completed, for a variety of reasons. In addition, Sir, the contractor has ceased work on it because of a garnishee order which has been served on the contractor by the National Insurance Board.

It is estimated that the sums of money that are now needed to complete the contract and to pay to certain

individuals, contractors and companies would amount to \$1 271 058. From what I see here, the sum of \$304 582 is payable to M & M, but that amount is garnished and will have to be paid to the National Insurance Department.

We have been able to salvage from that garnishment order the work done by the sub-contractors. The National Insurance Board has agreed that the monies payable to sub-contractors should be paid directly to the sub-contractors, so the sub-contractors are still carrying out their work.

Sir, it is assessed that the work on the Parliament building will take perhaps about three to four weeks to be completed, and now that M & M Construction has gone into liquidation and cannot, therefore complete the work, we have taken steps to secure the work force of M & M Construction that has been working on the Parliament building to complete that work under its foreman.

I have heard that there is not much left to be done. There is some painting to be done, the chandeliers to be put in, some fittings and doors to be installed, the erection of extra mahogany panels, a divider partition to be installed, some skirting boards in the Speaker's Office to be installed, and only this week or last week I approved the award of the plumbing contract to a contractor and that work should be in hand fairly shortly. I understand that that will take about ten weeks to be completed.

The telecommunications aspect of the work will begin in early August. Marcom Systems Limited will be installing the systems. I understand that by the end of August or thereabouts that work should be completed. So, all in all, it would appear that work is in train for the House to meet again in its own Chamber after the recess.

Included in this \$1 million is the sum of \$30000 for the shaft for the elevator, \$20000 for temporary repairs to the roof to the west wing and \$500 000 for the renovation of the ground floor of this building. That is not part of the contract. We are planning to do this by direct labour of the Ministry of Transport and Works.

In addition, we have taken the opportunity to carry out some works on the Government Headquarters building, that is \$400 000. The money is required to waterproof the roof, and for upgrading electrical wiring and redecoration. The Government Electrical Engineer has recently instructed those responsible for Headquarters to switch off the air conditioners because of electrical wiring problems there, and only allow perhaps about two to three rooms to be air-conditioned. So remedial work is urgently needed there.

A similar thing has to be done at the National Insurance Building. Honourable Members will recall that some of the workers at that building recently walked off their jobs because of intense heat in the building. The purchase of individual units is unsatisfactory and it is hoped to carry out a permanent job there which is estimated to cost in the vicinity of \$100 000.

The Resolution calls for the sum of \$1 771 058 and I beg to move that this Resolution do now pass.

Hon. Dr. R. C. HAYNES: I beg to second that.

Dr. E. A. SIMMONS (St. Michael South East): Mr. Chairman, I just want to make a few observations on the statements just made, and one was that the company that was responsible for the restoration of the public buildings is now in receivership. I do not know if it is true, but I was told that this is not the first time that that company went into receivership, and after it was in receivership, it was able to get Government contracts again. I think that the Government will have to look seriously at the awarding of Government contracts to companies, some of whom have holdings overseas, because it makes it very easy for companies not vested directly in Barbados and not under total Barbadian ownership to come in, get contracts, and when they run into financial difficulties, run out of the island and leave the Government holding the bag.

I feel that we now have enough qualified local people, and, in any case, the supervision and the majority of work for the main contractors who get these big Government contracts is done by Barbadians. I think something we have to look at seriously is whether we should not consider the upgrading and classification of our local contractors, because we have to face the fact that when the local contractor gets into difficulties, he cannot run any place — he is a Barbadian and there is no place for him to go — and time and time again you read about Government getting these kinds of problems with overseas contractors. I think we faced a similar problem with the post office in Bridgetown, and I think this would be a very good time to look at that kind of problem.

Another thing that has been brought to my attention is that some of the subsidiary contracts that are granted to people like the architects need to be examined. I do not have the figures, but there are a lot of rumours going around about sub-contractors, some of whom are not totally Barbadian, some maybe even from South Africa, I am not quite sure. Some of these sub-contractors get tremendous sums of money, and I wonder whether those amounts of money are re-injected into the economy of Barbados, or whether, through a circuitous route, some is put into banks overseas. I am not saying it happens, but I think we have to examine it, because if the taxpayers' funds are being spent to upgrade the facilities of

this country, we should make sure that the money borrowed, or the taxpayers' money, be re-injected into the economy of this country to help build up the country.

I hope that we do not see another situation like we see in the public buildings where when we came into this Chamber over a year ago, we were told that the House of Assembly would have been ready within a few weeks. I felt that it would have been so, because I felt somehow that the Budget Debate had to take place in this Chamber, "for reasons which I will not say right now. But it seems to me that, if we are not careful, by the next Budget Debate, when the cameras are in here, we will still be around this table and not have others sitting facing us. 12.55 p.m.

It is to the advantage of some overseas contractors that sometimes these works be drawn out, and at times the money may not be re-injected in Barbados. So, Mr. Chairman, I would just like us to examine very, very carefully the awarding of contracts in this country.

I thank you.

Mr. D. A. C. SIMMONS (St. Thomas): Mr. Chairman, I am sure that the honourable Member for St. Michael South East (Dr. E. A. Simmons) is aware of the procedure for the award of Government contracts, included in which procedure is a requirement that the contractor enter into a performance bond. It does not only relate to foreign contractors, but it also relates to local contractors.

In relation to Sir Robert Mc Alpine & Company, that company won an arbitration award, and there is still an aspect of the arbitration that is not settled.

Aside.

Mr. D. A. C. SIMMONS: Yes. I am going to declare my interest. I am declaring my interest in that I represented them in the first part of the arbitration to settle a legal issue before the Arbitrator who was Mr. Justice Williams at the time, now Sir Denys Williams. So far as I am aware, the Government may still be liable. Let us say there is a dispute going on, and, therefore, one cannot, from the position of counsel, say precisely who is liable or not. But they have not run anywhere. The work has come to an end. They built the polytechnic, then they built the post office. The work has come to an end and there are outstanding matters still to be settled between themselves and the Government.

As to M & M Construction, Sir, so far as I know, certainly one of the original shareholders of that company was a Barbadian, and the other one — I am not sure if he is an Irishman or an Englishman — is a person who has lived in Barbados in excess of 12 years, and it was formed

as a totally local company. I do not know if they have run anywhere. I believe I saw Mr. Cordon driving a car this morning.

It is one of the problems of the construction industry, Sir, that companies are formed to carry out a specific job for a particular enterprise and at the end of that the company comes to an end. There was one company in Barbados called Nord Construction which had as principal shareholders two persons who were not by birth Barbadians, and from time to time that company went into liquidation and formed a new company, like 1973 Ltd. and 1977 Ltd. That is what you have to watch. At least, the company tended to have roots here. I am not going into these companies as to their integrity or otherwise.

The honourable Member has suggested that perhaps there is more merit in having a Barbadian company do work. It all depends on the capacity of the local company to handle the particular type of job. Many of our secondary schools in Barbados have been built by local Barbadian companies and there have been one or two which have not continued to flow. There is one that was run by a man called Cleve Layne. He skipped Barbados many years ago, and a lot of people suffered as a result of that. I believe he built a development in St. George and Rock Dundo.

(Aside: Part of Rock Dundo.)

Mr. D. A. C. SIMMONS:..... Part of Rock Dundo. There were lots of people who were left- holding the bag because they were owed a lot of money by him. I do not believe that there is any basic dishonesty. It might have been bad management and incapacity to handle the particular job.

What has happened in Barbados — and I have come across this in doing a number of building contract cases — is that our builders and contractors are not properly organised and one saw this very clearly in the first part of the Mc Alpine arbitration. The Government was the other contracting party, and the administration of the contract had not been, in my submission, properly monitored by the Government. Even at the level of the Government, j there was a level of naivety as compared with McAlpine. j One of the essentials in a building contract is to have every matter properly documented, and if an architect sends a letter requiring something to be done and it i cannot be done, it must be replied to immediately. If i money must be paid on a specific date under the clauses , of the RIBA contract, which most of them follow, it must be done. There are very strict and stringent provisions in the contract. In the McAlpine contract, the Government was very, very lapse and careless, and was so ; found by the arbitrator.

You are dealing with an overseas company whose international budget is more than the budget of Barbados itself. The McAlpine people were building a nuclear power plant in Scotland, one for, I think £3 billion. Those companies are better organised. There are philosophical implications in that, the strength of the corporation, the capitalist phenomenon, as compared with the strength of a Government.

I think the local contractors have to take advice, have to be aware of how the RIBA contract functions and what are the requirements, and they have to set up a proper project office. A lot of them do not bother with the paper work that is vital to the success and the administration of the project.

That is all I want to say, Sir.

Hon. H. deB. FORDE (Christ Church West): I notice that part of the vote is for some repairs, I believe electrical, air-conditioning for the National Insurance building, but I would like to suggest to the Minister that a lot more needs to be done with that building. The outside of that building was so untidy that it needed things being done. It is also aesthetically untidy. I think that one will find that if you use those type of designed windows on a building of that nature, your repair and maintenance costs will always be high. It may well be that the National Insurance Board should give consideration to the necessary alterations that should be carried out at that building, alterations which, in my view, can also involve a study of savings from the manner in which the building is ventilated. The height of the building should lead to much easier ventilation than is occurring in the existing design. I would respectfully like to suggest that some consideration be given to it.

I understand as well, Sir, that there is a shortage of space. The National Insurance Office has expanded rather rapidly. There are other Ministries or departments also housed in this building, and I think that early consideration will have to be given to how one is going to accommodate the number of people who have to be housed in that building. 1.05p.m.

I also want to follow on on a few comments made by the honourable Member for St. Thomas (Mr. b. A. C. Simmons). It is not often recognised that the management of contracts has now become a speciality. The construction industry has grown so large and has become so complicated that it has become necessary to specialise in the administration of contracts. I am not aware of the Government having any specialty department for this purpose. We have on an *ad hoc* basis adopted the devices of Special Assignment Officers, some of whom have acquired an expertise in contract management. In this regard there is Captain Headley, who really is very

knowledgeable in this area. I am aware of the fact that we have a good deal of expertise in contract management, including the negotiation of a lot of these contracts, whether they are local contracts or contracts which contain an international element, and I respectfully suggest that we ought to run a series of seminars in this area and training courses for the benefit of both the private and the public sectors which are going to be involved on a long term basis on managing Government and private sector contracts.

We must also bear in mind, Sir, that the international funding process requires that on many of Government's major projects, whether they are projects under the aegis of the World Bank or the Inter-American Development Bank, and also those under the Caribbean Development Bank, we should go out to international tendering. Very often we find that although there may be local contractors with some expertise, because of the manner in which the projects are funded they are beaten on the bid by international contractors.

As the honourable Member for St. Thomas said, when these international contractors come here, their tender price may appear to be low as compared to your local tenderer, but they have already calculated very carefully their extra percentage element, and from day one they will set out, through their contract management skill, to increase the final price payable to them under the contract. So they could virtually end up on that contract getting much more than a local or regional contractor would have got, had we accepted the original tender. I believe that a typical example of this, of course, was the tendering process that occurred on the Airport to West Coast Highway. This was a point that was really not firmly grasped and understood, but those of us who have practised in the field of building and construction law for a period of time are all too familiar with the process.

The honourable Member for St. Thomas mentioned, as indeed the honourable Member for St. Michael South East, the post office. I do not think the matter is *sub judice*, so I can comment on it. The fact is that that contract was bedevilled with a lot of problems. The contract was being carried out at a time when the construction industry was really very hot and a lot of contracts were being administered. There was from time to time a shortage of workers, there was at times a shortage of supplies getting here on time, but what was very noveltive was that the contractor was able to document everything from site minutes right through time and time again, and although there was a Special Assignments Officer there in the person of Mr. Roachford, the contractor seemed to have had an extra facility, particularly when not only its local office was being used but its international office as well, and it is a fact that Government will have to learn to cater to this type of contractor.

Sir, the Government could obtain assistance in this field from institutions such as the OAS, the IDB, and, of course, the Construction Law Society. The Construction Law Society is comprised of people with a wide range of international knowledge. I am perhaps the only local member of that society on the legal side - no, there is another member who is local and international, Mr. Fletcher of Kauffman and Associates - but the expertise is there, and I am sure that they would use their expertise to assist the Government in this particular field on Government contracts.

When it comes to Parliament, I am concerned at the length of time it has taken us to carry out the much needed repairs and improvement to this building. I believe that the Government should have performance bonds from M & M Construction Ltd. I am not sure what the documentation is, but perhaps the Minister will be able, in his reply, to tell us whether there was a performance bond. If there is an adequate performance bond, the bondsman would be the person to whom we look to carry out that. If the contractor fails, either by bad performance or if he goes into liquidation or in the case of a person, if he is insolvent - the bondsman should be somebody who is substantial, like a bank or an insurance company, to whom the Government can resort for payment, so I am hoping that in this case there is such a person.

A lot of the problems are occurring because we have not placed adequate legislation on the Statute Book to deal with the peculiar problems of the collection of Government taxes and Social Security payments by persons who are in a position of trust. When an employer collects Income Tax from his employee, or a levy, or a National Insurance payment, it is really not that employer's funds, and, normally, in developed countries, Canada, for instance, or the United Kingdom, the legislation makes it obligatory for the deductions to be kept separately and go into a separate trust fund. That trust fund is not available in the liquidation of the general creditors. In addition to this, because of the nature of the construction industry, there is special legislation which allows the employer himself or itself to keep the PAYE and the National Insurance and other payments and pay direct to the Commissioner of Inland Revenue or direct to the Social Security authority, and you will find that within the very RIBA contracts, to which Government is very often a party, there are particular clauses — for example, clause 38 in the 1973 edition, revised, of the RIBA contract - dealing with this sort of situation,

In the case of M & M, the problem has been that the National Insurance Board issued a garnishee order to most of the employers with whom M & M Construction Ltd. was dealing. The effect of that garnishee order was that the employers would have to deduct the full amount from a certificate being paid and pay it directly to the

National Insurance Board. Subcontractors immediately became exposed, because subcontractors would have already provided both supply and labour on that certificate - and no subcontractor is going to continue to work for the main contractor, M & M, in those circumstances - so all the contracts came to an end, unless the National Insurance Board agrees to share the amount with subcontractors in the future. I am aware that on the Royal Bank contract it was done after a while, but you get a delay that occurs, and you get all of these problems because there is not the adequate legislation in place. In the United Kingdom that sort of circumstance is adequately provided for in existing law and legislation. 1.15 p.m.

The honourable Member for St. Thomas referred to the fact that from time to time, a company may form itself into a new company. In the General Company law, you cannot, if you go into liquidation or into insolvency, turn around and tender on a public contract immediately thereafter, and if they are the same directors the Government, and private industries sometimes, will not deal with those persons. You cannot start a new company with the same shareholders, or they being beneficiaries, or the shareholders being nominal shareholders who really are holding for other beneficial holders down the line. They cannot start that company themselves, because the Corporate Affairs Section will not approve it for a certain number of years until those persons have been purged. This has occurred here a little bit too often, and we need to tighten our legal and other procedures to prevent this from occurring.

The other point is that although all public tenders are open, I would strongly suggest to the Government that they should do what is now done in Immigration, in my view, a proper thing to have happened in Immigration. It certainly has got rid of a lot of the rumours that have occurred. The time has come when, after contracts have been opened, we should be publishing in the *Official Gazette* the name of every contractor, the price at which he tendered on the contract and the price at which that contract is awarded. That will enable us to monitor the final outcome of those contracts. I am not talking about contracts of a couple of thousand dollars. I am talking of contracts that are substantial, probably \$50 000 and over, because the Government contracts with people every day in small and large amounts.

I think it is very important that this should happen. For one thing, it will stop the political parties from making allegations against one another about who gets this and who got cut-backs, which, I believe, is something which one needs to get out of public life. If you are operating at a certain level, you need to get that sort of thing out of public life. It would also, in my view, let the public at large recognise that the tenders process is

extremely important and very valuable to the maintenance of the cost factor on Government contracts.

I am sorry that I have spoken at length on this matter, Sir, but it is a matter that is worrying, and it is not the first time that a contractor is going into liquidation. Just let me say that one of the best contractors that has been operating here for several years and has performed well on Government and other projects, never had any problem, is Clarke and Tucker Ltd. You have never heard of this problem occurring with that firm, and I think it has reasonably good labour relations.

Asides.

Hon. H. deB. FORDE: There are a few local contractors, too.

Asides.

Hon. H. deB. FORDE: I do not know what other problems they might have had. I have been told that they have been good working relations with the union at some stage.

Asides.

Hon. H. deB. FORDE: The honourable Member must not misrepresent me, Sir. The honourable Member will know that when it came up against the union, the union flexed its muscle and taught it a good lesson.

The honourable Member *sotto voce* has said that I am an advisor to Clarke and Tucker. That is not so. I have actually worked against the company with the honourable Member for St. Thomas in a case with the 'UWI that is very well reported on in the Law Report. It is, perhaps, one of the *locus classici* in the building construction fields.

Hon. L. E. SANDIFORD (St. Michael South): Mr. Chairman, I am not replying to the debate. I just wish to make a few observations here.

I think the Committee is grateful to the honourable Member for St. Michael South East (Dr. E. A. Simmons) for raising this particular matter and drawing attention to the fact that there are problems in the management and administration of building contracts in this country. I think the observations made by the Member for St. Thomas and the Leader of the Opposition are both very apposite to the situation which we are discussing.

Let us understand, Mr. Chairman, that we have, or had, a situation in this country in which most of the work on Government buildings were carried out by the Ministry of Communications and Works, as it then was,

and some of the work that they did, both in terms of road construction and the construction of buildings, was very solidly done. Some of them were aesthetically pleasing, and in other instances there were criticisms both of the quality of the work done and of the aesthetics of some of the structures that were put up.

As our economy advanced and as more and more construction work became necessary in the public sector, that particular Ministry could not deliver on time; and it also found it difficult to muster the resources to carry out the work as expeditiously as required, so a tendency developed to award contracts to private interests to assist the Government in carrying out its requirements for buildings and other infrastructural works. I believe that was a step in the right direction, because it not only speeded up the amount of work done, but it also helped to give the Ministry of Communications and Works, which then became the Ministry of Transport and Works, a keener edge as far as its efficiency, capabilities and resources were concerned. 1.25 p.m.

The fact that we have a large construction sector and a great demand for works of a public nature has led to a situation in which both companies with foreign interests as well as wholly-owned local companies, companies that are large and contractors that are small, tender for public construction work, and I believe it is true to say that problems have occurred in the execution of building contracts both with the large companies and the small contractors, and with foreign as well as with local interests. I think that if we start from this particular basis, we would understand that there is no deliberate attempt on the part of any construction company, large or small, operating in this country to play fast and loose under the terms of the contract. I believe that genuine problems emerge from time to time.

I believe that reference was made to at least one particular instance in which the working relationship did not turn out to be the best. There are other instances in which major faults occurred in the building, the buildings were delivered very much later than the scheduled time for delivery and a whole host of other problems occurred. I believe that the tenor of this debate should cause us i-¹ cons! : What steps are required on the pan of t.le Government ensuring that its interests are properly protected as well as on the pan of those who successfully tender for infrastructural works to ensure that they have the necessary capabilities and the resources to manare an.t execute the contracts in accordance with the terms agreed. Immediately, this raises a problem, because sometimes the Government enters into contracts, but does not put in the necessary management posts whether at the level of Clerk of Works or at a higher level of Project Manager to ensure that the terms

of the contract are being properly adhered to, and that you have the kind of long stop in there to ensure that you are not trying to catch problems after they have occurred, but that maybe you can smooth out problems before they become too unmanageable.

On the part of the contractors and the builders, perhaps as cost saving measures, or for other purposes, they do not put in the necessary staff to ensure that the resources are available to them so that they can deliver the contract in accordance with the quality as well as within the time frame that would be expected and required under the contract. I think that this highlights the need for further opportunities for training, at the supervisory and middle management levels in particular. There may be a requirement for those who wish to tender for contracts to familiarise themselves more with the full requirements of the laws relating to the tendering process as well as the kinds of requirements over and above the letter of the law which they might be required to satisfy. I think there is every indication that contractors, large and small, should discuss with institutions which may have a capacity or the resources to develop training programmes, so that persons with the necessary skills and resources would be available to assist in the management of infrastructural works, because let us face it, Mr. Chairman, the construction industry will have to be one of the major engines to promote economic growth and development in this country. It has the capacity to provide work for a variety of persons, not only in terms of artisans, but in terms of building materials, furnishings and a whole range of things that can touch very broadly the range of the economy.

If we are to reach high levels of efficiency in this particular regard, we will have to make sure that our people are able to participate. There are many times when local contractors and small firms tender on Government projects and the submissions are inadequate for the purposes intended, — it is not a matter affecting this Government alone, it affected previous Governments as well — and much as we would wish to say a local firm or a small contractor should be awarded a particular contract, when you look at the quality of the submission, there tended to be deficiencies in the submission.

I think we have got to mobilise our resources to ensure that our people are put in a position where they can respond on some kind of equal footing with those who may have experience in this kind of business, those here and those with international or multi-national experiences. I think this is an area that we will have to pay special attention to. I make those observations to indicate that I believe that the contributions and points raised in this debate are very significant in relation to what we can do in the construction sector.

As far as this particular building is concerned, I wish to compliment the Minister on the steps taken to ensure that the current phase of the work should be completed as soon as possible. All of us are looking forward to the day when we can go back to our own Chamber and no longer trespass on the goodwill of those responsible for the Senate. We are also hoping that by the year 1989 we will have all the work on both wings of the Parliament buildings completed so that as we go into that particular year celebrating our 350th anniversary, Parliament will have buildings appropriate to the place of parliamentary democracy in our country. 1.35 p.m.

Hon. P. M. GREAVES: Mr. Chairman, in responding briefly to honourable Members, I should like to take this discussion perhaps one step further. I am in agreement with all honourable Members who have spoken so far on this Resolution. I think they all made some very solid contributions, especially in terms of the philosophy of contracting work in this country.

To answer questions asked specifically, the M & M Construction contract, which is Phase 2 of this Parliament building, was awarded in the dying days of the last Government. I cannot be too specific, but I would assume that all the contracting procedures of Government had been followed and that the contractors had provided a good performance bond. I would hope that the past Government that had responsibility for it would have ensured that.

Sir, I said I wanted to take the discussion a step further. I agree with the honourable Member for St. Michael South East (Dr. E. A. Simmons) that perhaps the time has come for us to take a good look at the contracting companies that are operating in this country. The mortality rate in this area is exceedingly high. It is perhaps the highest among all the other corporations > that exist in Barbados. They come today and they disappear tomorrow. They are mushrooms.

I believe that we should have some kind of classification, because I believe that we should be able to help along some of these companies and prevent them from going under. Most of these are companies that operate, even some of the large ones, have some serious institutional weaknesses, particularly in terms of administering the contract, not only by providing the Clerk of Works or Project Managers to manage the contract, but in terms of their own internal finances, and after a time, they disappear.

I believe that some of Government's work should be made available to the small contractor only. That was my belief and it is still my belief, that an element of

Government work should be reserved for the small contractor so that that small contractor can be brought along. I attempted this when I was the Minister for Housing. I did not completely succeed, and I was embarrassed on one occasion and had to terminate the contract, but it was there.

I still believe, Mr. Chairman, that it is the right step to take, and I believe that we should look at it again and make an attempt to help the small contractor. He, too, employs people, and he, too, has National Insurance to pay. The expertise is there. There is no problem with the expertise. They can do the work, but they cannot properly and efficiently and finally manage it. That is the problem. I think that we can take steps to assist that kind of person in the work that he has chosen.

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

AMENDMENT TO EXPLANATORY NOTE TO HEAD 28 - MINISTRY OF LEGAL AFFAIRS

Item (e) ,was called — To move the passing of a Resolution to amend the Explanatory Note to Head 28 - Ministry of Legal Affairs Subhead 2 - Subscriptions and Contributions.

Hon. M. A. KING (Christ Church West Central): Mr. Chairman, this Resolution seeks to amend the Explanatory Note to Head 28 by deleting the words, "(a) International Commission of Jurists \$1 000;" and inserting the words, "(a) The Trust Fund for the International Conference on Drug Abuse and Illicit Drug Trafficking \$500."

The background to this Resolution, Mr. Chairman, is that it had been decided in 1984 by the previous Government to discontinue contributions to the International Commission of Jurists.

A sides.

Hon. M. A. KING: However, Mr. Chairman, in the Estimates for 1987-88 the amount of \$1 000 was inadvertently included for the purpose of contribution? to the International Commission of Jurists.

It was recently decided by the present Government to make a contribution to the Trust Fund for the International Conference of Drug Abuse and Illicit Drug Trafficking. What this Resolution will do is substitute the "Trust Fund for the International Conference of Drug Abuse and Illicit Drug Trafficking" for the "International Commission of Jurists" and to provide for the contribution to that Trust Fund of \$500. This Resolution, Mr. Chair-

man, is designed to give effect to those decisions, which have, in fact, been already taken.

I beg to move that the Resolution do now pass.

Hon. B. M. TAITT: I beg to second that, Sir, and reserve my right to speak.

Hon. H. deB. FORDE (Christ Church West): Mr. Chairman, Sir, I am, obviously, a member of the International Commission of Jurists, and therefore I have to make that point before I speak on this Resolution.

(Aside: Obviously!)

Laughter.

Hon. H. deB. FORDE: The International Commission of Jurists is a non-governmental body, recognised as such by the United Nations and all of its specialised agencies. It is perhaps the most respected body in the world which is devoted to upholding the independence of the judiciary and promoting the rule of law. It is a body that is recognised by most freedom loving countries, and even by those which have not got the same sort of respect for human rights as Barbados has. Its work is held in high esteem.

I must say, therefore, that, in my view, it is a retrograde step for the Government not to give token support to a body whose work is well-recognised internationally, and a body whose views are constantly sought by the international community. For instance, the publications and the work of the ICJ in Southern Africa have been welcomed by all of us who are strongly opposed to the practice of apartheid, and indeed the International Commission of Jurists was commissioned about two years ago to do a study for the United Nations on the manner in which black people in Southern Africa were denied their particular legal rights. That study was, I think, referred to by most people in the last debate at the United Nations General Assembly in the appropriate committee. 1.45 p.m.

I would strongly suggest that instead of the Government deleting ICJ, and if it feels that it has not got the resources to make the grant of \$1 000, it could divide the \$500 among the new association, the International Conference on Drug Abuse and Illicit Trafficking, and another \$500 to the International Commission of Jurists. The taking away of \$1 000 is not going to mean that the International Commission of Jurists is broke, but it means that the Government is not showing its support, even in a token way, for the work of an outstanding legal institution.

I am aware of the fact that the first decision on this matter was taken in 1984, but that decision was never carried out. I have myself checked the Estimates for 85—86, and 86—87, and the amount was voted consistently in all years by this Parliament.

Aside.

Hon. H. deB. FORDE: Well, if it is not paid, we must pay it in arrears. That is the point I am making. The point is that the amount was voted. The honourable Member knows that sometimes our subscriptions to international organisations fall in arrears. I believe I saw the other day in the paper that we were in arrears in our subscriptions both to the OAS and, I believe, CARICOM, so being in arrears is not a new thing in subscribing to international and regional bodies. I think I saw that we were in arrears for a while.

Aside.

Hon. H. deB. FORDE: The Honourable Minister has said that we were in arrears to CARICOM because of the financial year.

The point is that you will find always that there are some organisations, international and regional, to which we are in arrears from time to time. And although the decision was taken in 1984, Parliament voted the money in 84-85, 85-86, 86-87 and now 87-88, as recently as April we voted the money, and in my view, although it has not been paid, I am told for two years, it is a retrograde step to cease the contribution at this time.

I have to make the point that the International Commission of Jurists could always do with money, but it has never considered the Barbados subscription as more than the signification by the Government of Barbados of a stout devotion to the rule of law and the independence of the judiciary.

I also want to make the point, Sir, that at its next meeting, the Executive Committee of the International Commission of Jurists is expected to give consideration to hosting, with the University of the West Indies, a seminar in the Caribbean on the independence of the judiciary and the rule of law, in an effort to assist in strengthening the rule of law in the Caribbean and also strengthening the independence of the judiciary. It will cost the ICJ more than \$1 000 to host such a seminar, and consideration is being given to hosting that seminar here in Barbados. From a tourist promotion point of view, honourable Members would know that the number of people coming in for that seminar would contribute to the economy more than Barbados would contribute to the ICJ in 50 years.

In addition, Sir, only two days ago I received from Niall McDermott, the Secretary General of the ICJ, a letter asking for advice about holding another seminar in Barbados in January 1988, next year, on the U.N. Convention on Torture. Barbados has subscribed to the U.N. Convention on Torture as well as to the optional clause, but I do not believe we have in place — I am not certain about this — the legislation to implement the convention.

Sir, that, too, will provide an opportunity for not only us in Barbados, but those in other countries to see the difference between ourselves and others in upholding another aspect of the rule of law. I am not saying that there may not be times when in detaining people, our Police Forces do not necessarily go beyond the bounds of what is allowed, but at least Barbados has not got a reputation for torture in the way that torture has been practised in, for instance, Latin America and elsewhere in the world.

The other point I wish to make, Sir, is that, within the Organisation of American States, Barbados is giving consideration to 'a Latin American-Caribbean convention on torture. That convention was drafted in the ICJ, it has made its expertise available to the region, as indeed it will be making it available to the region for a Caribbean convention on torture to help strengthen the human rights provision that exists in the region.

It leads me to make the point, Sir, that the Governments of the Caribbean can derive tremendous assistance from a body such as this in looking at the form which the institution for the promotion and strengthening of human rights in CARICOM should take. Only a few days ago, at the Eighth CARICOM Conference, the Prime Minister representing the Government of Barbados was lending support to the suggestion from Trinidad and Tobago about the establishment of some body to monitor human rights in the Caribbean and to promote in a firmer way the rule of law within our territories.

We are now seeking to curtail our subscription to a non-governmental body which is, as I said, the most respected of the bodies in the world, without any governmental axe to grind, with an expertise in this field. We ought to be subscribing to it, and I am asking the Government to give consideration to that decision. I do not believe that it is a decision that can be taken simply on the grounds of dollars and cents. A thousand dollars may sound like a lot of money, but it is neither here nor there, and I really must ask that we reconsider the matter. I think the valid reasons which existed when we started to subscribe to the ICJ still exist, and, in fact, exist more strongly, because if there is one thing on which we on both sides of the House can agree, it is the

necessity within our region, if we wish to preserve democracy, to ensure that human rights are well respected and that the rule of law is maintained at a high level.

Sir, I want to anticipate any argument that a decision to terminate the contribution was taken in 1984. I have seen that in the Minutes. Whenever it was taken, I am saying that now one should give further consideration to this matter. I believe the fact that the decision, although taken by Cabinet, was not implemented, and that Parliament itself has voted funds consistently since 1984, should signal that, on reflection, one recognised that it was not necessary to carry into effect the Cabinet decision, and that decision was not carried into effect at any time. Instead of Parliament now revoking the money that ought to be paid, I would have thought that the Government should be coming to increase it. 1.55 pjn.

I have already declared my interest. Let me say that as a person who strongly believes in the rule of law, my own personal contribution, monetary-wise, to the International Commission of Jurists is more than the Government of Barbados gives. It is at that now. I feel so strongly about the rule of law and the upholding of human rights that I contribute to this non-governmental body more than the Government gives.

Asides.

Hon. H. deB. FORDE: Sir, the honourable Member is making fun.

Those of us who are members pay a membership fee. We are left to contribute over and above that. But even before I was a member of the International Commission of Jurists, among the charities and among the organisations that I support, I always thought to give some token of my appreciation for the tremendous work that this particular organisation is doing. It has run several seminars in Africa. It has gone right into Soweto and spoken out strongly on apartheid. It has spoken out in Latin America. It has spoken out wherever it has found the rule of law being infringed, and I think we ought to support that.

Barbados has a proud record in this field. I think both political parties, in Government and out of it, have supported very strong human rights and the rule of law so much that we spite each other over what may look like the slightest infraction of the rule of law, and if there is one thing that distinguishes Barbados in the international field consistently, it is, in my view, its non-partisan devotion to the rule of law and the manner in which we on both sides have tried to put into execution our beliefs. It is for those reasons that I really intervened in the debate to make those particular points.

Hon. M. A. KING: Mr. Chairman, I think it must be made abundantly clear at the outset that the decision to discontinue the subscriptions to the International Commission of Jurists was not a decision of this Government. It was a decision of the previous Government taken as far back as 1984, and although the amounts had been inadvertently put into the Estimates, no money was paid.

Asides.

Hon. M. A. KING: All right. They were put in, but the fact is that the contributions to the International Commission of Jurists have not been paid, so it is a little unfortunate that the strong comments which the Honourable Leader of the Opposition is making now in relation to that decision were not made at the time when his own Government took the decision to withdraw from the International Commission of Jurists.

Hon. H. deB. FORDE: The honourable Member must give way, Sir.

The honourable Member would know that whenever the matters came down in Parliament, the sums were voted for by me as a member. Unless I have access to Government Cabinet files — some people who are not even Members of this House think they have access — I would not know what is in a Cabinet decision. It was never announced in here.

Asides.

Hon. H. deB. FORDE: The Honourable Attorney General may have read the Estimates. In the Estimates 1984 - 85, 1985 - 86, 1986 - 87 and 1987 - 88, every year, there was provision for the ICJ.

Mr. CHAIRMAN: The point is made.

Hon. M. A. KING: Mr. Chairman, be that as it may, I think it is sufficient if we recognise at this stage that the Honourable Leader of the Opposition is seriously indicting his own Government for the decision they took in 1984. I think what he has said speaks volumes. He has said that they have made a bad decision, that they have been wrong.

(*Aside:* Hon. H. deB. FORDE: And you are carrying it out!)

Hon. M. A. KING: It is not a matter of us carrying it out. It is a decision which you made. We now have to take a decision and to consider reviving that contribution to the International Commission of Jurists.

Asides.

Hon. M. A. KING: There is a right way of doing things and there is a wrong way of doing things, and you either believe in doing things the right way or not doing them the right way. The fact is that that decision was taken, and decisions have to be implemented unless they are changed in the way in which they should properly be changed.

It must be clearly understood, Mr. Chairman, that this Government is one which is second to none in its belief and in its acceptance of the rule of law as a guiding principle of our existence, so we do not bow to the Honourable Leader of the Opposition or anybody else, even though he might vaunt the fact that he is a member of the International Commission of Jurists. That is beside the point. If he is a member of the International Commission of Jurists, he should have a definite and positive interest in ensuring that, as far as Barbados' position is concerned, Barbados does all the things which are necessary to ensure that its acceptance of the guiding principles of the International Commission of Jurists are outstanding. I do not think that we need to dwell on this matter unnecessarily and waste too much time on it.

The fact is that we have taken a decision to make a subscription to the Trust Fund in relation to drugs and that is what this particular Resolution is all about. We will deal with the problem of the International Commission of Jurists at the proper and appropriate time.

Hon. H. deB. FORDE: Sir, let me make a point. The Honourable Attorney General says that the decision was taken in 1984. The first point I made was that I did not have access to the files.

Asides.

Hon. H. deB. FORDE: If the honourable Member for St. Lucy (Hon. E. E. Greaves) wants to speak, he should get into the debate. When I taught him at school, I taught him never to give trouble sitting down, to get up and see if he can give any standing up. Have the guts to stand up!

I want to place on the record that the implementation of the decision by the deletion of the words "International Commission of Jurists" is now being carried out by this Government. It was opened to this Government not to carry out the decision, as it had not carried out other decisions made by the past Government when it disagreed. Secondly, Sir, it is open to the Government to pay the arrears, because, as the Estimates will show, every year Parliament has voted money for the ICJ in the Estimates.

I have in my hand the Estimates for 1985—86. Under Head 28, Subhead 2, you will find, at page 52, the notes to page 51. The amount voted by Parliament was

\$3 160, and it says "This subhead provides for subscriptions to the following: International Commission of Jurists, \$1 000; Commonwealth Legal Advisory Scheme, ^ \$960; Commonwealth Magistrates Association, \$1 200." I have the Estimates in my hand for 1986 - 87 as well, and on page 56, Subhead 2, the same thing is there. The amount voted is \$3 160. 2.05 pjn.

The point I made is that at no time would I, unless I had access to a Cabinet decision and Cabinet files, have been aware of a decision taken by a Government in 1984. This is the first time I am aware that a decision was taken not to subscribe, but even if that decision was taken, I am saying that the Government then came down and voted money, with the consent of all of us in a full Committee of Parliament, to make a subscription for those years.

Hon. B. M. TAITT (St. Michael West): Mr. Chairman, I really do not want to get into the debate, but I still do not understand how the former Attorney General can seek to give the impression that, somehow, the * Democratic Labour Party Government is doing something wrong. He had three Attorneys-General, himself, the honourable Member for St. Thomas and Senator Tull. Senator Tull made the decision, he was a Minister of Foreign Affairs and Attorney General. He was not an ordinary person. He made the decision to stop paying the money, to withdraw, that is what it was. Now the former Attorney General comes in here, says that he is now a member, and since he became a member it became the most important agency of its kind in the whole world, which may very well be true

Hon. H. deB. FORDE: If the honourable Member would give way. For the benefit of the honourable Member, it has been the most important non-governmental institution well before I became a member, and it will continue to be so well after I am a member. ^

Hon. B. M. TAITT: It would have displayed a capacity for genius to remain important to that extent after you became a member, but we are not going to get into 'that.

Seriously, though, the point we want to make, and I believe the original point he is wishing to make, is a point that is well taken, because as he has said, all sides, in particular the Democratic Labour Party, have shown a tremendous respect for the rule of law, and therefore he must know that no side would wish, inadvertently or otherwise, except in the case of a particular Attorney General who was Minister of Foreign Affairs, to withdraw this payment. It is \$1 000. The honourable Members over there spend more than \$1 000 off and on here and there, and the honourable Member said that he takes money out of his pocket from time to time and makes a contribution.

Sir, first of all, he has been using initials ICJ. The next thing you know there will be some report out of Barbados that the Barbados Government does not wish to contribute to the ICJ, and by the time that is transmitted, it will move from being the International Commission of Jurists to the International Court, and the next thing you know, you will be hearing that Barbados Government does not subscribe to human rights. It is a very serious matter.

Aside.

Hon. B. M. TAITT: Now, Sir, he is being advised to put it abroad later on.

What disturbs me is that he says that he has no access to Government files. This same honourable gentleman who has no access to Government files will be in St. John telling everybody what the Democratic Labour Party Cabinet said and did not say.

Sir, I think that the point may be well taken, but the former Attorney General has got so accustomed to posturing in certain matters that he has to make this seem as though they made an error in 1984 and three years later the Democratic Labour Party is implementing their error. In other words, the Barbados Labour Party, as an administration, was so inept that for three years they continued to put in the Estimates something that it decided should not be put in, and that it did not pay the money, and now you are trying to give the impression that it is our fault.

We are going to pay some money to the Trust Fund for drug prevention, that is what we came for. Incidentally, following the way in which people say if you are looking for money, here is a way to find money, they discovered that there is some money in a vote that can be used, and they recommended that we delete something and pay the money from there. The honourable Member knows that that is how the Government operates, that you try to find money from somewhere, and now he is coming in here trying to give the wrong impression.

I believe the Attorney General will want to say something on it, but you keep constantly trying to give impressions, and when you are wrong, all we require of you to do is get up and say, 'My Government was wrong.' Why can't the honourable Member come in here and do that just once when we have pointed out, as we have done time and time again, the number of little administrative errors — this is another of the administrative glitches — which your Administration has made? We have quarrelled about them collecting taxes. We have come in here week after week correcting errors in your Estimates, in your legal perambulations, and therefore we want you to come in and say, 'The Barbados Labour Party Government was wrong to make the decision to withdraw the

\$1 000 from the International Council of jurists.' If you say that, we will say "amen", and then we will discuss the whole matter of your elevation, but do not come in here trying to give the impression that the Democratic Labour Party did something.

LEAVE TO SIT AGAIN

Hon. P. M. GREAVES: Mr. Chairman, this is a very important matter that we have been discussing, and I do not think we can conclude it now because we want to have a look at it.

At this juncture, I beg to move that you do now report progress and ask for leave to sit again.

Hon. B. M. TAITT: I beg to second that.

The question that Mr. CHAIRMAN report progress and ask for leave to sit again was put and resolved in the affirmative without division.

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

SUSPENSION OF SITTING

Hon. P. M. GREAVES: Mr. Speaker, I beg to move that this sitting be suspended until 3.15 p.m. today.

Hon. B. M. TAITT: I beg to second that.

The question that the sitting be suspended until 3.15 p.m. was put and resolved in the affirmative without division, and Mr. SPEAKER suspended the sitting accordingly. 2.15 p.m.

ON RESUMPTION Mr.

SPEAKER: This sitting is now resumed.

APPOINTMENT OF ACTING CHAIRMAN OF COMMITTEES

Hon. P. M. GREAVES: Mr. Speaker, I have to report, Sir, the absence of the Chairman of Committees at this time, and in accordance with Standing Order 5, Rule 5, Sir, it becomes necessary for one of the Members present to be elected to act as Chairman of Committees.

I move, Sir, that the honourable Member for St. Andrew (Mr. C. A. Neblett) be elected to serve as Chairman of Committees during the absence of the Chairman.

Hon. B. M. TAITT: I beg to second that, Sir.

The question that the honourable Member for St. Andrew be elected to act as Chairman during the absence of the official Chairman was put and resolved in the affirmative without division.

GOVERNMENT BUSINESS (RESUMED)

On the motion of Hon. P. M. GREAVES, seconded by Hon. B. M. TAITT, Mr. SPEAKER left the Chair and the House went into Committee of Supply, Mr. C. A. NEBLETT in the Chair.

COMMITTEE OF SUPPLY

AMENDMENT TO EXPLANATORY NOTE TO HEAD 28 - MINISTRY OF LEGAL AFFAIRS (d.c)

Hon. P. M. GREAVES: Mr. Chairman, at the time of the consideration in Committee of Supply of the money Resolution, the honourable Member for St. George South was in the Chair. You are now in the Chair, and the position is that we revert to the money Resolution under consideration at the time of the suspension of the House for lunch.

Mr. CHAIRMAN: Order 1 (e) is resumed.

Hon. M. A. KING: Mr. Chairman, in view of the comments that have been made so far on this Resolution and in furtherance of our commitment to the rule of law, and to demonstrate our position on this matter and our belief in the old concept of human rights, I wish, Mr. Chairman, to commend the Resolution now before us, and rather than deleting anything, I move that the following words be added, "(b)"

Asides.

Hon. M. A. KING: There will be no deletions.

Mr. Chairman, the words of the Resolution which I want deleted are as follows:

Asides.

Hon. M. A. KING: That is what I am talking about the Resolution. I am asking that the words, "(a) International Commission of Jurists \$1 000;" be deleted and in their place insert the word "by". In the place of the words which have been deleted just insert the word, "by". And further on take out the letter "(a)" and insert in place "(b)"

Asides.

Hon. M. A. KING; I am sorry. Rather than "(b)", the "(a)" should become "(d)". So that the Resolution, as amended, will read as follows:

"RESOLVED that the Explanatory Note to Head 28 - Ministry of Legal Affairs, Subhead 2 Subscriptions and Contributions, be amended by inserting the words, "(d) The Trust Fund for the International Conference on Drug Abuse and Illicit Trafficking \$500."

Hon. B. M. TAITT: I beg to second that, Sir.

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

On the motion of Hon. P. M. GREAVES, seconded by Hon. B. M. TAITT, Mr. CHAIRMAN reported the passing of five money Resolutions in Committee of Supply, and Mr. SPEAKER resumed' the Chair and reported accordingly. 3.25 p.m.

On separate motions of Hon. P. M. GREAVES, seconded by Hon. B. M. TAITT, the Resolutions were read a first and second time and agreed to.

ROAD TRAFFIC (DRIVING TEST FEE) (VALIDATION) ACT, 1987

Order No. 2 was called — To move the second reading of a Bill entitled an Act to amend the Road Traffic Act, Cap. 295.

Hon. Dr. R. C. HAYNES (St. Michael South Central): Mr. Speaker, this Bill represents yet another occasion for us to come to this House to validate the collection of taxes under the previous regime.

The situation is as follows, Sir. In April of this year, there were increases in the fees payable for the inspection of motor vehicles by the Licensing Authority and for parking in public parks, among other budgetary provisions in that area. However, when we were examining the legislation to make the appropriate Orders, the Attorney General, after the most diligent search, advised that there was no existing authority for the collection of any driving test fees since the revocation of the Road Traffic Regulations of 1982, nor indeed was there any authority for the collection of the increase in the driving test in this year's Budget.

In the circumstances, therefore, Sir, it became necessary to bring to Parliament this legislation to validate the collect-on of the fees paid to the Licensing Authority in respect of driving tests carried out by, or with the approval of, the Authority for the period April 1, 1982 to the period April 7, 1987.

This, as I said, is yet another occasion when we have to come with a validation Bill in respect of a tax matter, and, as I have said before and will say again, there

are more to come. I know that from time to time it may be difficult to track down all the enabling legislation that must follow a Budget, and whereas I do not want to accuse the past political directorate necessarily of incompetence in not ensuring that the legislation was brought to Parliament, it does indicate, however, because of the large number of bits of legislation that we have had to bring here in the past year to validate the collection of one form of taxes or another, that we must be much more careful in the future.

We certainly considered whether the taxes collected should not be refunded. But, of course, that would create serious administrative problems going back over a period of five years to refund taxes, and so many individuals would be involved, that we felt the only lawful way to set about this is to bring in this validation Bill.

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

Hon. B. M. TAITT: I beg to second that and reserve my right to speak.

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

On the motion of Hon. Dr. R. C. HAYNES, seconded by Hon. B. M. TAITT, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. C. A. NEBLETT in the Chair.

COMMITTEE

Mr. CHAIRMAN: This House is now in Committee.

Clauses 1 and 2 were called and passed.

On the motion of Hon. Dr. R. C. HAYNES, seconded by Hon. B. M. TAITT, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. Dr. R. C. HAYNES, seconded by Hon. P. M. GREAVES, the Bill was read a third time and passed and cited as the Road Traffic (Driving Test Fee) (Validation) Act, 1987.

BANKING (AMENDMENT) ACT, 1987

Order No. 3 was called — to move the second reading of a Bill to amend the Banking Act, Cap. 322.

Hon. Dr. R. C. HAYNES (St. Michael South Central): Mr. Speaker, this Bill seeks to amend the Banking Act to achieve two objectives; firstly, to institute the new regime of banking licence fees in respect of the headquarters and the branches of the various banks

in Barbados, and secondly, to reverse the requirement that branches of foreign banks in Barbados publish their annual statements. 3.35 p.m.

Some time ago, Mr. Speaker, arising out of a debate on the relatively poor performance of the National Bank, a threat was made on the floor of this House to ensure that all commercial banks operating in Barbados, whether they are incorporated locally and are headquartered here and have no other operations other than in Barbados, that is, totally indigenous banks, or whether they merely represent the branches of foreign banks, would all have to have their audited financial statements published locally. The argument advanced on the floor of the House was that this would permit the public to recognise that other banks do as badly in Barbados as the National Bank had done at that time. I believe that we have solved the problem of the National Bank by making sure that it makes a profit, which was how to solve its previously poor performance.

Events subsequent to that indicate that something was not done which would normally happen when major amendments of this nature are being made, that is, there would be appropriate consultation, certainly within the Ministry of Finance with the Central Bank and, if necessary, with those organisations in Barbados that would be affected by the legislation. In fact, there was not even any consultation with the Attorney General's Chambers of the day.

. It was a simple amendment that was made, but it certainly has had far-reaching consequences. This huge file that I have before me here represents correspondence going to and fro between the Legal Department, the Ministry of Finance, the Central Bank of Barbados, the commercial banks, in trying to unravel and deal with the problems created by that amendment.

Fundamentally, Sir, the reason why there is a requirement for indigenous banks to publish their annual audited statements is to give depositors an opportunity to check on the status and the performance of those banks. In terms of those banks operating in Barbados that are mainly branches of foreign commercial banks, the publication of the local operations as far as giving security to a potential depositor is totally meaningless. In a good year, Sir, one of the commercial banks in Barbados may make a pretax profit of \$4 million or \$5 million. But it is only the branch of an international bank, and at the same time they may have to make provision for \$500 million in Brazil, or \$1 million in South America, so that when you have read the balance sheet on the local operations of a foreign bank, it certainly cannot help a depositor to make up his mind as to the security of its deposit, because this merely represents a branch of a widespread operation.

Other problems arose in terms of the ability of external auditors to provide audits in Barbados for publication in Barbados under our laws. This matter was canvassed very widely. At one stage it was felt that there was a ministerial discretion which could remove the various encumbrances which external auditors would have, but the final decision taken by the Attorney General's Chambers was that that was not the case.

A second legal opinion was taken as to whether or not the Minister of Finance had the authority to postpone indefinitely certain aspects of that particular legislation. It was determined that whereas the Minister of Finance certainly had the authority to give a grace period for the publication, he had no authority to override the law as it stood. So what it boils down to fundamentally is that the commercial banks in Barbados, collectively, would have to spend about half a million dollars to comply with a piece of legislation that was of no value whatsoever to a depositor.

In terms of knowing what is going on in respect of the commercial banks, the commercial banks have to make annual returns to the Central Bank, they have to make annual returns to the Commissioner of Inland Revenue, and this information is available to the Ministry of Finance. So there is no way, from the point of view of the management of the commercial banks or controlling their operations, that those empowered to regulate the activities of the commercial banks would not have full access to their accounts, and when we considered all the various factors and problems involved, there was only one conclusion that we could come to, to amend the legislation so that it reverts to what it was prior to that amendment.

I believe that I have given the various considerations which have led, first of all, to a review of the legislation, the efforts which we made in the Ministry of Finance to live with the amended legislation, and then, finally, the decision to amend it based on reality, that is, that there is no point asking the commercial banks to pay \$500 000 to publish information that is useless to the depositors.

The only residual argument was that it might be desirable for the two indigenous banks that we have to have access to the information relating to the other competitors in this market. It was felt that that could be solved by making an arrangement to have the statement of the local operations published either with the Central Bank or through the Ministry of Finance in the Press. So that can be dealt with.

When you think of imposing another half a million dollars on the commercial banks, we prefer to do this by means of increasing the banking licences, if necessary, and if at any time we think that the banks are making too much money, then we will find ways and means of

making sure that some of that is transferred to the public purse.

Mr. Speaker, I beg to move that this Bill be now read a second time. 3.45 p.m.

Hon. M. A. KING: Mr. Speaker, I beg to second the motion and reserve my right to speak.

Hon. H. deB. FORDE (Christ Church West): Mr. Speaker, I am glad to see the Minister has resisted the temptation to grandstand on what is a very simple measure. I am fully aware of its implications. The original legislation.....

Hon. B. M. TAITT: Mr. Speaker, on a point of order: I believe that the opening remarks of the Leader of the Opposition are uncalled for in the context, and really ought to be struck from the record, because the honourable Member is imputing improper motives to the Minister. He is suggesting that the Minister is in the habit of or is replete with ambitions to grandstand. I am recommending that those remarks be struck from the record.

Mr. SPEAKER: The honourable Member for Christ Church West may continue.

Hon. H. deB. FORDE: Thank you very much, Sir.

I think the original purpose of the amending legislation of 1986 was, as the Minister said earlier, to ensure that the competitive position of non-indigenous banks was known to the indigenous banks which are now operating in Barbados. The Barbados National Bank and Caribbean Commercial Bank Limited are required to publish in their balance sheet and profit and loss accounts, the financial details of their operation, and it is obvious, therefore, that that information will be made available to the non-indigenous banks, and it was felt that it would give them a competitive position. However, it is a fact that the non-indigenous banks operating in Barbados are required by legislation in their territories of incorporation to have their accounts properly audited and to give enough detailed information to their depositors which will show whether or not they are viable, and it is a fact, as well, that if a bank, for instance, suffers a loss on its Latin American operation, it must still have enough worldwide assets before it would be allowed to operate according to the legislation in its place of incorporation, whether it be in Ottawa or in California that these banks happen to be incorporated. So it is really necessary that one ensures that the information relating to the Barbados aspect of the operation of international banks is easily accessible not only to the Central Bank and the Ministry of Finance, but to the other banks operating in Barbados.

Having said that, one would want to ensure that the information is kept in such a form that it maintains the principles of secrecy and confidentiality for which banks are known. I believe that, in any event, the Minister will be aware that the banks can extract the information from their existing audited accounts without any additional cost to themselves. However, if the Act remains unamended, the obligation which would be placed on them is to have their local accounts audited, and it is this that will cost them a considerable amount of money. In one respect, it may provide fees for the accounting trade in Barbados, but in another respect one has to expect that that cost will be passed on to the depositors and customers of the bank. So, Sir, once we are satisfied that with the arrangement with the Central Bank the principal objective of the legislation which is now being repealed can be met, there is no difficulty about this.

It has really taken the Government some time, unfortunately, to come to a decision on this point, because representation was made, if I recall, before the change of Government, and it has been in there for some period of time. But once the change is made and I have the Minister's assurance that the local banks will not be at a disadvantage in getting the necessary information, I have no difficulty in supporting the amending legislation.

Mr. O. S. ARTHUR (St. Peter): Mr. Speaker, this matter really does not raise a grave policy issue as far as I am concerned. I rise to speak in this debate more from the point of view of a person who has had some experience in the academic field.

One of the areas, Mr. Speaker, of great difficulty at the University of the West Indies is the tremendous scarcity of information that exists regarding the operation of foreign entities operating in the Caribbean and particularly operating in Barbados. For many years, one has also had great difficulty undertaking detailed research on the operation of the banking system, if only because it was very difficult to disaggregate from the published accounts of the overall conglomerates of which our local banks were a part, to reach any specific conclusions as to how our own indigenous banks were performing.

I feel, Mr. Speaker, that there is no harm, as such, in having as much information made available on the local banking system, — it is nothing to hide, Sir — and for the very same reason that the Barbados National Bank can publish its information on its portfolio policies, for the same reason that the Caribbean Commercial Bank can, and has to, publish its information on its portfolio policies, its assets and its liabilities position, I really do not see any particular harm in knowing what the local branches of foreign commercial banks are doing. If there

is an administrative difficulty involving massive costs that serves as the basis for this change in the legislation, I can understand that, but from the point of view of the public right to know, particularly in an area where researchers and persons that are interested in public policy have in the past not had a right to know, I really feel that this amendment is in part a backward step.

I wish we could have more information on the operation of local branches of foreign companies not only in the area of banking, but in the area of manufacturing and tourism, because it is only when we have access to sound information on critical parts of our economy that we will be in a position to know what is the true economic picture that faces us, and only then, Sir, will we be in a position to know what are the types of policies that we should be pursuing in relation to the entire economy, both local and foreign-owned. As I say, if there is an administrative and a cost consideration which prompts the Government to undertake this particular amendment to the legislation, I say, "Thy way not mine, O Lord." But from the point of view of a person who still has an academic interest in these things, as well as a national interest, I would rather much prefer to see the information published, and to see the information not only in this area, but also see that in manufacturing and tourism, where there is a lot of foreign domination, made public so that we can truly know where we stand.

I am obliged to you, Sir.
3.55 p.m.

Hon. Dr. R. C. HAYNES: Mr. Speaker, when I introduced this Bill to the House, I indicated quite clearly that every effort was made over the past year to strike a balance between the informational requirements of the society, the value of that information and the cost of the information. These were the three elements that went into the final decision.

The decision has not been taken lightly. As I indicated, on this small matter involving a few words, this entire file represents correspondence on its varying aspects. My own position was to see whether we can find any administrative or other way in which we could deal with the problem without having to amend the legislation. We exhausted all possible channels, they were all checked, and, finally, it was decided that the only way in which we could deal with the matter effectively was to amend the Act.

I give the Leader of the Opposition the assurance that we have already been looking at methods of ensuring that the vital information is available to researchers and the general public. It may be necessary to make one or two amendments to the Central Bank Act, and the opportunity will be taken to ensure that the fullest legal authority is given to the Central Bank to allow them not

only to receive, but to publish the information in their own bulletins. I think that will meet the satisfaction of the public, of the researchers of the financial world, of the commercial banks, of everybody. I think that that information in that form might be more useful, quite frankly, because there is a curious thing about bank statements. They tend, generally speaking, to conceal a lot more than they reveal.

Aside.

Laughter.

Hon. Dr. R. C. HAYNES: I noticed the difficulty the honourable Member had in trying to analyse certain statements.

Generally speaking, we are sensitive to the points made by the Opposition. You can be assured that we will give full consideration to them. It is a relatively simple Amendment. It has been thoroughly canvassed by all parties concerned. As you said, the matter was raised in the late days of your last term in office. It has taken all this time for the simple reason that we tried to look at all aspects of the matter before coming down to Parliament with an amendment.

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

On the motion of Hon. Dr. R. C. HAYNES, seconded by Hon. B. M. TAITT, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. C. A. NEBLETT in the Chair.

COMMITTEE

Mr. CHAIRMAN: This House is now in Committee.

Clauses 1 to 4 inclusive were called and passed.

On the motion of Hon. Dr. R. C. HAYNES, seconded by Hon. B. M. TAITT, Mr. CHAIRMAN reported the passing of one Bill in Committee and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. Dr. R. C. HAYNES, seconded by Hon. C. V. WALKER, the Bill was read a third time and passed.

TREASURY BILLS AND TAX CERTIFICATES ACT, 1987

Order No. 5 was called — To move the second reading of a Bill to provide for the issue and payment of treasury bills and specified tax certificates.

Hon. Dr. R. C. HAYNES (St. Michael South Central): Mr. Speaker, during my Budgetary Proposals of this year.,

I indicated that I would like to widen the scope of 'opportunity for the broad masses of this country to participate in the investment process, and to give those who ^ wish an opportunity to purchase Government securities in the form of Tax Refund Certificates and Tax Reserve Certificates.

These two certificates represent two new debt instruments which are closely aligned to the Treasury Bill as a debt instrument, both conceptually and in terms of the usual duration of such instruments. Therefore, it was felt that it was necessary to integrate these two instruments — namely, the Tax Reserve Certificate and the Tax Refund Certificate — with the Treasury Bill legislation. 4.05 pjm.

This became necessary for another reason. There are certain aspects of accounting in relation to Treasury Bills which differ significantly from that in relation to debentures in terms of how they are accounted for in the Consolidated Fund, and it is felt that in due course — and I must say this has been the feeling in the Ministry of Finance for some time — there will be a need ultimately to come to Parliament with major legislation relating to the Financial Administration Act to ensure that Government paper in the market can be handled in a manner consistent with the market operations of 1986 and not 1956 or 1936. However, this is another matter.

I believe, Sir, that these two instruments will be of tremendous value to the public of Barbados. The Tax Refund Certificate would give all those persons who are entitled to the receipt of Income Tax refunds an opportunity to choose whether they wish to have their refunds in the form of cash or in the form of a Tax Refund Certificate, which will bear interest, tax free, at the rate of 7 per cent per annum, which will be substantially above what can be obtained now on deposits in commercial banks or on Certificates of Deposit in Barbados.

The Tax Reserve Certificate is slightly different in that it is a longer term instrument. It will allow individuals and corporations with surplus cash to plan their tax liabilities for the future and to take advantage of this particular instrument which is being put on the market at the rate of 6 per cent per annum. Again, that will be tax free.

The administration of these two new debt instruments will be as smooth as possible. In terms of the Tax Reserve Certificate where one can estimate what will be their future tax liabilities, let us say, two years down the road, and they can purchase a Tax Reserve Certificate against future liability and take the opportunity to earn some interest on it, the Government will have the benefit of their money in the meantime to invest in the general community. It is a form of symbiosis between the Government and the tax paying community.

In terms of the Tax Refund Certificate, after six months those certificates can be cashed, so anyone who wishes to get their money after six months, can then go and collect the money, plus the interest. A person can also elect to hold them for five years and earn interest on a yearly basis.

I think the importance of this must not be underestimated. Since April 7, I have received several letters, I think the last one only yesterday, I sent it to my Permanent Secretary and asked him to pursue the matter — from a large number of individuals of all walks of life asking how can they participate in the process of purchasing Government paper. It is not an area that is very familiar to a lot of people. Many people now have their funds deposited earning 3 per cent in the commercial banks, and when this paper comes on stream later this month, they will have a choice between 3 per cent in the commercial banks and 6 per cent tax free in terms of buying Tax Refund Certificates.

I will therefore urge the public of Barbados to demonstrate their confidence in the Government, as they have done over the past year, and purchase these certificates which are being offered to them at a very attractive rate to ensure that the smallest man in Barbados will, for the first time, have an opportunity to participate in this great exercise of financial democratisation in Barbados. In this respect, we have made sure that these certificates will be issued in very small denominations, of \$100, of \$500, of \$1000, of \$5000, \$10000 and \$50 000. This means that the man who has a small refund of \$100 and he has not got immediate use for the money can refund in the form of a tax certificate, and then six months from now go to a commercial bank and get his \$100 plus the interest, tax free, whereas if he had put the money in a commercial bank, he would probably get 3 per cent, and then the 3 per cent would be taxed.

This is such a wonderful opportunity to involve the broad masses of the people of Barbados in the investment process. As you know, it represents only one of a series of instruments which we will put on the market this year and which have gone exceedingly well. I think that what is beginning to happen in Barbados, particularly with the coming on stream of the Securities Exchange and a wider range of Government instruments on the market, is that we are seeing the beginning of mechanisms which will lead to a deepening and a widening of the investment process in this country. I look forward to the day when we see that process developed to the point where there is a wider spread of ownership of all enterprises in Barbados. Hopefully, as our economy grows and expands, we will see other similar markets for Government and non-Government securities expand in other CARICOM countries, and ultimately I hope we will see the groundwork established for a CARICOM Stock Exchange with appropriate implications for freedom of movement of investment capital and other resources.

So, Mr. Speaker, what we are enacting here today is of major significance for the future development of Barbados. We must not let any cynical comment divert us from the fundamental goal of deepening and widening the investment structure of the country and making these instruments available to the broad masses.

I thank you, Mr. Speaker.

Hon. P. M. GREAVES: I second that and reserve my right to speak.

Mr. O. S. ARTHUR (St. Peter): Mr. Speaker, the Honourable Minister of Finance is in a very jovial and congenial mood, and I trust that what I might have to say on this piece of legislation, which he says promises a financial revolution, will not cause him to change his joviality.

The Opposition has not had a lot of time to study this piece of legislation. It is a new financial idea being attempted by the Government, and it attempts to bring to Barbados new instruments by which people can effect investments in a manner that benefits the people as well as benefits the Government at the same time. One has therefore, in putting a balanced approach to this matter, to recognise that this is as much an initiative to benefit the people as it is to benefit the Government. 4.15 p.m.

Mr. Speaker, I made that point at the very start because I asked myself, if our intention at this time is to promote investments in Barbados, given the state of our national economy, given the state of our foreign exchange earnings abilities, given the extent of unemployment in the country, should our biggest priority be devoted to encouraging investments in Government paper, or should we be seeking to stimulate investments in areas where there is tremendous risks, but where the potential payoff in terms of income generation, employment generation and even foreign exchange generation may be more substantial?

So, from a larger investment point of view, I recognise this initiative for what it is. It is an initiative that allows persons who would not now be investing by way of Treasury Bills, because let us recognise that Treasury Bills are normally attractive to institutional investors, an opportunity to invest in Government paper. But having done that, let us not refrain from telling the Barbadian people that at this juncture, even though it may be attractive and necessary to invest in Government paper, our major priority still is to emerge as a nation of investors who will carry risks and who will look at investment in terms of a means by which we can expand the country's productive capacity, increase employment and increase income and foreign exchange. So even though this initiative has some value, from our largest perspective of our major priorities at this time, the need

for investment that carry risks in areas that expand the employment system, earn income and generate employment, of course, this type of investment cannot fully answer the bill.

There are a number of matters, Mr. Speaker, of a more narrow financial character which I would have wished to speak about if the Opposition had had a little more time to reflect. But let me say straight out that even though these measures are supposed to benefit the small man, so-called, it would appear to me that unless you are in a position to have a tax refund, or unless you are in an income bracket in which, over the course of the next few years, there will be the possibility of your having a fairly large tax liability, then the tax refund mechanism, an investment instrument linked to a tax refund mechanism, or an investment instrument linked to the pre-payment of tax, is not going to have any substantial impact on the small man.

This year, if you are earning \$15000 and you are not entitled to a tax refund, quite obviously you could not see the Tax Refund Certificate as a potential investment instrument. Equally, if you are in a particular income bracket and for the next few years there is not the possibility of your earning a sufficient income to carry a large or even a minimal tax liability, quite obviously, a Tax Reserve Certificate will not be of interest to you. While we are widening the possible scope of investment instruments, let us be realistic enough to acknowledge that a Tax Refund Certificate is going to excite a person who expects a fairly substantial tax refund and for whom the choice is a real choice as between investing the tax refund which he receives, or spending it, as has been the wont of the Barbadian people today. The Tax Reserve Certificate, on the other hand, to my mind, Mr. Speaker, could most probably be of some interest to persons or corporations in the upper income group, and particularly to corporations, which would now have a wonderful opportunity of being able to choose as between investing their funds in Treasury Bills at a low rate of interest or investing them in Tax Reserve Certificates at a higher tax free rate of interest. For these reasons, Mr. Speaker, I am saying that I do not entirely share the Minister's glowing optimism that these instruments will be as beneficial to the genuine small man as he might imagine.

There are one or two aspects of them which I want to raise, from a purely financial point of view. An investment instrument, of course, is attractive, the greater potential liquidity attaching to it. When one makes an investment, for example, in Treasury Bills, there is always the possibility that if one runs short of cash, one can sell the Treasury Bill, get an interest on it, and so convert an investment in the cash to meet one's needs. It is peculiar, of course, that these instruments seem to be lacking in relative liquidity as compared to the Treasury Bills.

If I understand the Minister correctly, if one were to encash a Tax Refund Certificate, no interest is immediately payable and in the same way, no interest is payable on a Tax Refund Certificate encashed within six months of the date of issue. I understand the reverse psychology that might prompt that since Government is now committed to paying interest on tax refunds beyond six months, then it is, perhaps, saying that if you encash a Tax Refund Certificate within six months, then you do not become entitled to interest. But Government must recognise, of course, that these instruments will be viewed by the public in a comparative sense, and what you are in essence telling a small man is that he can take his chance with a Tax Refund Certificate on the understanding that if he runs short of tax within six months, he cannot come back to you and tell you that he wants to cash it in with an interest, because this is saying that no interest is payable on a Tax Refund Certificate within six months of the date of issue.

Let me put a practical situation, for instance, Sir, a small man decides that he is not going to take his tax refund in cash, he is going to go away and take a Tax Refund Certificate. He has another option — he can take that same money and put it in the bank at 3 per cent. If he is a genuinely small man as you are catering to, he may have a need for the cash within a six month period, but the legislation is telling him that if he seeks to encash his Tax Refund Certificate within six months, he will not be entitled to an interest rate on it, whereas if he were to take the same cash and put it in a bank, he would have not only the principal, but the interest as well. I am wondering therefore, Mr. Speaker, whether the Government is not, perhaps, making these instruments a bit too liquid, particularly if you are going to be gearing them for the genuinely small man who will want to be sure that he can liquidate investment if he has a cash flow problem and would not have lost out on the investment as compared to his having used that same capital and putting it in some alternative investment. 4.25 p.m.

I am not trying to be contentious, Sir, it is just a technical point that arises from the nature in which these particular provisions are being drafted. I could not, if I were a genuinely small man who may have the need for cash within five months, agree to put my funds in a Tax Refund Certificate which tells me that if I cash it within six months I get no interest on it, because I know I could have taken the same amount of money, put it in the bank and get 3 per cent and still have my cash as well. I am wondering if there is not a way around it that meets the Government's concern that if you are going to get an interest rate on tax refunds that the Government owes you beyond six months, you cannot have that at the same time as you earn a massive interest on a Tax Refund Certificate.

My basic concern, however, Mr. Speaker, has to do with the fact that the manner in which the legislation seems to be drafted reduces the attractiveness of these instruments to that class of person to whom the Government is saying that the instruments are being geared. A large corporation with massive retained earnings can perhaps contemplate a situation in which it can hold on to a financial instrument for a long period of time, and hence it may never be caught with the penalty of no interest payable if you wish the cash within a particular period of time. A large income earner can also perhaps indulge in that piece of financial luxury, but if we are to develop a market for investment in the lower income category, I believe that there must be a higher degree of liquidity to these instruments. The problem is the lack of liquidity that is spelt out in the particular arrangements that surround the operation of these measures.

I am also wondering, too, Mr. Speaker, why there has to be a specific role for the Central Bank in this matter. It says here at Clause 6 that a tax certificate shall be signed by the Governor of the Central Bank and by such other officer of the Central Bank as the Minister may approve. It has been standard for matters pertaining to the administration of taxes to be the preserve of the Accountant General, the Director of Finance and Planning and the Permanent Secretary to the Ministry of Finance and Planning, and this is very much so in the case of Treasury Bills, which have to be signed by the Permanent Secretary, Finance, and the Accountant General.

I see this particular measure, Mr. Speaker, having some effect if it is very closely reconciled with Government financial planning. Quite obviously, Sir, a Tax Refund Certificate will allow the Minister of Finance and Planning this year to avoid having to be put to the necessity of paying out possibly \$40 million in Income Tax refunds, it could mean that the Government may postpone some of the financial liabilities that it will have as a result of the payment of the Income Tax refunds. I am not criticising the Government for wanting to have to ease its cash flow position, a Government will seek to ease its cash flow position, but all I am trying to say, Sir, is that it has obviously, in trying to do that, to have all of the arrangements surrounding it made as tidy as possible, as if you have a large number of different public institutions involved in the management of what is essentially a taxation matter, then the possibilities for the whole arrangement to be untidily operated can increase.

I therefore, Sir, am left to wonder why these certificates have to be, in essence, really issued by the Central Bank, given that they are in some respects an offshoot of the fact that at some times in the year there are tax refunds to be paid by Government, and that the management of the volume of the tax refunds

payable is in some part related to the fact that we have these particular financial instruments before us at this point in time.

As I said, I really have not had a long time to study this particular Bill. We received it only this morning. We understand the purposes for which Government wishes to put these things on the books, and I make the point, as I have made before, that this particular initiative is as much related to Government's desire to widen the market for investment instruments as it is for Government to ease its cash flow. But I must express my concern that the particular details surrounding the actual arrangements would seem to suggest that these instruments may not be by design as attractive to people who will want to have their investment instrument as potentially liquid as possible.

I am concerned about the no interest payable on a Tax Reserve Certificate that is encashed early, I am concerned with the no interest clause as regards a Tax Refund Certificate that is encashed within six months, because we do know what is the tradition among genuinely poor people in Barbados, that they will have savings accounts but they will also want to call on those savings accounts at short notice. If this particular clause is allowed to stand, I rather suspect that these instruments will prove mostly attractive to persons with large sums of money to invest who would really welcome your option now made open to them to invest such large sums at 7 per cent interest tax free.

I am obliged to you. Sir.

Dr. E. A. SIMMONS (St. Michael South East): Mr. Speaker, I find it difficult to follow the logic of the honourable Member for St. Peter (Mr. O. S. Arthur). When the Minister of Finance brought the Budgetary Proposals, he criticised those Budgetary Proposals and said that they gave too much to the private sector. Now he is saying that the Tax Reserve Certificate and the concept behind it is to put more finance behind the Government. I am not quite sure which road he wants to take, if he is against supporting the finances of the Government or he is against supporting the finances of the private sector. *He* has to come down on one side or the other.

I want to repeat a point that I made before. We in Barbados must have some confidence in our intelligence and some confidence in ourselves as leaders in the Caribbean, and I am proud to see that we in this country and in the Democratic Labour Party have been able to do what the honourable Member for St. Peter just referred to, take a revolutionary step in financing. At least he conceded that.

I want to comment, too, on what he refers to as small people. It is a fact that civil servants, shopkeepers and Barbadians generally have always been known as thrifty people. They not only have little bank accounts, they go and they buy shares in local companies like Banks Breweries. Therefore, it is wise that Government expose Barbadians to a higher level of economic activity. That is what we are doing. We are saying to the small people that there is a higher level at which you can operate. If you are running a business and you find out that in a particular part of the year you are making good profits, what the Tax Reserve Certificate does for you, as I understand it, is allow you to plan your tax payment in advance by buying the certificate, and at the same time, you are sitting down on 6 per cent interest on the money. 4.35 p.m.

Most of what we call small people in Barbados, and I think the Minister of Finance and I can understand this, because we deal with those people — at least he used to and I still deal with those people at that level every day — and they are the real good financial people in Barbados. Those are the ones who know whether they can invest five cents or ten cents, and unlike what the honourable Member for St. Peter says when a Barbadian puts money in a bank, he is not going back for it in any five months or six months. That is an exception to the rule. He puts down his money, and he usually intends to keep it there for a long time. There may be the occasional case where an individual may run into hardship and may have to take money off the bank, but that is not the norm.

At present, because of the \$15 000 tax bracket, there is a host of people in Barbados who cannot find anything to do with their money. They are trading in their three-year-old motor cars and buying new ones, wasting money. The Minister of Finance is saying here is a good way to invest your money, and the Income Tax man cannot say that you have to pay taxes on it. He is raising economic activity to a higher level for people who were not previously exposed to that level of economic activity. I think this is what we need to do more and more in this country, involve the broad masses of people at a higher level of the economic ladder.

I can understand why the honourable Member for St. Peter finds it difficult to reconcile himself with this kind of philosophy. In their Administration there was no economic activity that was really geared to lift the man from the bottom by his boot straps. It is a matter of economic and political philosophy. I find it again very, very difficult to understand how the honourable Member for St. Peter can raise point.

He raised the point about cash flow problems for the Government. Everybody knows that because of the wild borrowing that the last Administration indulged

in, there was a cash flow problem. If you take over a shop from your neighbour and there is a lot of debt, one of the things that you have to do — this goes at the shop level and the Government level — is to cushion the effect ^{^4} of the debt. It is a wise economic thing to do. There is nothing sinister, if you recognise that you have a big debt, of implementing measures that would cushion the effect of that debt, and if the Minister of Finance finds out that there is a way in which he can relieve the Government of paying out \$40 million, as the honourable Member for St. Peter said, in Income Tax refunds every year while at the same time bringing benefit to the people whom you would have been paying the \$40 million to, all that seems to me to be in pure economic sense and wisdom.

I really do not understand his point about cushioning the effect of the Government's cash flow. That is precisely what the Minister of Finance is put there to do. It is part of his function to so administer the finances of this country that, in the long run, the people of the country do not have to undergo undue burden, and he, has found ways of cushioning the effect of the enormous problem that we, inherited. There is no mystery about it. It is plain for everybody to see. This is what he is doing, and we on this side make no apologies for doing it. All that it is is wise economic planning.

Hon. H. deB. FORDE (Christ Church West): Mr. Speaker, I have a few questions for the Minister. I want the Minister to let me know what was the maximum refund of taxes due to Income Tax payers, in 1986. How much was paid out in refunds? Over what period were the refunds made? I would like the Minister, if possible, to tell me what refunds are due on this year's tax, and whether it is intended to pay out to those who wish their refunds in the coming year.

I want to reply to the honourable Member for St. Michael South East (Dr. E. A. Simmons). As I understand it, the Minister is really trying, as the honourable Member for St. Peter (Mr. O. S. Arthur) said, to do two things. One is to prevent the Government having to pay out to people in September, particularly when Government's cash flow problem is difficult, refunds due to them by way of Income Tax. That is the principal purpose of this bit of legislation. He could have done it by issuing bonds, a suggestion which was floated to see its public relations effect. Public relations-wise, the Minister got such a howl that he went back to the drawing board, and he has come up really with what is a voluntary enticement or inducement to taxpayers, rather than a compulsory method of making their taxes available for Government's use. The sweetening on the pill is that you will leave your money with the Government for a period of time and you will get interest on it, and that interest will be tax [^] free. At the moment, when the rate for savings appears to be low, the instrument therefore appears attractive. We

must not, however, forget that the rate of interest paid to persons who have savings accounts with commercial banks is generally controlled by the Central Bank on direction from the Minister of Finance. So the Minister obviously can control those people who prefer to leave their money in the National Bank or Barclays, and on his other hand, he is saying 'Do not leave it there, bring it to me, I am more competitive. I will give you 7 per cent tax free. It is your money anyway, I have not got it to repay you, but you can leave it here.' That is what the Minister is doing.

Sir, his public relations has obviously told him that this soft sell is the way to approach his predicament. That is what the honourable Member for St. Michael South East must understand. I understand the Bill, although I am like the honourable Member for St. Peter. I¹ got the Bill on Friday, but, unfortunately, they sent it to me with some pages missing, so I really could not give the total consideration to it.

The Minister is quite correct in saying that it is another form of paper which a person can hold as an instrument of savings. As I understand it, quite clearly what the honourable Member for St. Peter has said is that its value as a piece of paper is undermined seriously because of the negotiability and transferability of the piece of paper. If I have a Treasury Bill or a bond, I can negotiate it freely from one holder to another and at any time value it above its purchase price. Usually, I may not get its full value, because I may be encashing it too early to get the full yield, but I can normally get its face value, plus some percentage of the interest. The result of this legislation is that certainly for six months from the date of issue you are getting no interest on it. I want to deal with that, Sir. 4.45 p.m.

The date of issue of a tax certificate may be subsequent to the six months that the revenue is allowed to hold people's money without paying interest, so if the revenue had to pay me interest from July 1, but I do not get my certificate until August 1, I still cannot get — according to this legislation, unless it is reconciled — interest on the certificate other than from the date of issue. I wish the Minister would look at this and see whether or not there is not a contradiction there.

What also concerns me is Section 13: "Tax certificates are not transferable except on the death of the holder....." If you cannot transfer your tax certificates, you cannot negotiate them, as I understand it, and if they are non-negotiable, they really are not attractive instruments of saving, despite the higher interest rates. The Government has to look at that.

I want to deal with this specifically in relation to the small man. The effect of Section 13(2) is that if a man who holds a tax certificate does not cash it during

his lifetime, but dies, his widow is entitled to cash in that tax certificate. She must go and show to the issuer, either to the Accountant General or to the Central Bank, that her spouse was the holder of the certificate; no problem. But she has to produce a grant of legal representation to the applicant under clause (b) before she can get her money. If all the poor old man left is \$200, it is going to cost her in legal expense, not even the fees of the lawyers, more than that to take out letters of administration to his estate. What the Minister needs to do is give a discretion to the issuer to waive the need for letters of administration. Clause 13 is so clumsily and heavily drawn that it undermines the viability of the instrument as compared to other instruments, and it is making it very expensive for the small man, the small man of whom the honourable Member for St. Michael South East speaks so often. He believes that this side is not interested in the small man, but this is the sort of provision that we would like to keep out.

Aside.

Hon. H. deB. FORDE: *Sotto voce*, Sir, I heard a voice from the wilderness crying that I do not know the small man when I see him, but I recognise that the honourable Member for St. Michael West (Hon. B. M. Taitt) is no longer a small man. He might have been some time, I could distinguish him, Sir.

Sir, I am really very concerned with this provision. It is true that the Minister has followed, in drafting this Act, what the legal people have really done, that is, take the Treasury Bill Act, Chapter 106, modernised the legislation a little bit and merely stuck in "tax certificates", giving almost similar provisions and making very few changes. There is no creative imagination in developing the financial concept which the Minister has brought forth, because if there is one thing you will need, it is free negotiability, and if you really want to encourage small people in Barbados - I really should not be giving you all ideas, because you might use them against me in due course - if you really want to increase the negotiability for the small man in Barbados, you have to get rid of a lot of the red tape and the legalities without undermining the safe guards that are necessary, so that you do not get forgers presenting to you documents that are not genuine documents, and I am saying that there are sections of this legislation that are against that.

For \$100, \$200, \$300 you do not need this provision. It does not affect a company, because a company does not die. It may go into liquidation, but you do not have to do anything about a company at that stage. It is the person you affect. I do not know if the Minister needs to have his legislation go through today, but if he does not, I respectfully suggest that maybe at the Committee stage, it may be a good thing for him to go back

and do some checking. He must look at some of the provisions in the Financial Rules Act, and there are a few other Acts that have provisions allowing one not necessarily to insist on presenting these documents.

I am also concerned, as I said, with the provision that no interest is payable on a Tax Refund Certificate encashed within six months of the date of the issue. I think there the crucial words are "the date of issue". What the Minister really wants to prevent is any interest being payable within six months of the date within which the tax becomes due, and therefore the date of issue of the tax certificate may be after the due date according to the Income Tax return, and draftsmen would not find it too difficult to draft the section, unless they are lazy, thinking intellectually.

Aside.

Hon. H. deB. FORDE; I am not saying that is when you get it. After you get it, you do not get tax, you do not get interest on it if you cash it within six months. That is the point I am making, and I am saying you do not need that provision, and with a little imagination you could get around that problem.

The other point made, I think, by the honourable Member was on the administration of the provisions of this legislation. You cannot have so many authorities in a bit of legislation that is a few sections — 15 sections — of an Act. There are too many administrative bodies dealing with the position. If the Central Bank has now become on behalf of the Government the holder of Government paper and securities, let it deal with all Government paper and securities and get rid of the Accountant General and the Permanent Secretary, Finance, signing Treasury Bills. Your tax certificates and tax reserve certificates, although emanating from the administration of the Commissioner of Inland Revenue, must next go the Governor of the Central Bank to be dealt with, and your Treasury Bills go back to the Accountant General and the Director of Finance to be dealt with. I believe that if the Minister wants to rationalise the position, he must decide which authority he is acting with. You could, of course, always keep, as is provided for here, an adequate register so that the Accountant General can carry out his other functions, and he can have his information at the same time that the other governmental authorities are informed of the state of the Government's liabilities, contingent and otherwise, without the complication of having so many different administrative authorities. 4.55 p.m.

I would suggest that the Minister delay the Bill for the Committee stage and ask his legal colleagues to redraft the points to answer some of the criticisms made on this Bill.

Hon. Dr. R. C. HAYNES: Mr. Speaker, the political sections of the speeches made by the Members of the Opposition had some success in that they raised some interesting points, but I must say that what must have captured the imagination of this Chamber, and certainly the public of Barbados, would be the speech of the honourable Member of St. Michael South East (Dr. E. A. Simmons), who put the whole matter in perspective.

When you put instruments on the market, they say that you are benefitting the middle and upper classes. When at this time of the year they think that Government's financial situation would be improved somewhat, they say you do it for the Government. The facts are simple, Mr. Speaker. We do it for the people of Barbados and for the representative of the people of Barbados, the Government of Barbados, which collectively represents the public weal of Barbados, and that is what we are here to represent.

I would like to see legislation brought before this Parliament which allows for a range of flexibility in relation to all Government instruments so that we reach a point in Barbados where any morning anyone can go into a commercial bank and buy \$100 in Government paper. This is what we will be hoping to achieve over time.

Many of the suggestions made by the Leader are reasonable suggestions and cover matters which attracted our attention during the last three months when we examined this matter in a series of meetings with the Central Bank of Barbados, the Accountant General, the Commissioner of Inland Revenue, the Legal Department, of Government. We must have had a dozen meetings or so addressing these particular issues. We were trying to get the maximum flexibility within the context of our present legislation, because what we are trying to bring is a revolutionary dynamic approach to the handling of Government securities. But the legislation which we have makes it a virtually static environment, and the accounting practices which stem from the Financial Administration and Audit Act, which stems from the Constitution of Barbados, make it almost impossible for us to implement these dynamic processes until such time as that Act is altered. When you see in this particular Bill certain obligations on the Accountant General and the Central Bank, it is because we have to operate within the Financial Administration and Audit Act as it now stands.

I can assure honourable Members on the other side that whilst we would like to see a much more liquid, a much more dynamic situation in relation to these instruments and all Government instruments, nevertheless there are constraints in relation to the legislation that flows from the Financial Administration and Audit Act. That is why when I introduced this legislation I pointed out that I will certainly, in the not too distant future, have to come to the House with amendments to the Financial

Administration and Audit Act to allow for the things that you and I would like to see done in terms of flexibility and the dynamic approach to Government securities to see that implemented and put into legislation but you have to deal with the main Act first from which these other Acts stem.

There was a suggestion, Mr. Speaker, that this Government might have difficulties in paying Income Tax refunds in cash. There is nothing further from the truth. It might suit the Government at this time not to pursue this particular measure, because our liquidity is such that we will have no difficulty in meeting our refunds, no problem, but we have made a commitment to this nation and we regard the commitment to the small man in Barbados as being more important than saving a few cents in terms of interest.

The Honourable Leader of the Opposition coming in wielding a big stick after the honourable Member for St. Peter had spoken, having dropped hints that we may have problems in terms of meeting refunds in cash, asked how much money we paid out last year, knowing full well that the average Minister of Finance would not be able to answer immediately. But I can answer \$32 million.

He even asked how much we will have to pay out for this year. This is a highly unreasonable question to ask a Minister of Finance after a year of major changes in the tax system, a year in which there have been partial adjustments which would not have come to the attention of the tax authorities until they had fully processed all the claims. It is very unreasonable to ask any Minister of Finance to answer that on his feet. Nevertheless, even going on the outside, being a little ridiculous, I would say the figure should not exceed \$48 million, a 50 per cent increase. If we were able to handle the situation last year when we paid out \$32 million with no fiscal distress whatsoever, should there be any difficulty in dealing with this matter this year? I make this point to emphasise that what we are bringing before the House is not an instrument which is designed to ease cash flow but an instrument which is investment-oriented and a fulfilment of a major pledge that we have made to this nation.

The honourable Member said that the country must be involved in more risk capital development, and he sought to draw a line between monies raised for the Government which may be transferred back into risk capital and direct risk capital in investments. Could you imagine, Sir, them talking about risk capital? Can you imagine that the honourable Member could have been speaking of a Minister of Finance who has introduced venture capital to this country in the form of a Venture Capital Corporation, which will soon be in place after appropriate consultations have been completed

with the investing agencies; a Minister of Finance who announced to this House not so long ago that in the area of venture capital, we have opened a Micro Business Window at the Barbados Development Bank with half a million dollars available to start with? This was the Minister of Finance who, when he was spokesman on the other side, committed to this country the principle of the factoring of receivables in our banking system, a vital component missing at the moment in the garment industry development in Barbados. That, too, involves risk; that is going to involve public involvement; that is going to involve backing from our public institutions so that they can lead the way in the factoring of receivables to help critical and depressed sectors of our industry, for example, the garment industry. 5.05p.m.

Only last week, Sir, at the Ministers of Finance Conference in St. Lucia, the Minister of Finance of this country gave his full support to the Caribbean Export Bank, and one section of the Caribbean Export Bank involves the creation of a Venture Capital Window. So it would not be only from the venture capital company, but from the Venture Capital Window of the Caribbean Export Bank, which will be located in the CDB headquarters in Barbados, that more venture capital would become available to the people of Barbados.

We are taking a holistic and comprehensive approach to the involvement of the people in investment in Barbados, and it is not by chance that you see these instruments coming on stream. If you look at it very carefully, you will see that over the past year we have put together a package that virtually touches everybody, and one way in which this instrument is superior to all the other instruments in Barbados at the moment is that it comes in direct contact with the individual. The individual has to go searching to get savings bonds, development bonds, Treasury Bills, and debentures. Here you have his money and he has an opportunity to take a cheque, take half of his money in cash and the rest in a Tax Reserve Certificate. For the first time, there is that immediacy of contact.

I do not anticipate that we will see the full blooming of this process in this particular year, it is a new concept and it will take time to grow. But over the years, I think that you will see the investment process and reserve mobilisation in Barbados taking place, more or less a very useful marriage between Government and the people in the investment process.

The point has been made about the liquidity of the tax refund instrument. The honourable Member for St. Peter obviously was making a valid point from an intellectual standpoint which he allowed to degenerate into a political point, and then the Leader of the Opposition, seeing a political opportunity, got up and tried to ham-

mer home this business about no liquidity in the first six months.

I have explained that there are specific constraints in terms of linking your accounting methods of handling revenues and expenditures related to the Consolidated Fund, procedures that follow from the Financial and Administration Act and the creation of a debt instrument, because you have to find a marriage of an old system the new system whereby you create a debt instrument. That is the reason why the Central Bank will be handling that end of it, because the Central Bank, as you know, handles and keeps a record of the debt instruments of Government. But, ultimately, people will be able to cash these things at banks.

I hope that, in due course, anybody can walk in and cash or buy any piece of Government paper. That is a long term objective. We have to change the laws, we have to be particularly careful with those that stem from the Constitution. It is going to require a lot of work. It could not possibly have been done within the framework of three months after the Budget, but I can assure you that our objective is to maintain as much liquidity as possible.

It is not exactly true to say that if anyone has a Tax Refund Certificate — and I hope that all honourable Members will listen to me carefully — if you cash it before six months, you would not get the interest, but after six months, you get the interest, that it deprives the person of liquidity, because if I had \$500 in a Tax Refund Certificate at 6 per cent and I needed \$500 because something cropped up after I bought it, I would go to my bank and borrow \$500, and you might find that the two might balance out, or you may make a little, one way or the other. What you mean is that the certificate cannot be rolled over as a certificate.

The constraint, as I explained to you, is the law as it stands, and it is major legislation you are talking about. It is not simply a question of deferring further consideration of this Bill. You are talking about making fundamental changes to the law to allow for the levels of flexibility which the Opposition is suggesting, and which I have no difficulty with, because that is what I would like, but it will take time to get that legislation in place.

I think it was unreasonable to talk about problems with administration. This is not so. The reason this is set out in this way, as I explained, is because the paying of money into or out of the Consolidated Fund in one form or another involves the Commissioner of Inland Revenue, the Accountant General, the Auditor General and so on, and these are constitutional appointments. Therefore, once that process is finished, the whole thing becomes a debt instrument, and that is where the Central

Bank, and the commercial banking system takes over for management. That is why it is structured in that way. I can assure honourable Members on the other side that no new point has been raised. They have all been thoroughly canvassed and discussed and this is the best compromise that we could get within the context of the present laws of Barbados.

Generally speaking, I think there have been useful contributions, and I hope I have answered the questions. I can assure you that I doubt that we can get more flexibility and negotiability in the state of the present laws, but I will certainly be looking at the overall legislation relating to debt management in Barbados, debt recording, the creation of debt against the Consolidated Fund and so on. That has to be changed to meet the demands of the challenges of the 1980s and beyond. 5.15 p.m.

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

On the motion of Hon. Dr. R. C. HAYNES, seconded by Hon. E. E. GREAVES, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. C. A. NEBLETT in the Chair.

COMMITTEE

Mr. CHAIRMAN: This House is now in Committee.

Clauses 1 - 16 inclusive were called and passed.

On the motion of Hon. Dr. R. C. HAYNES, seconded by Hon. E. E. GREAVES, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. Dr. R. C. HAYNES, seconded by Hon. E. E. GREAVES, the Bill was read a third time and passed.

INCOME TAX (AMENDMENT) ACT, 1987

Order No. 6 was called - to move the second reading of a Bill to amend the Income Tax Act, Cap. 73.

Hon. Dr. R. C. HAYNES (St. Michael South Central): Mr. Speaker, this Bill seeks to amend the Income Tax Act, Cap. 73, to give effect to the Budgetary Proposals v/liich I introduced to this House on April 7 of this year, at least those relating to Income Tax. In summary, the proposals were: the Tax Refund Certificates, the Tax Reserve Certificates, the contribution by private companies to a special tourism marketing fund, the disallowance of levies for Income Tax purposes, the control of the amounts that can be deducted in respect

of covenants, a reduction in the dividend credit, and a reduction in the building allowance for commercial buildings.

This legislation also takes this opportunity to spell out in detail the provisions which were introduced in the 1985 Budget of the former Administration and which were rolled over in my Budget in July 1986, to give full legal expression to that process relating principally to activities which qualify for the Market Development Allowance. So the opportunity was taken as it became necessary to make the appropriate adjustment for the new tourism company and persons qualifying to that fund to bring in the scope of the legislation all the other areas that would qualify.

I do not believe, Sir, that I need to go into this matter in any greater detail in terms of a full scale second reading speech, because these matters have all been canvassed before. But in view of the fact that there have been one or two expressions of concerns that the legislation arrived late in the hands of the Opposition and Members on the back bench on this side, I think it is only reasonable that I take this opportunity to take them through the clauses in general terms, so that there can be no doubt whatsoever, because all would be fully aware of the intention of each clause.

Clause 2, the amendment to Section 9(1) of the Act, seeks to exempt the interest accruing on the tax reserve and the tax refund certificates on Income Tax. In other words, that section of the Income Tax Act exempts the interest on the two certificates that we just dealt with from IncomeTax. 5.25 p.m.

Clause 3, the proposed amendment to Section 12C of the Act, seeks to implement the budgetary proposals reducing the Building Allowance for commercial buildings from 2 to 1 per cent.

Clause 4, the current Section 12D of the Act, provides for the Minister to prescribe an Order detailing the kinds of expenditure for which the Research and Market Development Allowance of 150 per cent of the actual expenditure incurred may be claimed. That is what Clause 4 deals with, and that is why I talked about what was introduced in the Budget of the previous Administration in March 1985, rolled over in my Budget and now brought into full control of the legislation.

Clauses 5 and 6. As explained with respect to the Research and Development Allowance at Clause 4 above, which I just mentioned, the opportunity is being taken to list the expenditure for which the Market Development Allowance for the tourist industry would be granted. These two spell it out.

Clause 7, by repealing Section 30(4) of the Act, seeks to put into effect the proposal that no tax benefit should follow from the following by allowing various levies as a deduction. So you just have to adjust that part of the Act as well.

Clause 8 similarly deals with details consequential on the changes in respect of charitable organisations. That is a sequential change within the structure of the same Act.

Clause 9 deals with the reduction in Dividend Credit from 50 per cent to 15 per cent.

Clause 10 is another amendment which permits the Tax Reserve Certificate to be part of the Income Tax law.

Clause 11 permits the Tax Refund Certificate to be part of the Income Tax law.

Clause 12 is a matter of validation of an S.I. in relation to the Income Tax regulations which relate to the qualifying allowance, to make that Statutory Instrument lawful.

Clause 13 gives the commencement dates of the various amendments and so on.

Basically, although it is a long piece of legislation, there are only seven matters that are really involved. They are all new measures in terms of implementing the Budget, but because of one change in the Income Tax Act up front, there are several consequential changes that flow through the Act.

I hope, Mr. Speaker, that by introducing the Bill as I have done, by taking Members through the Bill clause by clause and pointing out the purpose and intent of the various clauses, it has done something to relieve any mild distress which may have emanated from the fact that they would have received their papers some four days ago in accordance with the appropriate Standing Order of the House.

Thank you.

Hon. P. M. GREAVES: I second that and reserve my right to speak.

Mr. O. S. ARTHUR (St. Peter): Mr. Speaker, there are certain aspects of the Budgetary Proposals which were introduced by the Minister of Finance bearing upon Income Tax which did not attract specific discussion in themselves during the course of the Budget Debate. We obviously now have an opportunity to discuss them

philosophically, as well as from the point of view of the specific content.

I am glad for the opportunity to discuss one or two aspects of the amendments to be made to the Income Tax Act consequential upon the April readjustment, if I may so call it. The commercial Building Allowance is a matter that ought to be discussed in more detail than it has been discussed in the House before, not only from the point of view of the fact of the allowance being changed from 2 per cent to 1 per cent, but from the point of view of the philosophy that is still behind it.

The notion of tax reform as pursued in many different countries has meant many different things to many different people. In many cases, tax reform has amounted to a cut in the tax rate, but there has been an approach to tax reform which puts the emphasis on adjustments for allowances in a way as to redistribute the burden of taxes, or in a manner that would serve as an incentive to allow specific things deemed to be in the national interest to be accomplished. Very rarely does one ever see a situation where you have a combination of the two, where you have an increase in allowances simultaneously with a cut in the tax rate. Indeed, 'Mr. Speaker, if you are familiar with the most recent Reagan approach to tax reform, you will recognise that his approach really has been that while he has cut the tax rate, he has in fact removed many allowances, so much so that the revenue intake remained neutral.

The Minister of Finance really seemed to have been in a tax reform mould which focussed upon both a cut in tax rate as well as an increase in allowances, an approach to tax adjustment which is not ordinarily known, and indeed this decision, Mr. Speaker, to reduce the commercial Building Allowance in some respects brings the Minister of Finance's concept as to tax reform back within the limits of what is widely regarded as the accepted norm, that you do not seek to do both. You hardly ever find massive cuts in tax rate simultaneous with massive changes in the allowances. That is the safest and surest way by which you reduce your tax base, and I will stress, Sir, that the core of the American tax reform has really been to cut the tax rates but to remove the allowances so as to maintain a revenue neutral position. You can be sure that your revenue position will not remain relatively stable once you pursue a situation in which you cut the rates as well as increase the allowances.

Mr. Speaker, in relation to this particular allowance, it in some respects reflects the differences between the Barbados Labour Party and the Democratic Labour Party as regards the manner in which tax reform at the corporate level should be pursued. We in the Barbados Labour Party believe that adjustments in the payment of Corporation Tax should ideally be put in place when the

corporate sector of Barbados does something that is deemed to be in the national interest. We do not believe, and I must repeat, we do not truly believe in an across-the-board cut in the Corporation Tax rate merely for the sake of cutting Corporation Tax. For that reason, Mr. Speaker, you will recognise that we put in place, and they are now here being put into legislative effect, situations where the amount of taxes payable by corporations would be reduced consequential on their aiding the national economy by expanding exports through market development in tourism, manufacturing, or through the sale of services extra-regionally where the construction sector is concerned.

It is important that we get away from the mentality which says that you must cut a Corporation Tax rate merely because it can be cut. The better approach really is to use cuts in allowances as incentives to guide the private corporate sector in directions which can de-monstrably be seen as helping to achieve a national purpose. In that respect, Sir, the commercial Building Allowance was conceived of by the Barbados Labour Party as being of some strategic effect in helping us spur on the private sector to take advantage of potential investment in areas which were opening up. 5.35 p.m.

The Barbados Labour Party had a Speightstown Development Plan and we were committed to the development of Speightstown. A commercial development allowance was an incentive, therefore, extended by the Barbados Labour Party to the private sector, telling them that if they go out and perform, there is something that would make it worthwhile for you to perform. We were planning the whole development of the Bay Street/Carlisle Bay area and we saw the commercial building allowance as being instrumental in spurring on that particular activity. We conceived, also, Mr. Speaker, of the redevelopment of the Glebe, the development of Oistins.

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I, therefore, have some misgivings, knowing the philosophy behind the commercial building allowance, in agreeing that one should reduce it by the extent to which it is here being reduced. It was meant to be an incentive to the private sector which at the time when we were speaking in terms of Corporate Tax adjustment had as much as \$130 million in retained earnings. We were telling them that if they were to take some of that money, invest it properly in areas which were thought to be strategic in the national economy, there would be an increased allowance to help them to reduce your Corporation Tax. For that reason, I have nothing but the greatest misgivings in agreeing with the adjustment in the commercial Building Allowance. It was a specific taxation measure put in place by the Barbados Labour Party to Section 3 to facilitate the expansion of commercial investment by the private sector not by way of a cut in

the tax rate, but by giving them an activity related allowance that could enable them to translate some of their retained earnings into actual retained investments, with the knowledge that at the end of the day there would be some tangible result to accrue therefrom in the form of a reduction in their tax liability.

As regards other aspects of the proposed amendments to the Income Tax Act, I must say that I could never vote for the measure in this Act which says that the payment of refunds will no longer be allowed as a deduction in arriving at the taxable income against which Income Tax is to be paid.

One of the ways in which the effect of the levy was cushioned was the fact that you could reduce taxable income by treating your levies as deduction against your assessable income. It took some of the sting out of the levy, it really did, and at a time when we are increasing the levy, we must understand that, simultaneously, you would have taken away the person's advantage of being able to use those levy payments as deductions against assessable income at arriving at taxable income. In giving them a double link, you are going to be really both asking them to pay more up front as well as putting them in an income bracket where they will have a higher taxable income and hence pay more tax. Both the levies cannot be treated as deductions for assessable income.

The indication is, Mr. Speaker, that with a higher number of levies, it is quite possible that a number of people can be put in a higher taxable income bracket.

Asides.

Mr. O. S. ARTHUR: It is not only possible. This is not now theory, this, is a matter of fact, and I am saying to the Government that in a year when you are increasing the levies, in all conscience you should at least retain provision for people to be able to deduct their levies from their assessable income at arriving at their taxable income. It could only be fair, Mr. Speaker, and I therefore, could not in conscience this evening vote for that clause, because, as I said, it was one of the ways in which we took some of the sting out of the levy. I really cannot understand why the Minister of Finance feels that this matter could assist in the achievement of social equity in the country.

I am very pleased, as I said, Mr. Speaker, to see the Market Development Allowance brought formally into the legislation. As I said, it reflects the Barbados Labour Party philosophy. We had a philosophy as regards changes in the Corporation Tax that we believed that the best way to do it was to give incentives to people who had done something, or were in the process of doing something, that could demonstrably be said to be in the

national interest, for instance, helping us to increase exports.

In fact, in our manifesto we spoke in terms of additional adjustments in the Corporation Tax to give a bias in favour of those companies who expanded employment, because one of the critical things that has been happening in this country is that some companies had been making more and more profit, but had been doing so by becoming more efficient, efficient if you are being judged in terms of the extent to which the labour force could be compressed. So we thought in terms of relating tax changes to employment generation, and we conceived of stimulating the private sector by way of Corporation Tax incentives, not necessarily meaning an across-the-board cut in the tax rate.

Asides.

Mr. O. S. ARTHUR: The Minister says "too little too late."

These things had more than a purely financial aspect to them. It was the Barbados Labour Party's view that so long as the manufacturing sector and tourism industry saw or believed that the full burden of market development was a public sector activity, to be dealt with in terms of calls for Government to increase its own spending on tourism development or manufacturing promotion, to that extent we would go nowhere to seeing the development of the respective sector. It was our view in conceiving of those proposals in 1984 and 1985 that market development and promotion must be seen as being fundamental parts of the ordinary operation of businesses, in the same way as the buying and selling of inputs, of goods, and this was part and parcel of an effort to try to privatise functions which, to some extent, were being cast too fully, in our view, on the shoulders of the public account. You could hardly look into the newspapers in Barbados, Mr. Speaker, without there being calls as to how much more Government must spend on tourism promotion.

We have to view this Market Development Allowance as expressing a confidence by the Barbados Labour Party that within the private sector there was a capacity to do what every private sector must and should do to assume a market development function as a normal private sector function. Government would support it not only in terms of its direct spending, but by creating a tax environment within which such expenditure on such critical private sector functions would enable the corporations taking advantage of the incentives to reduce their overall tax liability. I regard it as a better approach to tax reform than a mere cut in the Corporation Tax rate. It allows you to benefit those corporations which are prepared to make efforts which the country regards as being critical, and, Mr. Speaker, it allows you as well

to signal to the private sector that critical functions that must be in the private sector should no longer be functions which the country sees as having to be carried by the state. 5.45

I, therefore, Mr. Speaker, as I said, will have no difficulties with certain parts of the Income Tax adjustments, but I certainly have misgivings about the reduction in the commercial Building Allowance. Once you understand the purposes for which these allowances were conceived, you will understand my problems with them, and I truly Mr. Speaker, cannot this evening vote for that provision which removes the capacity for the levies to be treated as a deduction against assessable income in arriving at taxable income.

I am obliged to you, Sir.

Dr. E. A. SIMMONS (St. Michael South East): Mr. Speaker, I only want to make an observation. I find it very difficult to follow the logic of the honourable Member for St. Peter (Mr. O. S. Arthur). He is making the point that the levies should be removed from your taxes; that the levies should be deductible as part of your taxes that you should continue to have that. The honourable Member said after the Budget that we were putting too much money into the pockets of the people of Barbados and that the economy would collapse. Now you are saying that we should put even more money in their pockets. I cannot understand, Mr. Speaker, how the honourable Member for St. Peter can blow hot and cold at the same time.

Mr. O. S. ARTHUR: On a point of order: The honourable Member is misrepresenting what I have said. My concern with putting too much money into people's pockets had to do not so much with the levy — I never said that — but with the massive change in allowances and the basic allowance of \$15000 given. I have never at any stage related the levies and their deductibility from assessable income, and the honourable Member obviously does not understand the point, because he is talking in very garbled terms. That has never been part of my discussion of the matter. My whole debate as regards the amount of spending power created has always been in terms of the \$15000 threshold allowance at the same time as an increase in the general allowances.

Dr. E. A. SIMMONS: Mr. Speaker, I keep saying I do not understand the logic of the honourable Member for St. Peter. If you give an individual \$15000 tax free allowance instead of \$10000 and that individual was allowed to deduct the National Insurance levies from his Income Tax what is wrong if you say that because you were not only getting the \$15000 increase but were paying less for electricity, less water rates and getting a lot of other benefits, you can no longer use your

National Insurance payments as a deduction against your Income Tax? That is the position. The honourable Member for St. Peter argued at the time that the ^4 economy was collapsing because we were giving away too much money. Now you are coming back and saying that the people are not getting enough.

I think everybody else in this Chamber understands you to be saying exactly what I understand, so I am not the one who is confused. You seem to be the one who is confused, because if you are speaking a language which only you alone can understand, it means that you are confused. The whole reason for language is that when you speak other people can understand what you are saying, and if everybody else in this Chamber understands you to be saying that, it either means that you are not saying what you intend to say or that you are confused in what you are saying.

I understand that, as a member of the Opposition, you want to oppose everything that this Government brings before Parliament, but there are times when you have to be clear in your mind about what you want to say. You talked about your philosophy in terms of Corporation Tax and how you so like the corporations and you would give so much impetus to the corporations that they would co-operate. I am quite sure that I have heard you in this Honourable Chamber say after the Budgetary Proposals that we are making too much money available to the corporations.

Mr. Speaker, not only were the people of this country given a \$15 000 Income Tax base, but they got off house repairs and mortgage interest, which were there before the Barbados Labour Party took them away. So to say that you can no longer deduct your National Insurance payments from your Income Tax, and to get up in this Honourable Chamber and say you are opposing x the Bill solely on that basis, defies any logic whatsoever. You have to decide if you are for the people or not for the people. You cannot argue one way on December 1 and then on June 5 come back and argue something else. That is the simple point I want to make. You are not consistent.

Hon. H. deB. FORDE: Mr. Speaker, the honourable Member for St. Michael South East (Dr. E. A. Simmons) is really having difficulty following. It is not due to the manner in which the honourable Member for St. Peter (Mr. O. S. Arthur) explained his point, it is just that the honourable Member for St. Michael South East has a crude sense of economics and on financial matters of this nature, and he has not really refined his thinking on the matter.

For the benefit of the honourable Member, Sir, the objection to Clause 7 is that Clause 7 is seeking to amend Section 30 of the Income Tax Act to state that a person who pays a levy is no longer able to deduct that levy from his assessable income. It was not like that all along, *"

and as I understand what the honourable Member for St. Peter is saying, in a year when you have increased the levies and at the same time you do not give the taxpayer the benefit of deducting the levies, you are giving a "double lick". The honourable Member does not follow that, but it is quite simple to me and I understand it quite fully.

With respect to the across-the-board cut in Corporation Tax, we should again explain the position of the Barbados Labour Party. One can argue about tax reform until the cows come home. One of the purposes of taxation is obviously to rise revenue for the running of the country by Government, but it is not the only purpose of taxation. One of the purposes must be to stimulate economic activity in such a way as to increase the overall wealth of the country, while at the same time providing the Government with adequate revenues. The Labour Party has always contended that in relation to corporations, any tax reform must be geared to that second objective. It is for this reason that we were very careful in looking at the incentives which should be given to the corporate sector, putting into place what is now becoming the Schedule to this Act under Sections 12 (d) and 12 (e) incentives to stimulate the areas that could bring in additional earnings, particularly the fields of export promotion, export earnings, export development and market research, to enable companies to earn more foreign exchange. 5.55 pjn.

We also lowered the Corporation Tax on construction companies because, as we would have heard in here today, one of the aims that we had in mind was promoting local construction companies to get into the regional and international tendering business. Obviously, there is a strong case for a series of CARICOM-linked companies which could take advantage of the international tendering market and at the same time put us in a very competitive position.

Another aim of our Corporation Tax policy was to encourage the training and retraining of workers to make use of the changing nature of the market in the Caribbean.

It is all right for companies to boast that their earnings have gone up this year. If those earnings had increased because of economic activity and an improvement in the economy, one could say that is all right. If they had increased because of efficiency in the manner in which the companies are being run, one would applaud. If the increase resulted because the companies were generating more business, one would even applaud more loudly. What concerns me is when a high percentage of the increase, as much as 80 per cent of the increase in the Corporation Tax, both pre tax and after tax

earnings of these companies, come about because of the Government's reduction in the Corporation Tax measures.

This year the 16 biggest companies in Barbados have got \$22 million, on average, more money as a result of Government reducing the Corporation Tax level. I have not got the Pannell Kerr Forster document here, but the honourable Member will know that these companies have \$144 million in retained earnings. Let us face it, it cannot be argued that the retained earnings position of the strongest corporate companies in Barbados was bad before the change in the tax measures. I am going to argue this until the cows come home, because I hear the honourable Member for St. Michael South East, in particular, very often misunderstanding the Labour Party's position, and it has been a successful ploy on their part to represent us as so dye-in-the-wool conservatives that we have no consideration for the small man. It is not a true position! That is one of the reasons why I have to speak on this BUI.

I have studied very carefully the 16 largest companies in Barbados, whether it is the BS&T group, the Plantations group or the Geddes Grant group, and I recognise that between the years 1980 and 1986 — it is going to be a little worse in 1987 as well — those companies retained earnings position had grown even when there was a decline in economic activity. I do not mind if their retained earnings position was improving, BET included, when economic activity was at such a level that they were doing very well, but they really did not have a case for an across-the board cutting Corporation Tax at this time. The people who had the case were those in the smaller companies in Barbados, which comprise only 20 per cent of the corporate structure of Barbados and whose earnings are considerably less than the big corporate companies. And if the honourable Member would take a little time not to score political points on us, as they have been seeking to do — we are far away from the next election — but to study, the position, the honourable Member will see that the Opposition's case on this matter is almost foolproof.

Sir, my argument on this is that if we are going to transfer an additional \$22 million into the hands of corporate shareholders to be placed in retained earnings to either go out by way of bonus shares or be stacked up and not used in the economic activity of Barbados, we are widening the gap in this country between the haves and the have-nots. Tell me as much as you like. I do not care what you say about me, my philosophy has always been clear.

I understand the private sector, I invest in it myself. I understand quite clearly the duty of these corporations and I understand very clearly the social structure of this country and the problems which can be posed to it if we

bow to every pressure without analysing the real nature of the economy of Barbados and without recognising that the next step in adjustment in the social and economic structure of Barbados is a very tricky and sensitive one. We have to tread carefully in making that adjustment, otherwise there is danger ahead for this country.

I am saying this as a professional businessman — you can call me private sector to that extent — but one who happens to believe very deeply in the principle known as democratic socialism. I do not care how much they criticise me in the press. I do not care how much they say that I talk one thing and practise another. I know that it is foolishness. Coming up in Barbados in the context that one has come up, you have to be conscious of this need.

The Government has won the election. The people accepted their position. But I am still concerned about this adjustment. Give incentives to spur on economic activity. Do not bow to their every pressure. I want to know - have they spent any of this \$22 million additional to create more employment? I have heard the Minister scoring his political points, but I have seen contraction after contraction, particularly in the distributive sector, in employment opportunities.

Aside.

Hon. H. deB. FORDE: You talking foolishness! I am not talking about the few taken on at Christmas. If you want to hear foolishness, ask Geddes Grant, although they denied it in the Press, if one of their subsidiaries did not lay off 30 workers. Ask the union, the union knows, if you doubt me. Find out how many of the other big firms in Bridgetown have laid off people. Let them, other than Cave Shepherd, because of the tourist sector, show you the net number of people they have taken on. Let those in the distributive sector show you the number of people they have taken on. I have the figures. Do not let the honourable Member say it is foolishness. If he has not got access to the figures, I will let him have access to them. He must know that in areas like this, we have access to the figures. 6.05 p.m.

I am sure the honourable Member will see that in the next round of union negotiations, the union will be forced to ask for more wages. There is no way the union is going to sit down and be satisfied with corporate companies telling it that their after tax profits have gone up so considerably but they must still hold wages down to four and five per cent over a period of two years. I would be very surprised if the trade union accepted that position.

One has to be careful in Barbados — and this is the significance of the honourable Member for St. Peter's

speech — that if you are going to say that you have to pass on the taxation burden by way of indirect taxation willy-nilly to everybody, you do not appear at the same time to be giving too quickly without a corresponding give back from the corporate sector of the benefits which you are passing on by way of obligations to other people. That is all we are saying. It is to me, a fairly obvious philosophy, a fairly obvious policy.

The question is, where do we come down? You have to be very, very, very careful at this stage of Barbados' development, because a lot of Barbadians conceive, rightly or wrongly — I believe rightly — that they are not in the mainstream of benefiting from economic activity. It is easy for you to become the darling of a few people at the top and in the long run realise that you are still losing out. They may not like what I say, but I will say it nonetheless. I know that they have to buy my expertise, so I do not care how they react. If they do not come to me, I will work against them, so I can talk from a position of strength when I talk on this. They cannot get vex, and if they get vex that is their business, this is my conscience speaking.

All I am saying to the Minister is, when you are going to bring measures such as you have brought in. market that are going to spur on economic activity, you will get the full support of the Opposition. Obviously, from a partisan point of view, if you do not think of it, I should not tell you, I should sit down and wait for you to make the mistakes. Some of the provisions in this Bill are of that nature, they have our full support, but you must work out your measures in the context that you do not bow to every little pressure that we are hearing.

I hear the argument that you should drop the Corporation Tax below 35 per cent and bring it down to 30 or 25 per cent. That is the next pressure you are going to get when you see that the corporate people are prepared to use the money that they are getting back for development purposes. Let me give you one example. There is every reason why Banks Brewery should use the \$600 000 that it has got to modernise itself and not to build a wall around the brewery. What is the economic purpose? What employment does a wall produce? Why did they not use the \$600 000 to create additional employment, to get into the export market and into cans, instead of being so dye-in-the-wool and old fashioned? That is what I am talking about, if you want to hear what I am saying.

Aside.

Hon. H. deB. FORDE: The honourable Member for St. Lucy (Hon. E. E. Greaves) is one of my pupils, so I expect him to say so, Sir. I would be very disappointed if he did not say it.

Aside.

Hon. H. deB. FORDE: My friend, the Honourable Deputy Prime Minister, says they will not build a wall next year. I agree. The point I am making, really, is that the corporate sector — and I have heard the Minister appealing to them on this — must respond in a way that they recognise that money coming into their coffers is not only to create additional bonus shares and take out more dividends, or to do nothing with. They must respond in a positive way.

I will tell you why I am even more concerned about this point. The commencement of the Stock Exchange has shown me something that I always feared existed in this country. The shares — and I am a shareholder in some companies, so you cannot accuse me of talking in my own favour — appeared to be undervalued. We are now getting the full value of those shares being shown up by having a Stock Exchange, so a share that was exchanging on the market into a few hands at \$1.70 has within less than two months exchanged on the market at \$2.15. That is a tremendous increase. Barbados has no capital gains tax. Somebody is making and taking out the profits. That is all I say. Only a limited number are making those profits and taking them now. Some shares have increased by more than 80 per cent or 100 per cent on the market changes.

This says something else to me, that, in truth, these companies were not as badly off as they were howling. I agreed with the honourable Member for the City (Mr. P. J. M. Miller), who is not in his seat now, when he said that certain people of the private sector needed additional incentives, but I was never convinced that this was necessary for all private sector companies, and I again say that about 16 to 20 companies have got 80 per cent of the tax benefits and the smaller companies are not that well off still. What the Minister should really concentrate his future efforts on is how to distribute the tax benefits that the smaller companies which are prepared to build on permanent long term structures will benefit. They may only be employing 20, 15, 10 people, but they will remain in the business much longer.

Sir, I have probably spoken a little bit longer than I intended, and probably a little bit wider. I do not believe that if I look at the record of the Government when it was in Opposition, it was generous enough to give any ideas to the then Government until the last year, when it was ready to take power, when it back-raised us. It sat quietly on this side when it was in Opposition, gave us the most stringent criticisms, rubbed its hands, no doubt, in glee when we made our mistakes and pounced with a vehemence in the last year, from the likening of which we have not yet recovered, but recover we will. I do not believe it is my function really to offer too much advice, but I am, when all is said and

done, basically a Barbadian who has nowhere else to go and nowhere to run to.

We have a reputation in this country for solving our problems in a very sensible way, but I must recognise at this stage of our development a certain impatience in the social structure for change in the division and distribution of the country's wealth and resources. I believe that we whose honour and whose duty it is at the moment to make those changes must do so in such a way as to answer the call without upsetting the structure to cause destruction overall of the country as a whole.

Thank you, Sir.

6.15 pjn.

Hon. Dr. R. C. HAYNES; Mr. Speaker, the Honourable Leader of the Opposition has made a rather emotive speech which cast him in a role in 1987 very different from the roles that I have heard him play in this House over the past ten years or so. It is quite clear that the honourable Member is trying to land somewhere. He is trying hard to find a cause, but he cannot find a cause or a landing, and that is the central problem. He started off by starting to camouflage an embarrassing situation which has developed after the honourable Member for St. Michael South East (Dr. E. A. Simmons), with brevity and precision, exposed the macro economic sophistry which is indulged in in this House week after week by the honourable Member for St. Peter (Mr. O.. S. Arthur), a level of sophistry which few would not deny does not border on intellectual scurrility.

Hon. H. deB. FORDE: I think the honourable Member must really withdraw those words. The honourable Member accused him of "scurrility."

Mr. SPEAKER: I am not sure I heard that comment. I just heard the word.

Hon. H. deB. FORDE: I am objecting to the words "intellectual scurrility" being used while he is referring to the speech of the honourable Member for St. Peter.

Mr. SPEAKER: I am sure the honourable Member will be willing to withdraw that, if he did say that.

Hon. Dr. R. C. HAYNES: I withdraw the remarks. I will not bother to get tied into that.

Sir, the honourable Member for St. Peter spent a long time talking about the kind of situations in which you should not have a reduction in the tax rate and a reduction in allowances at the same time, because you may erode your tax base and all that kind of thing. I have heard the honourable Member for St. Peter and his most recent recruit, the Honourable Leader of the Opposition, talking about erosions of a tax base, despite

the fact that they look at realities. They see the fiscal outturn. They have the Auditor General's statement for March before them, and they know that there was no erosion in the tax base in Barbados in the past year, despite the tax changes.

We reduced the commercial Building Allowance not because we did not think that it was desirable to have a commercial Building Allowance in Barbados, but because of the level at which it was set. It was set by the Barbados Labour Party, I think, one year earlier, and in a short period of time the tax authorities in this country were able to bring to our attention a situation developing where, unlike the Depreciation Allowance, which would come to an end at some point in time, the way how the commercial building allowance was structured, it would go on forever and it would escalate. With each devaluation of the property, it gets higher and higher. The point is that when you look at what would be the normal depreciation of a building over 20 years, and then look at commercial Building Allowance, that would be escalating year after year. So we had to find some kind of compromise, and the compromise position was that the commercial Building Allowance is not a bad incentive, but 2 per cent is too high, based on one year's experience.

You know we have a very efficient Revenue Section in the Ministry of Finance, and when your officers look at the returns, they see what the demand is. They made some projection of how this thing would escalate and discovered that it had the potential of virtually eroding your entire tax base in property taxes in a matter of five or ten years. Therefore, I felt that, in the interest of the country, we should reduce it. While we maintained the principle, we reduced the amount from 2 per cent to 1 per cent.

The honourable Member for St. Peter spent a long time trying to convince the people of Barbados that they are more heavily taxed than they were two years ago. The yield from Income Tax and all forms of taxation in Barbados was about \$35 million less last year than it was the year previously. The Gross Domestic Product had risen by about 5 per cent, to well over \$100 million. So you had a significant rise in the Gross Domestic Product of the country at the same time that you had lower gross taxation. I think it is self-evident that the overall rate of tax has been substantially reduced in the society from those two broad indices.

The honourable Member cannot come in here and ignore two major simple indices that relate to basic arithmetic; otherwise, he is going to continue to have problems. If you take your revenue yield, divide it by our GDP and multiply it by 100, you get the percentage yield of your tax effort. If your revenue yield is above, that is the nominator. If the nominator is the GDP,

that is higher; therefore, the percentage must be lower. It is simple straightforward arithmetic. That is why I tell you that you have to listen carefully to the honourable Member for St. Peter. He confuses himself.

The honourable Member for St. Michael East was quite correct that his major argument in this country over the past year, as a matter of fact since April when he replied to our proposals, was that disposable incomes in Barbados would destroy our balance of payments and the foreign reserves of this country, and the whole system would have collapsed by December last year. He changed his mind. He says it will collapse by December this year, and we are waiting for December this year.

Our foreign reserves today are almost \$100 million higher than they were a year ago. We are projecting a balance of payment surplus. Growth in the economy last year was 5 per cent. Barbadians have recorded levels of savings in the banking system today, a rise of almost \$100 million in a matter of just over 12 months. There has been a massive rise in the savings of individuals in the banking system in Barbados!

Barbadians enjoy the highest standard of living in CARICOM. The Barbados dollar has the highest purchasing power. There is no threat to the Barbados dollar. It is far more secure now than any point in time. And he is telling the country that it is going to collapse by the end of December! What are you going to do?

Mr. O. S. ARTHUR: Mr. Speaker, on a point of order: The honourable Member is misleading the House and misrepresenting the things which he knew that I said, and I want again, Mr. Speaker, for the records, to repeat what I said so that the honourable Member will stop misleading the House.

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I said very carefully, and the records of the House will show this, that the tax proposals of July 1, 1986, attractive as they would have been, would have within 18 months put Government's financial position in jeopardy, would undermine Government's financial position, and put the balance of payments in difficulty. I followed that by saying that if implemented in the form as stated in July 1986, they would have to lead to massive foreign borrowing to support the balance of payments and lead to the introduction of new taxes to replace those which have been replaced. So said, so done!

I have never in this House spoken about the collapse of the economy. I have spoken about the effect of Government's tax proposals on Government's financial position and the balance of payments in the absence of foreign borrowing and in the absence of new tax measures to replace those taxes. I stand on that, and I should not

have the Minister speak only in relation to misrepresent what I said and give half truths to this House of Assembly. 625 pjn.

Hon. Dr. R. C. HAYNES: Mr. Speaker, it is becoming increasingly clear that we will have to wait until such time as the entire population would be viewing the debate here when we shall read out the actual words of the honourable Member for St. Peter in April 1986 and in July 1986.

When the honourable Member was talking about the situation in which you have reduced Income Tax substantially and in which there was probably a marginal increase in the levies, and he is claiming that the non-deductibility of the levies would increase the tax burden on one or two people overall, I say that anything can happen. We can have a snow storm in Barbados right now. It can happen, there is no question about it. But I am telling you that we are more likely to have a snow storm in Barbados now than for you to identify a situation in which that confluence of events which you described in relation to a decrease in across-the-board levels of taxation in Barbados with a slight increase in the levies could result in a higher tax burden for anybody in this country. It is possible that you might find one individual in a very peculiar and specific circumstance in any tax system where that happens, and that one individual may not be the honourable Member, but it may be an Owen Arthur from St. Peter. This could happen, so I could not honestly say, within our usual context of Parliamentary propriety, that the honourable Member knew he was not telling the truth. Certainly if he entertains events occurring in the situation of the odds that I speak about, a snow storm occurring in Barbados, there could be some grain of truth in what he is saying, but it would have to be in that context.

They went on to tell us about all the wonderful tax proposals they had in relation to the corporate sector of Barbados, how they had selective tax allowances in specific areas and all that kind of thing. They had them all for ten years. But what was happening? Barbados lost 13 500 jobs in the private sector in this country between 1981 and 1986. If you were to look at the levels of unemployment in 1981 and 1986, you can quantitate the amount of people who had lost their jobs.

Thanks to the new initiatives taken by the new Government, endorsed by the people of Barbados, 6 500 jobs were created between September last year and March this year, of which only 500 were in the public sector. There were 92 300 employed in Barbados at the end of September last year, at the end of March this year there were 98 800, a difference of 6 500, and only 500 people were employed in the public sector additionally. Where did the other jobs come from? They

could only come from the private sector. Look at the statistics and you will see! Do you think that the hotels, which have enjoyed the best May, the best June and the best July so far since 1980, are employing fewer people? Do you think that the restaurants are employing fewer people, when, for the first time in the history of restaurants in Barbados, in the month of July you cannot walk into any restaurant at night now without making a booking, and it is taking seven days now to get a booking in several restaurants on the west and south coasts? Since 1979—80, when last have you heard such things taking place in the tourist ancillary sector in Barbados?

The honourable Member talked about the lack of impact of the reduction in corporate taxation. First of all, he ignores the fact that it is an important proposal of the Democratic Labour Party that, in due course, it will introduce a graduated Corporation Tax, with a lower rate for the smaller corporations. However, we felt at this time, bearing in mind the amount of work that had to be done, that an overall reduction in the rate would have been in the interest of Barbados, and I am satisfied that we have seen the initial benefits in terms of stopping the layoffs and the bankruptcies, and seeing some growth in employment.

The investment process will take a little longer, but many people who were fed up, who had decided that they had no future in Barbados and who were not making investment decisions, have gone back to the drawing board now. Banks are telling you that people are coming in almost every day and saying they had a project set aside for the past ten years or the past five years, but want to get on with it now. If you have driven down Hastings Main Road in the past two or three months, as I do every morning, all of a sudden you would have seen new buildings going up and old buildings being refurbished. It is seen on the west coast and all over the country. You will soon be able to say, like in the old Russian saying, as you see this boon take place, the cranes are flying in Barbados. It is too early to say that.

Sir, they could not identify a single private sector effort that responded to their proposals. We know now that the private sector in Barbados has responded to our efforts, and the contribution that they will be making under the market allowance, which they are threatening to vote against, is roughly 25 per cent of the direct investment that this country makes in tourism promotion. When you break down the expenditure from the Tourist Board and the amount we are going to raise from the private sector, you will find that it is about 25 per cent of the total expenditure. There has been a significant increase in the amount of money spent in promotion. Already, the private sector has contributed to the Thomson Tours, that programme that is coming from Canada, and the Air Tours project that will be bringing 1 000 people to Barbados — it was 500, it is now 1 000.

The Opposition say they do not want poor people in Barbados from overseas. We are saying that there are people from all strata of life, and Barbados cannot project itself as a place which does not offer hospitality to the working man of the United States or the United Kingdom. That is what you are saying, but I know that these are the people who are in the restaurants, and these are the people who gave the lie to what the Barbados Labour Party was saying when only this week people who rent our hired cars to tourists said they had so many cars out on the road, because the largest single expenditure that many tourists come to Barbados and make is when they rent a car. If they are spending at that level, then they are spending it right through the economy. To continue, Sir, they talk about their wonderful performance in housing. 6.35 p.m.

About seven years ago, the Barbados Labour Party came to Parliament with a proposal that if you build one or more wall houses, you will not be taxed at the normal Corporation Tax rate, but at 20 per cent. I have monitored the response to that down the years and, to the best of my knowledge, only about half dozen people have benefited from it over six or seven years.

We have made mortgage money available to the people. We have created an environment in which people have money in their pockets to go and make the down payment where the banks have liquidity money to lend. Those are the reasons why you see the housing situation booming in Barbados.

It is not only a matter of setting up an appropriate fiscal environment, giving incentives, but creating the appropriate economic and banking environments in which housing in this country can go forward. So when they tell you that they did x, y and z, ask yourselves what happened as a consequence of their taking those steps? When the construction had gone down in Barbados, that measure was in place. When people could not get access to mortgage money, that measure was in place. And what is the net result of it all? Nothing!

All we have done now is tackled things differently. We have created an environment in which people can get involved in building a new future for themselves, including building homes. A new path for a better way under new and better management! That is what we are doing!

Aside.

Hon. Dr. R. C. HAYNES: Look what we have done! I do not think the honourable Member is clearly reading the Ministry of Finance. We have just put the Barbados Investment Council in place. That council will be identifying one of the key areas of weakness in the

local productive private sector. You can market when you have the money to market, and you can market when you have goods to sell. If you do not have machinery, if you do not have the financial resources to get your company operating in Barbados, all the marketing allowances that you give can only go to a few big companies that are successful. We are now attacking the matter differently, through the Barbados Investment Council and a few of the other steps that we are taking. We will be mobilising all our local resources here in Barbados, and where we can identify a company with potential for growth and capable of expansion, we can put the financial resources behind it. When we have got growth and we have got expansion, then we will go after the markets. The point I am trying to make is that the market development strategy can only work when you have things to export, and you failed to recognise that one of the weaknesses we have had here is the lack of financial viability of a lot of the smaller companies of Barbados, the lack of management resources and so on.

I think that I have dealt with most of the issues raised. I think the honourable Member for St. Peter should really be careful that he does not mislead his party any further. He was able to mislead a former Barbados Labour Party Prime Minister and cause his party to

Mr. SPEAKER: I am sure the honourable Member will withdraw those words.

Mr. O. S. ARTHUR: I a'm obliged to you, Sir.

Hon. Dr. R. C. HAYNES: Mr. Speaker, if I may say so, the former Prime Minister and Leader of the Barbados Labour Party, who led the party unsuccessfully in the last election, had great faith in the views of the honourable Member for St. Peter. I would like to urge the Honourable Leader of the Opposition to exercise great care when he gets up to reinforce positions taken, particularly when you have to endorse and support a position that is so foreign and so alien to any similar position you have ever taken on the floor of this House.

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

On the motion of Hon. Dr. R. C. HAYNES, seconded by Hon. M. A. KING, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. R. P. DYER in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is in Committee.

Clauses 1 — 6 inclusive were called and passed.

Clause 7 was called.

Hon. Dr. R. C. HAYNES: I beg to move, Sir, that Clause 7 stand part.

Hon. C. V. WALKER: I beg to second that, Sir.

The question that Clause 7 stand part was put and resolved in the affirmative, the House dividing itself as follows:

The bell was rung.

Ayes: Hon. L. E. SANDIFORD, Hon. P. M. GREAVES, Hon. H. A. BLACKMAN, Hon. M. A. KING, Hon. Dr. R. C. HAYNES, Hon. E. E. GREAVES, Hon. W. W. HALL, Hon. C. V. WALKER, Mrs. BARKER-WELCH, Mr. C. L. TROTMAN, Dr. E. A. SIMMONS, Mr. L. L. BRATHWAITE, and Mr. C. A. NEBLETT (13).

Noes: Hon. H. deB. FORDE, Mr. D. A. C. SIMMONS and Mr. O. S. ARTHUR (3). 6.45 p.m.

Clauses 8 — 14 inclusive were called and passed.

On the motion of Hon. Dr. R. C. HAYNES, seconded by Mr. C. V. WALKER, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On the motion of Hon. Dr. R. C. HAYNES, seconded by Mr. C. V. WALKER, the Bill was read a third time.

On the motion of Hon. Dr. R. C. HAYNES, seconded by Hon. H. A. BLACKMAN, the Bill was passed and cited as the Income Tax (Amendment) Act, 1987.

CONSUMPTION TAX (AMENDMENT) ACT, 1987

Order No. 7 was called - To move the second reading of a Bill to amend the Consumption Tax Act, Cap. 63.

Hon. Dr. R. C. HAYNES (St. Michael South Central); Mr. Speaker, this Bill seeks to put into effect the proposals in the April 1987 Budget which were announced in respect of consumption taxes.

The changes sought to increase the basic rate in Consumption Tax from 5 per cent to 6 per cent to introduce a new regime for charging the tax on extra-regional imports which are in direct competition with regionally produced garments, a special rate for items in competition with local non-sugar agricultural products or

of a luxury nature, some increases in the tax on whiskey, brandy, gin and vodka and on cigarettes and a reduction in the rebate allowed to garages on the importation of motor cars from 20 per cent to 15 per cent.

It is important to recognise that the rebate is normally done through ministerial discretion and by administrative direction.

I have taken this opportunity to do a few other things in relation to this Consumption Tax matter. I spoke of scurrility or something like that earlier on which was not quite appropriate, and as I suspected, it was highly desirable to go through the Consumption Tax Act, which I think was first introduced in this Parliament in 1980.

Mr. D. A. C. SIMMONS: On a point of order, Sir. The Honourable Minister is inadvertently, obviously, misleading the House. Consumption Tax was first introduced in 1962 when flour, rice, corn meal were among the items taxed by the late Prime Minister, Mr. E. W. Barrow.

Hon. Dr. R. C. HAYNES: Mr. Speaker, the honourable Member does not quite understand what we are talking about. We are talking about the Consumption Tax Bill which for the first time imposed consumption taxes on thousands upon thousands of items in this country. That was first done in 1980. I am relating that to the basic import tariff schedules.

Aside.

Hon. Dr. R. C. HAYNES: Yes, there were a few items under that. I am talking about the Consumption Tax as a broad base tax item in this country. That was introduced in 1980.

We thought that it would be highly desirable, in the light of the fact that so many errors and omissions had been constantly coming to my attention as Minister, that we would set about to try to update the Consumption Tax Act, and what you have here before you is not only a schedule which includes those changes made in the Budget, but an across-the-board change in relation to the basic rate which was just expressed in words in the Budget at the time, a

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so many corrections. 6.55 p.m.

Having heard the criticism: the position which the Opposition look in relation to resumption taxes, what we discovered in the past three months is that there were some 240 errors in the Consumption Tax schedule as introduced by the previous Administration in 1980, and there were subsequent amendments thereto. This is the volume picked up by the Customs Department and the Ministry of Finance, 40 pages of errors!

I will like to assure the public of Barbados that, despite the many errors discovered, because the Consumption Tax schedule has in a clause which gives the Minister of Finance the power to waive the taxes, it does not mean that a tax would be charged that was greater than what was intended. So as far as I can see, although there were all those errors in the Schedule, only in one instance was a tax charged higher than that intended by the Minister of Finance, and that was due to an error made by the late Tom Adams in his 1984 Budget in this House. The Schedule therein contained three errors, and despite a subsequent directive which he gave, the reduction never took place. That is why you will see that forming an integral part of this amendment that is before the House today is a validation clause validating the collection of taxes, due to an error, levied on the public of Barbados since 1984.

Asides.

Hon. Dr. R. C. HAYNES: I am going to give you chapter and verse. On October 26 1984, a senior officer in the Ministry of Finance advised the Minister at the time, Mr. Adams, that the Comptroller of Customs had pointed out that there were three errors in the list of items in the Consumption Tax (No. 2) Order; "You had indicated in your Financial Statement to the House of Assembly on the 23rd October, 1984 that Consumption Tax on the following items would be reduced *inter alia* — oil and air filters from 15 per cent to 5 per cent, electric stoves from 30 per cent to 20 per cent, electric gramophones from 10 per cent to 5 per cent. The Comptroller of Customs has pointed out that the existing rates on these items are as follows — the first one 10 per cent, the second one 10 per cent, the third one 15 per cent."

So he quoted the wrong rate, and he indicated that in the first instance he would want to reduce it from 15 per cent to 5 per cent, but the rate was 10 per cent. In the second instance, a reduction from 30 per cent to 20 per cent, but the rate was only 10 per cent.

Asides.

Hon. Dr. R. C. HAYNES: His statement said 30 per cent to 20 per cent, but the rate was only 10 per cent, and in the third statement, a reduction from 10 per cent to 5 per cent, but the rate was 15 per cent.

Mr. Adams, quite rightly, in chastising the department and those political persons who held office at that time, in whom he had trust, said:

"Why was I given the wrong rates for the proposals? It really is disgraceful that I should have to put up with this. Is this not a matter for the Public Service Commission? Remove Consumption Tax altogether on these three items and also on video tape recorders right away."

That is, before November 1, and this was signed on the 23rd October.

You are talking about mistakes? (*Aside:*

Could you blame him for that?)

Hon. Dr. R. C. HAYNES: I am not blaming the Minister of Finance, who must take responsibility in the wider sense. I do not even blame the two former Attorneys General on that side because they were not involved in the day-to-day management of the Consumption Tax schedule. The Consumption Tax schedule is administered on a day-to-day basis, and largely on the basis of waivers that have widespread implications in economic, personal terms and other terms, and so long as the tax appearing in a Schedule is not higher than what is intended, it can always be reduced by administrative means. The Act in front of you provides for that, so there is no possibility of anybody being charged a tax under the Consumption Tax Act other than what is intended by the Minister. Only in one case, out of 240 errors that I found, did that happen. The one case in which it happened is where there was no further follow-up on the directive of a former Minister of Finance to abolish the tax altogether. That is what he said, "remove the tax on all three items."

If you look at the legislation before you, you would see that there is a validation clause in it relating to oil filters and so on. The problem is that one or two people apparently have identified the error, and you either have to give them back their money or bring validating legislation, and that is one of the things that we are doing today. This would not have been in my Budget, but this was one of the errors of the past that we had to tidy up.

There are one or two other things which I think I should bring to the House's attention in relation to this Act. There was one section relating to fish which really had nothing to do with local fish, because there are prohibitions on the tax on local fish under other Acts, and the Consumption Tax Act is one of those Acts that has to be read in conjunction with other legislation on the subject, because that is the way in which it is administered. One of the reasons why you have had all these problems with the Consumption Tax schedule is because what you are doing is using a schedule that is fundamentally for import duties, trying to translate this and use the same headings in relation to consumption taxes. You run into all kinds of problems. Therefore, what is absolutely necessary, I think, is even to go back to the drawing board after this is passed and devise an Act, which will probably take about a year to get through it, that is primarily a Consumption Tax type of Act and have a Schedule so designed. 7.05 p.m.

The honourable Member talked about string beans and black-eye peas. If you look at the Schedule, Sir, you will see that we do not have local, regional and extra-regional in the right hand column here.

Asides.

Hon. Dr. R. C. HAYNES: It is not a matter of getting rid of this. The legal officers have said that it is unnecessary, because under the definition, CARICOM includes Barbados, and the legal people are supposed to tidy up legislation. So we have two columns instead of three, a "CARICOM" column and a "non-CARICOM" column.

Under the old Consumption Tax Order that existed under the 1980 legislation and subsequent to that, the Schedule had one column, one rate of tax, and that was applicable no matter what the origin of the product was, whether local, regional or extra-regional. And when we start getting down to black-eye peas and beans and so on, we have had legal advice, advice from the Customs and advice from the Department of Agriculture and elsewhere, and there is no question that under the Consumption Tax Act, 1980, where you have that section, "bulbs, tubers, tuberous roots, corns, crowns, and rhizomes, dormant, in growth or in flower," you can say what you like

Aside.

Hon. Dr. R. C. HAYNES: That is what you might say.

Mr. SPEAKER: I am asking honourable Members to allow the Minister who is speaking to be heard in silence.

Hon. Dr. R. C. HAYNES: That is what you all may wish to say. All I am saying is that the interpretation by the experts in the Customs, the Ministry of Finance and elsewhere has led to the conclusion

Aside.

Hon. Dr. R. C. HAYNES: I am not interested in your opinion. I am interested in the legal opinion and the people who are trained in these tariff matters.

Mr. SPEAKER: I must ask the honourable Member to address the Chair and resist the temptation to reply to asides. Asides are not really meant to form part of a speech.

Hon. Dr. R. C. HAYNES: The advice to us is that since these items include onions, chalets, potatoes, yams, sweet potatoes, eddoes, carrots, beet, potato slips, cut flowers, foliage and trees, it is better to exclude them from the Schedule altogether, so that there can be no confusion, because so long as you have such factors as

"dormant", "in growth" or "in flower", at any time that tax can be invoked, and in fact local produce has been taxed under that Head in respect of one supplier in Barbados. That is a fact. There is a letter in the Ministry of Finance asking for a refund of consumption taxes in relation to those taxes charged under that particular Head. It was charged and paid.

I am not saying that it was the intention of the previous Administration to charge taxes under these items. The point I am trying to make is that when you transfer this Schedule from the usual import tariff schedules on to a Consumption Tax schedule, that is what happens, and they were all taxable under that heading. So one of the changes that we will be making here will be to remove that whole section, the one relating to bulbs, tubers, live plants, cut flowers, all those things, from the Consumption Tax schedule so as to remove any element of doubt whatsoever and put to rest that whole question altogether.

Asides.

Hon. Dr. R. C. HAYNES: I am talking under a different heading. This is the problem that people have, Sir, that unless you are expert in this matter. There are certain items under the customs tariff broad headings in which there are subheadings that apply to that particular thing. A non-professional person looking at it might feel that a television should be under that particular heading, but a customs officer will tell you it is not under that, it is under a particular heading which would be an international code, and that is where the problems arise. So if you will cut out the arrogance and recognise that errors have been made from the very beginning, you will understand what I am saying. I have identified the reasons for the errors, and the errors are fundamental to how the Consumption Tax schedule is derived in the initial stages.

I have covered most of the outstanding issues that we are trying to tidy up. We are trying to introduce the Budgetary Proposals of March, 1987. We are trying to incorporate the 1980 Act and all the subsequent amendments into one Act. At the same time, we are trying to correct the 240 errors that we found in the Consumption Tax Act. We are also trying to validate the only error which resulted in an increase in taxes to the public of Barbados, and that error was made in 1984 by a previous Minister of Finance.

I think we have gone as far as we possibly can in trying to tidy up this Act. I think, as I said, that we may have to look at this Act further, and probably get some experts in to get an Act devised on a different basis than that on which the usual Customs Tariff Act is devised.

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

Hon. P. M. GREAVES: Mr. Speaker, I beg to second the motion and reserve my right to speak. 7.15 p.m.

The question that the Bill be read a second time was put and resolved in the affirmative, the House dividing as follows:

Ayes: Hon. L. E. SANDIFORD, Hon. P. M. GREAVES, Hon. H. A. BLACKMAN, Hon. M. A. KING, Hon. Dr. R. C. HAYNES, Hon. E. E. GREAVES, Mr. R. P. BYER, Hon. W. W. HALL, Hon. C. V. WALKER, Mrs. M. BARKER-WELCH, Mr. C. L. TROTMAN, Dr. E. A. SIMMONS and Mr. C. A. NEBLETT. (13)

Noes: Hon. H. deB. FORDE, Mr. D. A. C. SIMMONS and Mr. O. S. ARTHUR. (3)

On the motion of Hon. Dr. R. C. HAYNES, seconded by Hon. E. E. GREAVES, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. R. P. BYER in the Chair.

COMMITTEE

Mr. CHAIRMAN: The House is in Committee.

Clauses 1 - 4 inclusive were called and passed.

The Schedule was called and passed.

On the motion of Hon. Dr. R. C. HAYNES, seconded by Hon. E. E. GREAVES, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. Dr. R. C. HAYNES, seconded by hon. E. E. GREAVES, the Bill was read a third time and passed.

CORONERS (AMENDMENT) ACT, 1987

Order No. 8 was called - to move the second reading of a Bill to amend the Coroner's Act, Cap. 113.

Hon. M. A. KING (Christ Church West Central): Mr. Speaker, this is a very short Bill which is designed, basically, to provide for an increase in the fees payable to the coroner. An increase has been agreed, but we find that by virtue of the provisions of the Coroners Act, which does not provide for the making of an Order with retrospective effect, we cannot back-date the fees to the agreed date.

What the amending Bill proposes to do, therefore, is provide the facility for an Order to be made under Clause 2 of Section 26 with retrospective effect, and any Order so made under that sub-section will be subject

to negative Resolution. This will allow the appropriate Minister to make an Order with retrospective effect, backdating the date from which the increase in fees 4 for the coroner will take effect.

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

Hon. P. M. GREAVES: I beg to second that, Mr. Speaker, and reserve my right to speak.

Hon. H. deB. FORDE: Mr. Speaker, I am not going to engage the Minister tonight in a long debate on the Coroners Act, but I wish to know whether the Minister is giving consideration to amending this Act. There are various features of coroner's jurisdiction that need to be considered in greater detail. Particularly having regard to developments that have taken place in the administration of criminal justice in the island with the expansion of magisterial powers and districts, there is probably no longer a case for some of the powers that are now conferred on coroners being maintained.

Under the "Act, rules and regulations have never been made, and I respectfully suggest to the honourable Member that the Government should look at updating this legislation. The province of Ontario in Canada has legislation that is extremely modern, and I think we can probably use as a model. Alternatively, the Member may wish to look at the various amending bits of legislation passed by the United Kingdom Parliament consequent on the Report of the Borderick Committee on Coroners.

I do not want at this hour, Sir, to delay the House by going into the substance of the sort of amendments that could be suggested, because it is an area in which I am sure the Minister would take the 'views of the judiciary, the magistracy and the Bar Association fully into account. But I think there is a strong case for amending the legislation.

Hon. M. A. KING: Mr. Speaker, there is important consideration to be given to the Coroners Act. I think everybody knows now that important proceedings are still pending which have a basis and a genesis in the Coroners Act, and I am sure that one would want to see the end of those proceedings and have the benefit of any judgement which is given in the matter before any attempt to review this Act is taken. 7.25 pjn.

I assure the honourable Member for Christ Church West (Hon. H. deB. Forde) that, at the appropriate time, a review will be made of the Coroners Act with a view to updating it.

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

On the motion of Hon. M. A. KING, seconded by Hon. E. E. GREAVES, Mr. SPEAKER left the Chair and the House went into Committee on the BUI, Mr. R. P. BYER in the Chair.

Mr. CHAIRMAN: The House is in Committee.

Clauses 1 - 3 inclusive were catted and passed.

On the motion of Hon. M. A. KING, seconded by Hon. E. E. GREAVES, Mr. CHAIRMAN reported the passing of one Bill in Committee, and Mr. SPEAKER resumed the Chair and reported accordingly.

On separate motions of Hon. M. A. KING, seconded by Hon. E. E. GREAVES, the Bill was read a third time and passed and cited as the Coroners (Amendment) Act, 1987.

QUESTION TIME

Hon. P. M. GREAVES: I move, Mr. Speaker, that Question Time be now taken.

Mr. SPEAKER: If there is no objection, it is Question Time. Parliamentary Question No. 17.

QUESTION RE GRADING OF PLAYING FIELD AT ELLERTON, ST. GEORGE

Mr. R. P. BYER: Mr. Speaker, Question No. 17 reads as follows:

"To ask the Minister of Employment, Labour Relations and Community Development: 1. Will the Minister state whether there is a policy about the grading of uneven playing fields? 2. In any case, will the Minister state whether consideration will be given to the grading of the playing field at Ellerton, St. George?"

Hon. W. W. HALL: Mr. Speaker, the Reply to Parliamentary Question No. 17 is as follows:

"The Ministry, through the National Sports Council, has a policy of grading uneven playing fields. Since June 1986 the following fields have been graded: Bayville, Elks, Valery and Belfield. Consideration will be given to the grading of playing fields at Ellerton, St. George as soon as possible."

Mr. SPEAKER: Supplementaries?

Mr. R. P. BYER: Yes, Sir, one question. The Minister said that consideration will be given to the grading of playing fields at Ellerton, St. George as soon as possible. Has consideration already been given to the grading exercise or will the playing field be graded as soon as possible?

Hon. W. W. HALL: Sir, I am sorry my reply was a bit ambiguous to the honourable Member, but consideration has been given. The grading will take place as soon as possible.

ADJOURNMENT

Hon. P. M. GREAVES: Mr. Speaker, that brings us to the end of a very long day. The House could do with an adjournment at this stage.

I therefore move that the House do now adjourn until Tuesday, July 21, 1987 at 12 o'clock noon.

Hon. M. A. KING: I beg to second that.

The question that the House adjourn until Tuesday, July 21, 1987 was put and resolved in the affirmative without division, and Mr. SPEAKER adjourned the House accordingly.
7.35 p.m.

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