

THE

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 1986 - 91

HOUSE OF ASSEMBLY

Wednesday, April 26, 1989.

Pursuant to the adjournment, the House of Assembly met at 3.10 p.m. o'clock.

PRESENT

His Honour L. A. WEEKES, J.P., (Speaker)

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

Rt. Hon. L. E. SANDIFORD, B.A.,(Econ.), J.P.,
(Prime Minister and Minister of Finance and Economic Affairs)

Hon. H. deB. FORDE, Q.C., M.A., LL.B.

Hon. B. M. TAITT, B.A. (Hons.), M.P.A., LL.B.(Hons.), (Minister of Health)

Hon. P. M. GREAVES, Q.C., B.A., (Deputy Prime Minister, Minister of International Transport, Telecommunications and Immigration and Leader of the House)

Hon. E. E. GREAVES, B.A., Ed.M., (Minister of Trade, Industry and Commerce)

Dr. R. C. HAYNES, M.B., Ch.B., F.R.C.P.(Edin.), (Leader of the Opposition)

Hon. Dr. D. G. BLACKMAN, B.A., M.A., (Minister of Transport and Works)

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

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)

Mr. L. L. BRATHWAITE, J.P., (Chairman of Committees)

Mr. E. BOURNE

Dr. E. A. SIMMONS, M.D.

Hon. W. W. HALL, G.C.M., H.B.M. (Minister of Tourism and Sports)

Mr. C. A. NEBLETT, B.A., (Parliamentary Secretary, Prime Minister's Office)

Mr. C. LeR. 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. Mr. D. J. H. THOMPSON,

LL.B.

Prayers were led by Fr. Ivan Harewood. Mr.

ORDERS OF THE DAY

SPEAKER: The House is in session.

MINUTES

Mr. SPEAKER: The Minutes of Tuesday, 18th April, 1989.

Hon. P. M. GREAVES: Mr. Speaker, I move that the Minutes of the proceedings of this Honourable Chamber for the meeting that was held on Tuesday, 18th April, 1989 be taken as read and confirmed.

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

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

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

Hon. P. M. GREAVES: Mr. Speaker, before we commence our business, I want to move the suspension, which I now do, of the following Standing Orders-- 6, 16, 18, 20, 42(5), 43 and 44 - for the remainder of this sitting.

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

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

Mr. SPEAKER: Order No. 1.

FINANCIAL STATEMENT AND BUDGETARY PROPOSALS FOR THE YEAR 1989

Rt. Hon. L. E. SANDIFORD:

Introduction

Mr. Speaker, it is with a sense of pride in the achievement of the people of Barbados that I rise to present the Financial Statement and Budgetary Proposals for 1989. In order to underline the seminal importance of this annual process, I wish to reiterate that the budget is the instrument through which the government raises revenue for spending on its programmes and projects, adjusts any imbalances within the public finances, seeks to take corrective action in respect of any problems within the economy, and above all, seeks to impart direction, economic efficiency and cohesion to government policy as it relates to the national economy.

Last year around this time, with clear vision and in clear language I committed myself and my Government to the overall goal of aiming to build the just society in Barbados, a society in which every man and woman, boy and girl will have an equal opportunity to contribute to the building of the society, and from which every man and woman, boy and girl will draw sustenance in accordance with his or her just deserts - (Financial Statement and Budgetary Proposals 1988, p.1).

I remain committed to that overall goal, with all its ideological idealism, and with all its commitment, explicit and implicit, to social

justice, social harmony, human rights, democracy, and economic progress.

But there was more than that last year as well! I had also set my Government and our nation six fundamental economic objectives, which I described as follows:

- (1) the attainment of the best possible rate of economic growth, given the prevailing circumstances;
- (2) the containment of the general level of price increases for goods and services within reasonable limits;
- (3) the maintenance of the balance of payments at levels which we can sustain as a sovereign, independent nation;
- (4) the retention of the existing number of jobs, and the creation of the highest possible number of additional jobs in order to provide employment opportunities for persons seeking work;
- (5) the promotion of a reasonable and just distribution of increasing incomes in accordance with the ability of the employer to pay, and in relation to the growth rate in the economy; and

- (6) the maintenance and enhancement of a Basic Human Needs approach to ensure that all individuals and groups in our nation, particularly the disadvantaged and the vulnerable, are catered for in terms of their health, education, nutrition, housing and other social and cultural needs.

I am happy to report that we have made considerable progress towards the attainment of those fundamental economic objectives. Once again, I have been able to lay the Barbados Economic Report 1988, and the Annual Report 1988 of the Central Bank of Barbados in the House of Assembly in good time for the benefit and perusal of Honourable Members and the public. I therefore will not detain you with minutiae that is available elsewhere, but will concentrate only on the highlights of the performance of the economy in 1988. Evaluation of the performance of the economy against the stated fundamental economic objectives is a desirable and necessary aspect of a sound economic and financial management process.

Review of the Economy

Real Output

The most widely used indicator of a country's economic growth and performance is the Gross Domestic Product (GDP) which is a measure of the total output of goods and services in that country. Real gross domestic product (GDP) grew by a respectable 3.5 per cent in 1988, a much better performance than was recorded in many developing countries, many of which registered no growth at all. The export sectors of tourism and manufacturing were mainly responsible, but growth was also strong in construction, utilities, and in business and general services, which include international financial services. Real output in agriculture and the mining sectors declined for the second consecutive year. Nominal GDP rose by 6.7 per cent and per capita GDP for 1988, estimated at \$10,500, was 6.5 per cent higher than that for 1987. It is therefore satisfying to report that our country is on the right path for maintaining the objective of economic growth.

As I already indicated, one of the fundamental objectives of my last budgetary state-

ment was the containment of the general level of price increases for goods and services within reasonable limits. Among other adverse consequences, inordinate increases in the general level of prices may tend to reduce real wages and incomes, may tend to make exports less competitive and encourage imports, and may tend to create an element of uncertainty in the economic environment. I am happy to report that the rate of inflation in Barbados remained moderate at 4.8 per cent, compared to 3.4 per cent in 1987.

Tourism was again the most dynamic sector in the economy. The number of long-stay visitors increased by 7.0 per cent to reach 451,485 and the fastest growing markets were Europe and Canada. The 291,053 cruise ship passengers visiting Barbados in 1988 were 27.2 per cent more than in 1987.

The manufacturing sector grew by 6.9 per cent mainly on the strength of increased regional demand. The construction sector recorded a 9.0 per cent real growth in 1988, a reflection in the main of strength in residential and commercial construction.

Real output in the agricultural sector declined by almost 5.9 per cent in 1988 as a result in part of bad weather, labour shortages, an increase in insect damage to crops, and a further decrease in the area under cultivation. Real output in the sugar industry fell by 3.7 per cent after the 25.0 per cent decline in 1987. The area of cane harvested declined further and there was a loss in factory efficiencies. Output of non-sugar agricultural products and fishing fell by 8.1 per cent in 1988, almost reversing the 9.1 per cent recovery in 1987.

External Trade

Domestic exports grew for the first time in four years to \$242.7 million, a 13.1 per cent increase from 1987. Exports of manufactured goods increased by 15.0 per cent to \$150.0 million due principally to the strong performance of the chemicals and clothing industries. Exports of clothing rose by 16.8 per cent to reach a value of \$27.8 million. There was a 3.0 per cent fall in the volume of exports of sugar and molasses, and export receipts for these commodities fell by 5.6 per cent to \$67.2 million. Exports of rum however grew to \$11.0 million, up from the \$7.2 million in 1987.

There was also rapid growth in net exports of services which are estimated to have risen by 16.4 per cent to \$858.0 million. Barbadians spent an estimated \$88.0 million on overseas travel compared to \$73.1 million in 1987. However, net proceeds from tourism of \$836.5 million was 20.3 per cent more than in the previous year. Services to international businesses brought in an estimated \$40.0 million in 1988 but this was partially offset by higher interest payments and other services which Barbadians purchased from abroad.

Imports retained for domestic use are estimated to have grown by 13.5 per cent to \$1,064.0 million. Recovery in the manufacturing sector and the strong activity in residential construction were reflected in a 17.8 per cent growth in intermediate imports to \$408.9 million. Imports of chemicals and textiles for industry increased by over 20.0 per cent in each case and imports of materials for the construction industry rose by 12.0 per cent. Capital imports also increased sharply by 16.0 per cent in 1988 and consumer imports rose by 7 per cent.

Balance of Payments

It is one of our fundamental national objectives to maintain the balance of payments at levels which we can sustain as a sovereign, independent nation. I am happy to report that in spite of the widening trade gap, the overall balance of payments was in surplus by \$70.0 million. There was an almost complete turn around on the current account of the balance of payments where the deficit fell from \$107.0 million to \$1.0 million in 1988.

Heavy private sector loan repayments and a reduction of Central Government's net external borrowing reduced net capital inflows to \$27.0 million. Short term capital inflows of \$36.0 million brought the overall balance of payments surplus to 70.0 million.

The foreign exchange reserves of the banking system increased by \$50.7 million. Contributing significantly to this was the successful floatation of \$80.0 million Government bond issue on the Japanese market in May 1988. The net foreign assets of the commercial banks rose steadily during the last half of the year. By year-end they stood at \$84.2 million, approximately 80.0 per cent more than at the end of 1987. The foreign exchange reserves of \$352.3 million at year-end were equivalent to 3.6 months of imports, an improvement over the 3.3 months for 1987.

Financial Sector

Commercial bank deposits increased by 13.6 per cent in 1988, after growing at an average of 8.8 per cent for the last five years. Total deposits rose from \$1,343.0 million in 1987 to reach \$1,525.6 million by December 1988. Domestic credit to Government from "the banking sector in the calendar year rose by only 1.4 per cent. On the other hand, credit from the Banking sector to the private sector rose by 9.9 per cent to \$1,120 million.

Non-bank financial institutions, which include trust companies, finance companies and insurance companies continue to increase in importance in the economy. Trust companies were responsible for 73 per cent of the growth in residential mortgage loans which rose by 15.6 per cent in 1988 and now account for 46 per cent of outstanding residential mortgages.

Credit Institutions also played a significant role in the extension of credit to individuals, especially for the purchase of automobiles and real estate. Outstanding loans reached a high of \$74.0 million at the end of the first quarter of 1988 which represents a 40 per cent increase over the same period in 1987.

Government continued to register successes in promoting Barbados as an attractive centre for international business services. At year end there were six licensed off-shore banks with assets of \$2,240 million. Forty-one new foreign sales corporations were registered, bringing the total of such companies to 263. There were 156 exempt insurance companies registered at year-end, forty-six more than for the previous year, and there were 38 exempt insurance management companies operating compared to 28 in 1987. Revenue accruing to the Government from fees, licences and taxes on international companies was estimated at \$10.0 million while the total contribution of the sector to Barbados' foreign earnings was in the region of \$40.0 million.

Employment

As I have previously stated, the creation of the highest possible number of additional jobs while at the same time retaining the existing number of jobs remain a fundamental economic, and I may add, social objective of my government. We have had a measure of success in job creation. During 1988 some 2,300 new jobs were created, and this brought the number of persons

employed at the end of the third quarter of 1988 to 100,700 persons, the highest number ever employed in our history at the end of any third quarter. The female participation rate at 61.4 per cent also reached its highest level for any third quarter. I should indicate that third quarter statistics are being used due to the unavailability of final quarter data. I should report that the continuous Household Survey was suspended in the final quarter of 1988 to allow the Barbados Statistical Service to carry out a household budget survey.

Despite the success in job creation, however, the rate of unemployment remained unchanged at 18.6 per cent, the same figure as at September 1987. This is because the 2,300 new additional jobs created almost matched the 2,900 persons entering the labour force.

Public Finances

I wish to draw particular attention to the performance of the public finances in the 1988/89 financial year when my Government set a medium term objective to reduce the overall fiscal deficit to a level between three and five per cent of GDP.

There is the clear lesson from the rest of the world that failure to keep the fiscal deficit within prudent limits quickly leads to economic problems, especially within the balance of payments, which have to be corrected sooner rather than later. The decisive action which I took in 1988 to raise revenue, control spending, and improve revenue collection has paid dividends. By the end of the fiscal year the overall deficit was estimated at \$127.6 million or 4.8 per cent of GDP which was well within the target I had set in the 1988 Financial Statement and Budgetary Proposals. No one can doubt that this action has enhanced the credit rating of Barbados in the international capital markets, and has spurred the confidence of local investors. Gross capital formation rose to \$543.3 million, 16.4 per cent more than in 1987.

Current Revenue

Government revenue performed well during the year. Contributing to this were: the collection of \$14.4 million in arrears; \$36 million more in stamp duty as a result of the faster growth in imports from extra-regional sources; \$28.0 million more in corporation tax; and the good performance of GDP.

Current revenue for 1988/89, provisionally estimated at \$881.5 million, was 21.2 per cent higher than in the previous financial year.

There has been much public discussion on the surcharge as a revenue earning measure. No one denies now that it was necessary to raise the additional revenue and no one denies that the surcharge did not have the adverse, nay calamitous effect on the economic activity as propagated by the critics. When I introduced these sources of revenue I stated that they would run until March 31, 1989. I have kept my word. I estimated that the surcharge on corporate profits and on personal income would have yielded \$25.0 million. It has yielded \$23.5 million. This was not the first time that a surcharge was introduced; a surcharge was introduced in 1982 and continued to 1984 without either whimper or howl. The surcharge was not an evil invention created either by myself or the late Prime Minister Adams. It first saw the light of day in 1909 as the super tax when Lloyd George was Chancellor of the Exchequer in Britain. It survived as a surtax through two world wars and into the 1960's at least.

Government has to raise revenue in order to meet the cost of the caring society which we seek to build and to ensure that the fiscal deficit is kept within sustainable limits. We in Barbados have always taken pride in our self-reliance and our ability to pay our way. It is therefore not surprising that the tax burden in Barbados is becoming similar to that of the industrial countries where it is on average 33.8 per cent. Government's tax revenue rose from an average of 24.9 per cent of GDP between 1981 and 1985 to 28.0 per cent of GDP between 1985 and 1988. For fiscal year 1988/89 tax revenue was 31.1 per cent of GDP compared to 27.0 per cent in 1987/88, without any adverse effect on economic output.

But the case of over-taxation cannot rest on the level of tax as a proportion of GDP only, since taxation is not an end in itself. Those who perceive the burden of tax to be too great are asking Government to cut expenditure which means reducing the level of services and adding to the already high level of unemployment; or they are asking Government to run unsustainable fiscal deficits which can only result in painful and unpleasant adjustments that will fall mostly on the poor and the disadvantaged in our society. We have always in the past behaved

as if we were our brothers' keepers. To abandon that principle now would be to return to that role of Government so cryptically described by Carlyle as "anarchy and a policeman".

Expenditure

Last year Parliament approved \$802.0 million for current expenditure and voted supplementary provisions of \$63.6 million to bring the provision to \$865.6 million. In addition statutory personal emoluments rose by some \$11.0 million which brought overall expenditure to \$876.5 million. Instead, current expenditure during the 1988-89 financial year was provisionally estimated at \$854.8 million, an increase of 4.5 per cent, which was in sharp contrast to the 19.3 per cent rise in 1987-88.

Capital expenditure and net lending was \$221.0 million, compared to \$198.3 million in fiscal 1987-88.

Financing

The overall deficit which resulted from capital spending was financed mainly through foreign borrowing in fiscal 1988-89. Government raised \$80.4 million (Yen 5 billion) on the Japanese market through the issue of a ten-year bond and project funds accounted for the balance. The 1988 yen bond, Government's third issue on the Japanese market, carried an interest rate of 6.7 per cent a year; the previous two Government bonds issued in 1985 and 1986 had a maturity of five years each and carried interest at the rate of 7.7 per cent and 6.9 per cent, respectively. Net domestic credit to the Government is provisionally estimated to have fallen by \$15.8 million during the fiscal year. Credit from the Central Bank declined by \$61.7 million, while credit from commercial banks and non-bank financial institutions rose by \$27.3 million and \$18.6 million, respectively.

National Debt

At the end of March 1989 the national debt was provisionally estimated at \$1,658.6 million, an increase of 8.6 per cent for March 1988. The domestic component of the debt rose by 6.6 per cent to \$797.9 million; and the external debt rose by \$81.9 million at March, and now stands at 32.3 per cent of GDP.

Outlook for 1989-90

Mr. Speaker, I turn now to the prospects for the fiscal year 1989/90.

Output

Real growth in the major industrial nations in 1989 is expected to be lower than in 1988 and the fear of inflation can prevent Governments from providing any fiscal stimulus designed to achieve stronger growth. As these countries become more successful in achieving even higher levels of economic policy co-ordination, we can expect much greater stability in the foreign exchange markets and a reduction in the external fiscal imbalances so evident during the past three years.

However, the price for this could well be higher interest rates which will add to the already heavy debt burden of the developing countries. Higher interest rates will be all the more aggravating since, with the exception of oil and sugar, commodity prices are not expected to become any firmer in 1989. Sugar prices should remain firm and although oil prices are now higher than a year ago, the movement during the rest of the year will depend on OPEC's success in making its production targets stick.

Slower growth and higher inflation in our major trading partners, higher interest rates and higher oil prices will be among the main international factors influencing the Barbados economy in 1989. Real growth is therefore not expected to be as strong as in 1988; the economy is projected to grow by no more than 2.0 to 2.5 per cent. Tourism is again expected to lead the way especially as the marketing effort in the U.S. bears fruit.

The manufacturing sector is not expected to grow to the same extent as in 1988 because demand in the Caricom market is not expected to be as strong as in 1988 and because of the difficulties in penetrating extra-regional markets. Construction and distribution will also make modest contributions to real growth in 1989; but since these sectors are foreign exchange users, rapid expansion will bring the balance of payments under pressure. Agricultural output this year is again expected to decline if confidence in the sector continues to be eroded. But in the mining and quarrying

industry, output should recover as crude oil production is raised from the 1987 and 1988 levels.

Given the projected lower rate of real growth and given another year of moderate inflation at around five per cent, nominal GDP at factor cost will be just under \$3,000 million in 1989 compared to \$2,665.4 million in 1988.

Careful management of the balance of payments will again be necessary if the gains made in 1988 are not to be lost. Government will continue to provide suitable incentives for exporters of both goods and services. Such incentives will seek to ensure that no opportunity is lost in earning the foreign exchange so essential for supporting the quality of life to which we have all become accustomed. Government remains committed to the objective of maintaining a healthy cushion of foreign exchange reserves equivalent to at least three months imports and will use both monetary and fiscal policy to achieve this objective.

Fiscal Prospect

Parliament recently approved current expenditure of \$984.2 million and revenue of \$905.2 million, leaving a deficit of \$79.0 million on current account. Approved capital expenditure is \$218.8 million which gives a gross financing requirement of \$297.8 million.

When this is adjusted to take account of the amortization payments projected at \$143.5 million, Government faces an overall deficit or a net financing requirement of \$154.3 million or 5.2 per cent of GDP.

The Budget Judgement

Given the performance of the economy in 1988, given the fiscal outturn for 1988/89 and given the outlook for the rest of the year ahead, I have formed the judgement and reached the conclusion that the 1989 Financial Statement and Budgetary Proposals should be devoted to the following objectives:

- (1) stability of the balance of payments and the maintenance of our international reserves, which will require a further reduction of the fiscal deficit to around 4 per cent of GDP;

- (2) restoration of confidence in 'the agricultural sector;
- (3) further support for the manufacturing sector with special emphasis on export marketing;
- (4) continued support for the tourism industry to refurbish and upgrade its plant and facilities;
- (5) strengthening of Barbados' competitive position as a centre for international business services; and
- (6) strengthening the Barbados Development Bank, the premier development lending institution in Barbados.

Success in achieving these objectives will provide the firm foundation for a stable and growing economy towards which all Barbadians will bend their best efforts. A stable and growing economy will guarantee the higher levels of employment and the quality of life which make Barbados such an attractive place, not only for its citizens, but also for the many visitors who work here, or who come to our shores for recreation and rest.

Agriculture

Agriculture has played an important role in the growth and development of the economy of Barbados, and Government is determined to ensure that this sector makes its full contribution to the economy. I commit the Government fully to the revitalization of agriculture by farmers both large and small. Government will work closely with the farming community to remove the constraints to efficiency in agricultural production, including praedial larceny.

The framework for Government's action has been set out in the Development Plan 1988 to 1993. I therefore propose the following package of incentives aimed at the resuscitation of the agricultural sector:

- (i) removal with immediate effect of stamp duties and any customs duties, or consumption tax on agricultural inputs on certification by the Ministry of Agriculture;
- (ii) provision of a guaranteed farm gate price for selected agricultural products

with the price being agreed at the beginning of each crop year;

- (iii) provision of \$3.0 million for bringing unused land back into cultivation with selected crops; and
- (iv) amendment of section 14A of the Income Tax Act Cap. 73 to allow the benefits of that section to apply to sugar exported other than in bulk.

Details of these schemes will be worked out between Government and the agricultural sector.

The removal of the stamp duty and other imposts for the agricultural inputs will cost approximately \$3.7 million.

Manufacturing

Manufacturing has responded very positively to the relief from taxes on raw material and packaging materials which I granted in the 1988 Financial Statement and Budgetary Proposals. I propose to retain the relief given in 1988. In addition, I propose to exempt machinery and equipment imported for use in the manufacturing sector from import duty and consumption taxes with immediate effect. However, the stamp duty will remain at 15 per cent. The cost of these concessions is estimated at \$4.0 million.

Earlier this month I agreed to an Export Competitiveness and Marketing Study to identify strategies to achieve Government's objective of export-led economic growth. The study will, among other things, examine:-

- (1) the existing incentives and protection to ensure that the system is consistent with the stated policy of Government;
- (2) the processes which offer the best production and export opportunities for foreign investment or joint ventures;
- (3) the garment, furniture and other industries; and
- (4) the law on company restructuring.

I also have under consideration a proposal for the establishment of a molasses price equalization fund by the rum refineries and I

hope that the details of the fund can be worked out early.

Tourism

Tourism is the leading sector of the economy contributing to growth, foreign exchange earnings and employment generation.

It is necessary to encourage the owners of hotels and the operators of ancillary services to refurbish and upgrade their properties and facilities. In my 1988 Financial Statement and Budgetary Proposals, I exempted the hotel sector from customs duties and consumption taxes on inputs needed for refurbishing or improving their plant.

I now propose to grant these concessions under the Hotel Aids Act which will be amended to treat refurbishing, or major improvements in the same way that an extension of capacity is treated. Guidelines on the frequency of the relief and guidelines to ensure that normal maintenance is not included, will be worked out in consultation between Government and the Barbados Hotel Association. Stamp duty on imports by the hotel sector for refurbishing and improvements will remain at 15.0 per cent

Government will provide an additional \$1.0 million for marketing and promotion during 1989-90.

At present taxi owners are allowed a diesel powered motor car for use as a taxi free of duty and other imposts. This concession will also be extended to gasoline powered motor cars.

The loss in revenue is estimated at \$4.0 million.

Government, with the assistance of the World Bank, has now launched a Tourism Study to identify the strategy which will lead to the achievement of our objective to ensure that the Industry continues to play an important role in the local economy. In executing their work, the consultants will cover the following, among other points:

- (1) the tourism products of Barbados, i.e., what it is that Barbados currently offers the tourist and how it compares with competing destinations;

- (2) source countries of tourists and seasonality of tourism;
- (3) types of visitors and expenditure of tourists;
- (4) accessibility of Barbados as a tourism destination; and
- (5) accommodation requirements and fiscal implications of incentives to accommodation facilities.

International Business Services

My Government remains committed to the development of Barbados as an international business centre for legitimate and active businesses. Enterprises taking advantage of our highly developed infrastructure, our favourable investment climate, and extensive treaty network, are proving to be first class corporate citizens. In addition to their taxes and fees, estimated at \$12.0 million in fiscal year 1988/89, these companies provide high quality employment for over 1,000 Barbadians; they contribute to the growth in the professional services and tourism industries, and give support to a variety of local charities and worthy causes.

Government will therefore continue to provide a supportive environment for active businesses to pursue legitimate objectives. To this end an International Business Advisory Committee made up of professionals, representatives of the various types of off-shore business and Government, will be set up to advise on existing legislation and incentives, as well as on all other factors affecting Barbados' competitiveness. This will be an umbrella body and will not replace any committees already existing by law.

Secondly, Barbados will continue to expand its net-work of double taxation treaties and has already initiated treaties with Sweden, Norway and Finland.

An approach has been made to Japan, and negotiations will begin with Germany later in the year. Negotiations have started with the United States, which unilaterally removed the exemption from federal excise tax on insurance premiums from the Barbados-United States treaty. One of our objectives in these negotiations will be at least to ensure that those companies acting with full faith and confidence

in a treaty between sovereign countries, are not now disadvantaged by a change of heart in one of the treaty partners.

A third step, which must be considered in very close consultation with off-shore businesses, will be the revision of the legislation regulating various kinds of activities to provide a range of options best suited to the tax planning objectives of any particular company. For example a major review of the International Business Companies Act will be undertaken to address among other things, a licensing arrangement for international business companies, and the conditions under which persons who may be resident in Barbados for specific reasons could set up an international business company, without violating the integrity of the domestic tax administration. Flexibility and responsiveness are crucial if we must anticipate and respond to changing tax laws in all major countries, and if we must maintain our competitive advantage.

The Barbados Development Bank

The Barbados Development Bank continues to provide solid support for those sectors of the economy that are critical for the maintenance of our standard of living and levels of employment. Of the \$160.5 million disbursed by the Bank since 1969 tourism has accounted for 39.0 per cent, manufacturing for 37.9 per cent, small businesses for 15.5 per cent, fishing and small scale manufacturing for 4.6 per cent and 3.0 per cent, respectively.

Government remains firmly committed to the Bank and its mission. As evidence of this commitment, by March 31, 1989 Government had guaranteed \$62.9 million of the \$71.8 million in outstanding long-term debt of the Bank; \$38.4 million is in national development bonds and \$15.2 million is from the Inter-American Development Bank. Of the remaining long-term debt, \$3.5 million has been provided to the Bank through a World Bank loan to Government, and \$5.4 million has been borrowed from the Industrial Credit Fund (ICF) set up with a World Bank loan to Government, and administered by the Central Bank. Government has also guaranteed the \$7.6 million of short-term debts of the Barbados Development Bank to the Central Bank, as required under the Central Bank Act; and during fiscal year 1987-88 injected \$2.6 million in equity in the Bank.

I propose to take the following measures to strengthen the Bank's capability:

- (1) devise a recapitalisation plan;
- (2) devise steps necessary for re structuring the Banks portfolio;
- (3) examine and recommend improve ments in the systems and controls needed to ensure financial soundness; and
- (4) recommend improvements to any other area of the Bank's operations.

In pursuit of the recapitalization plan, I further propose to take steps to secure additional resources for the Bank. Through these efforts the Bank will be better placed to assist its clients, especially in the small business sector.

Fiscal Measures

Now I turn to the revenue raising measures. These measures are predicated on the need to reduce the fiscal deficit to around 4.0 per cent of GDP which is essential for the stability of the balance of payments and the steady progress of our society. The concessions which I have given today to the productive sectors are estimated at approximately \$11.7 million, and I

have increased expenditure for these same areas by some \$4.0 million. This extends the gap from \$154.3 million to \$170.0 million. To achieve the target of a deficit in the region of 4.0 per cent of GDP therefore requires that I raise gross revenue of \$52.0 million or net revenue of \$40.3 million.

I therefore propose the following measures:

Consumption Tax

With immediate effect, the rate on all of those items subject to consumption tax of 9 per cent will be increased to 10 per cent and all other rates except those on motor vehicles will be increased by 3 percentage points.

The first adjustment is the result of representations from the local soft drinks industry about the present situation where the same consumption tax is placed on the container regardless of its size and the quantity of drink which is included. I have taken the point which was made by the industry and, in an effort to be more equitable, have decided that with immediate effect, the consumption tax on soft drinks should be charged by the litre as follows:

		Present		Proposed	
		<i>Caricom</i>	<i>Non-Caricom</i>	<i>Caricom</i>	<i>Non-Caricom</i>
Tariff No.					
Ex.22.01	Waters, including Spa waters and aerated waters	10c. per container	15c. per container	28c. per litre	42c. per litre
22.02	Lemonade, flavoured Spa waters and flavoured waters, and other non-alcoholic beverages not including fruit and vegetable juices falling within heading No. 20.07	10c. per container	15c. per container	28c. per litre	42c. per litre

The higher rate for non-CARICOM imports will provide additional protection for the local producer.

Secondly I propose to make a minor adjustment in relation to motor vehicles. The smaller cars which previously were subject to the lower consumption tax have become subject to the higher rate, because the appreciation of other currencies, especially the yen, against the dollar have pushed the C.I.F. value of such vehicles above \$20,000. I have therefore decided that effective from 1st May, the chargeable value at which the 50.0 per cent rate will apply will be \$30,000 instead of \$20,000. In other words, when the chargeable value does not exceed \$30,000 the rate of tax will be 50 per cent and where the chargeable value exceeds \$30,000 the rate of tax will be 70 per cent. This will cost approximately \$2.0 million.

These changes are expected to yield net additional revenue of \$34.0 million.

During the current fiscal year steps will be taken by the Customs Department to improve its collection machinery to cover imports and local sales of chargeable items. Additional measures will be introduced to prevent leakages by way of containers and other forms of importation.

Stamp Duty

With immediate effect all non-Caricom imports which are now subject to stamp duty at 15.0 per cent will be subject to a rate of 20.0 per cent. This new rate does not apply to equipment and machinery for the manufacturing sector nor to the requirements for the refurbishing and upgrading programme in the tourism sector. The stamp duty on these items will remain at 15.0 per cent. As indicated earlier, the stamp duty in respect of agricultural inputs is removed with immediate effect.

Also, those items which are now subject to stamp duty at the rate of 10.0 per cent will continue to enjoy that privilege. All other aspects of the existing regime for Stamp Duty will remain unchanged.

The increase in stamp duty is expected to yield additional revenue of \$12.0 million this fiscal year.

While on the subject of stamp duty, it has been drawn to my attention that contrary to the provisions of the Stamp Duty Act, Chapter 91, there are numerous instances where the appropriate stamp is not affixed to receipts for the sum of \$20.00 or more. I remind all concerned to honour the relevant provisions of the Act and I wish to urge members of the public, for their own protection to insist that a 10 cent stamp be affixed to such receipts.

Travel Ticket Tax

The available evidence shows that Barbadians are spending large sums on travel outside of the island. I recognise that there are enormous benefits which one can derive from travelling and I in no way wish to prevent persons from enjoying those benefits. However, I do not think it unreasonable to ask that such persons make a slightly greater contribution to the revenue so that we can maintain the excellent facilities provided at the Airport.

Therefore with effect from 1st May, the Travel Ticket Tax will be increased from 15 per cent to 20 per cent up to a maximum of \$400.00. In the case of persons travelling on a charter tour, the tax will be \$25.00 instead of \$20.00. The tax for persons travelling on the Overseas Labour Scheme will remain unchanged.

This measure is expected to yield additional revenue of \$2.0 million this fiscal year.

Airline Service Charge

Periodically, it is necessary to review the charges paid by persons who use the facilities at the Airport in order to ensure that, as the cost of maintaining those facilities rises, the charges do not fall too far behind. On this occasion, I propose that the airline service charge, more familiarly known as the departure tax be increased from \$16.00 per person to \$20.00 per person with effect from 1st May, 1989.

This measure is estimated to yield additional revenue of \$2.0 million in this fiscal year.

Petroleum Prices

Government's stated policy on energy prices is that when the cost of crude oil falls the consumer should benefit through reduced prices

and when the cost rises, the consumer should carry the burden.

Since the last changes were made, the price of crude oil has risen and the available evidence suggests that it will at least remain at present levels or even rise further. The marketing companies have also been able to demonstrate that they should receive an increase. The last time they had an increase was in 1985.

As a result, I have decided that with effect from midnight tonight fuel prices should be increased as follows:

- (i) gasoline \$1.10 per litre instead of \$1.05
- (ii) 48/52 diesel 95c. per litre instead of 90c.
- (iii) 43/47 diesel 73c. per litre instead of 68c.

The prices of fuel oil and kerosene oil will remain unchanged.

The increase of five cents per litre will be distributed as follows:

- (i) Marketers' margin (ii) 2.25c. per litre
- Government taxes (iii) 2.25c. per litre
- Dealers' margins O.SOc. per litre

There is as yet no need for an increase for the refiners. The situation will, however, be closely monitored and appropriate adjustments will be made if the need arises.

The revenue will benefit from the above changes by approximately \$2.0 million this fiscal year.

Corporation Tax

I do not propose any increase in the rate of corporation tax. Instead I will extend the period for loss carry forward from five to nine years.

Land Development Duty

Very shortly, I will be making the appropriate Order authorising the collection of Land Development Duty on the sale of properties

along the section of the Adams-Barrow-Cummins Highway not now covered by an Order.

Old Age Pensions and National Insurance Benefits

Following the recent salaries settlement for Public Servants, an appropriate adjustment was made in favour of Government pensioners. The occasion has now come for me to make a similar adjustment in the case of non-contributory old age pensions as well as contributory pensions paid by the National Insurance Office. You will remember that these two groups received increases in pensions last year.

Effective from 22nd May, 1989 non-contributory old age pensions will be increased by \$3.00 per week and as a consequence National Insurance pensions will be adjusted accordingly. As a result, the non-contributory Old Age Pension will now be \$55.00 per week instead of \$52.00 per week and the increase will result in additional expenditure of \$4.5 million per year by the National Insurance Fund.

Also, with immediate effect, the funeral grant which is paid by the National Insurance Office will be increased from \$450 to \$1,000 and the maternity grant will be increased from \$250 to \$500.

The measures which I have just outlined are expected to make a net contribution to the Consolidated Fund as follows:-

Revenue Gains

	\$m
Consumption Taxes on goods Stamp	34.0
Duty Travel Ticket Tax	12.0
	2.0
Airport Service Charge Consumption Tax on petroleum products	2.0
	2.0
	<u>52.0</u>

Revenue Losses	
Concessions to the Agricultural Sector	\$m 3.7
Concessions to the Manufacturing Sector	4.0
Concessions to the Tourism Sector	4.0
	<u>11.7</u>
Net Revenue Gains	40.3

Increased Expenditure

Financial assistance to the agricultural sector Tourism promotion	\$m 3.0 1.0
	4.0

Before I reach the conclusion, Sir, I wish to restate the changes in relation to the soft drinks industry in respect of the rates of Tariff No. 22.02 Lemonade, flavoured Spa waters and other non-alcoholic beverages, etc. this should be .42 c. per litre for non-CARICOM.

Conclusion

Prior to this year's Financial Statement and Budgetary-Proposals I held extensive consultations with individuals in the private sector which I found very informative and rewarding. Because of the usefulness of the discussions I propose to maintain the inter-change from time to time. In addition, I have established a formal mechanism in the Economic Consultative Council (EEC), which is made up of representatives chosen by the various private sector organisations and the trade unions. This body held its inaugural meeting on Wednesday last, 19th April. I have also created a three-member Economic Policy Advisory Committee (EPAC) and I will shortly announce the names of its members.

There is now Mr. Speaker, a widespread recognition that Government needs adequate revenue to provide those services necessary to enhance the quality of life, especially for disadvantaged groups in our society. There is also widespread recognition that unsustainable fiscal deficits eventually lead to a deterioration

in the balance of payments and ultimately in the quality of life. The issue on which opinions are divided is the relative merits of indirect versus direct taxes. I am conscious that there appears to be a preference for indirect taxation, and that in Barbados such a shift has occurred. I think that the time is now ripe for a comprehensive review of the tax system with particular reference to the fairness and equity of revenue raising measures in Barbados.

Finally, Mr. Speaker, we enjoyed real growth, significantly reduced our fiscal deficit, substantially improved our balance of payments, contained inflation, repaired our roads, built houses for the people, and inspired confidence in the business community. The proposals which I have just announced will consolidate the gains we have made and take the country to higher levels of prosperity. Let all people of goodwill join me and recommit themselves to our motto *Pride and Industry*. Let us work together to build a more just and equitable society in Barbados.

Summary of Budgetary Proposals

1. With immediate effect, stamp duty and any other imports are removed from agricultural inputs. Revenue loss of \$3.7 million is expected.
2. Provision of \$3.0 million to assist with cultivation of unused land.
3. With immediate effect, machinery and equipment for use in the manufacturing sector will be granted exemption from import duty and consumption tax. The revenue loss is estimated at \$4.0 million.
4. Proposal to amend the Hotel Aids Act to provide concessions for refurbishing and major improvements. Loss of revenue of \$4.0 million is expected.
5. Provision of an additional sum of \$1.0 million for marketing and promotion of tourism.

-
6. Proposal to permit taxi owners to import free of duty and other imposts gasoline powered motor cars.
7. With immediate effect, the consumption tax rate of 9 per cent will be increased to 10 per cent and all other rates will be increased by 3 percentage points. Additional revenue of \$36.0 million is expected.
8. With immediate effect, the consumption tax on soft drinks will be 28 cents per litre on Caricom products and 42 cents per litre on non-Caricom products.
9. Effective 1st May, the chargeable value at which the 50 per cent consumption tax rate will be applied in respect of motor vehicles will be increased from \$20,000 to \$30,000. Revenue loss \$2.0 million is expected.
10. With immediate effect all non-Caricom imports now subject to stamp duty of 15 per cent will be subject to a rate of 20 per cent. The stamp duty on equipment and machinery for the manufacturing sector and the refurbishing requirements of the hotel sector will remain at 15 per cent. Also, those items now subject to a rate of 10 per cent will remain unchanged. Additional revenue of \$12.0 million is expected.
11. Effective 1st May, the travel ticket tax will be 20 per cent instead of 15 per cent up to a maximum of \$400. In cases of persons on a chartered tour, the tax will be \$25 instead of \$20. The tax for persons in the Overseas Labour Scheme will remain unchanged. Additional revenue \$2.0 million is expected.
12. Effective 1st May, the airline service charge will be \$20 per person. Additional Revenue of \$2.0 million is expected.
13. With immediate effect, petroleum prices will be as follows:
- | | |
|------------------|------------------|
| (1) gasoline | \$1.10 per litre |
| (2) 48/52 diesel | .95c per litre |
| (3) 43/47 diesel | .73c per litre |
- Additional revenue of \$2.0 million is expected.
14. Effective from income year 1989, corporations will be permitted to carry forward losses for 9 years instead of 5 years.
15. Effective from 22nd May, the non-contributory old age pension will be increased by \$3.00 per week. Contributory pensions will be adjusted accordingly.
16. With immediate effect the funeral grant will be increased to \$1,000 and the maternity grant will be increased to \$500.

Rt. Hon. L. E. SANDIFORD: Mr. Speaker, I beg to move the following Resolution:

WHEREAS the Government's fiscal policies for the 1988/89 Financial year were successful,

AND WHEREAS in order to consolidate the achievements of the past year, the Government considers that the Financial Statement and Budgetary Proposals for the current Financial Year should be devoted to the following objectives, namely:

- (1) Stability of the balance of payments and the maintenance of our international reserves which will require a further reduction of the fiscal deficit to around 4 per cent of Gross Domestic Product;
- (2) restoration of confidence in the agricultural sector;
- (3) further support for the manufacturing sector with special emphasis on export marketing;
- (4) continued support for the tourism industry through increased funding for promotion and through concessions for refurbishing and upgrading its plant and facilities;
- (5) strengthening of Barbados' competitive position as a centre for international business services.

AND WHEREAS the measures announced in the 1989 Financial Statement and Budgetary Proposals by the Prime Minister and Minister of Finance and Economic Affairs are directed towards the attainment of the foregoing objectives;

BE IT RESOLVED that this Honourable House take note of the 1989 Financial Statement and Budgetary Proposals and approve the measures therein.

Hon. P. M. GREAVES: I beg to second the Resolution and reserve my right to speak.

SUSPENSION OF SITTING

Hon. P. M. GREAVES: Mr. Speaker, that concludes matters for today and I move that this sitting be now suspended until 3:15 p.m. tomorrow, April 27, 1989, Sir.

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

- *The question is that this sitting be now suspended until Thursday, April 27, 1989 at 3.15 p.m. was put and resolved in the affirmative without division, and Mr. SPEAKER suspended the sitting accordingly. 4.40 p.m.*

Mr. SPEAKER: This sitting is now resumed. •

Before the Honourable Member, the Leader of the Opposition, makes his reply, I think it is appropriate that I make clarification for the remainder of the debate. Following the precedent and tradition of this debate, it has been accepted that the Leader of the Opposition in his budgetary reply will be entitled to the same broadcasting time as the Rt. Honourable Prime Minister. This does not in any way suspend the Standing Order which gives the Honourable Member the right to continue his reply, but as I said before, it will not be subjected to the same TV and radio broadcast. All other Honourable Members will be entitled, as the Standing Orders indicate, to their regular time.

The Honourable Leader of the Opposition, the Honourable Member for St. Michael South Central.

Dr. R. C. HAYNES: Mr. Speaker, on Thursday, April 3, 1986, I stood in this Honourable Chamber as Shadow Minister of Finance and presented a bold, imaginative and practical set of budgetary proposals alternative to those of the Government. In less than a year I implemented those proposals which brought immediate benefit to all Barbadians, and although they have been repudiated and mutilated by the present Minister of Finance, they have continued to breathe and bring benefits to all sections of our society.

The 1986 fiscal measures together with certain measures in the 1987 Budget are totally responsible for whatever economic growth has been achieved in 1988 and this I shall demonstrate. The repudiation and mutilation of the new fiscal arrangements were a self-serving act for which history will not absolve its perpetrators. That repudiation did more than anything else to make us over here conscious of the need for a new political party. Yesterday's Budget has confirmed that we took the right initiative to form a party which is committed to truth, integrity, morality and the pursuit of efficiency, fair-play and accountability in the management of public affairs; a party determined to uplift the quality of life and the standard of living of all Barbadians; a party motivated by an especial concern for the wellbeing of the poor, the young, the old and the disadvantaged; a party, Mr. Speaker, committed to promote the continued development of Barbados as a mixed economy, a party which places the highest priority on human resource development and on the elevation of women to equal partnership with men in all aspects of endeavour.

These, Sir, are the principles which have informed and imbued my response to yesterday's Budget. We, Mr. Speaker, have no interest in the politics of hate; we see no one as an enemy and our philosophy inclines us to cooperate with all persons to do good for Barbados. Those who perceive their survival as dependent on sowing the

seeds of enmity in the society, the seeds of hate, the seeds of destruction, usually reap what they sow. The National Democratic Party is about a new direction in political thinking and behaviour, and we shall continue to ignore personal attacks. Personal abuse is the refuge of the intellectually bankrupt. The National Democratic Party is a party with vision, a party with a mission.

Instead, Sir, of hearing yesterday of a carefully crafted instrument of social and economic engineering, yesterday's Budget was nothing more than the after-birth of last year's Budget. It has rendered complete the abrogation of the social contract with the people, the abandonment of fidelity to the electorate, the repudiation of the social and economic perspectives of 1986. Yesterday's Budget like the anti-development plan laid in this House a few months ago will further retard economic progress and exclude thousands of young men and twice as many women of all ages from full and dignified participation in the economic life of Barbados.

The Minister of Finance, a self-proclaimed housewife of fiscal policy has proved to be the midwife of disillusionment and despair. Our nation, Mr. Speaker, has been placed in sandy quicksand. He who repudiated the 1986 fiscal arrangements now finds himself between a rock and a hard place, abandoning the very principles which informed his tax policies a year ago and hiding from critical analysis of his judgment and lack of understanding of basic elements of fiscal policy. Indeed, Sir, there was no Financial Statement yesterday within the usual and accepted meaning of that term. Today, Mr. Speaker, we are called upon to debate this Budget at 3.15 in the afternoon, a time when most of our citizens will be deprived of the opportunity to hear us. The time will be substantially restricted because of the shortness of the Budget and in my view, Sir, taking those two factors into consideration, this constitutes a dangerous precedent and indeed, such abuse of authority is not in the interest of Barbados.

The Budget, Sir,....

Mr. SPEAKER: I would not want to interrupt the Honourable Member, but to refer to someone making abuse is a reflection in my view on that Honourable person, and I would wish that the Honourable Member tone his remarks and that they be more tempered and suitable to parliamentary language.

Dr. R. C. HAYNES: The Budget, Sir, is against the interest of the masses of people of Barbados and must be exposed for what it is. The people of St. Michael South Central have a clear perception of matters relating to integrity, commitment to truth and those who are committed to the broad masses of the people, and that is why they have promised to make sure that they lift me up the stairs of Parliament. 3.25 p.m.

Mr. Speaker, Sir, the people of Barbados have identified unemployment as the No. 1 problem in this country and I shall address that first. It is a policy of the National Democratic Party to create full employment in Barbados in a five year period. There is a clear economic definition of full employment which, in the context of Barbados means about 5% unemployment taking into consideration the voluntary idle, persons in transition from work and so on. This, Sir, is an entirely realistic proposal and we do not take positions without a careful evaluation of what we are saying.

The people of Barbados must be reminded that at the end of 1975 there were 82 100 employed in Barbados. By the end of 1981, that is, between 1976 and 1981, there were 100 000 people employed in Barbados. If the Barbados Labour Party Government under the late Tom Adams could create 18 000 jobs in Barbados during that period, in the context of a much smaller economy, then, why is it impossible to create 20 000 jobs in a five year period which would produce full employment in this country?

After the 1986 Budget in September of 1986, there were 93 300 people employed in Barbados. At the end of the third quarter of 1987 there were 98.4 thousand people employed in this country and at the end of the third quarter of 1988 there were 100.7 thousand so employed.

These figures clearly indicate, Mr. Speaker, that by stimulating investment and job creation in the private sector, carefully controlling the growth in public expenditure, and reducing the levels of taxation, there was a dramatic impact on employment levels in this country. Five thousand one hundred jobs were created in that first 12 month period and less than half that amount in the second 12 month period and taking into account the extent to which the job losses were stopped in 1986 that was a tremendous job done during that period.

I am convinced, Sir, that a public sector which already employs 20% of the people employed in this country, approximately 25 000 persons, cannot generate another 20 000 jobs. That would be a social, economic and political impossibility and, therefore, Sir, it is quite clear that we have to look at the productive sectors of the economy, agriculture, tourism, housing, distribution, manufacturing, and financial services which are wealth-generating and foreign exchange earning. There the jobs can be created. A mere 25% expansion of private sector activity in Barbados in a five year period can generate the 20,000 jobs.

The Government, Mr. Speaker, stands condemned in this particular area. They have condemned themselves. They have produced a Development Plan which shows that during the period 1989 - 1992 they will produce the same 5 000 jobs that were created in one year in 1986-87 and at the end of that period, Mr. Speaker, there would still be 20 000 people in Barbados unemployed. All it means is that

the total resources of this country must be directed towards employment because that burden falls on the young people of this country.

We are now running the risk of two generations of young people being condemned to unemployment and, indeed, the burden also falls substantially on the womenfolk in Barbados who have been one of the main casualties of unemployment.

What is impossible about this approach to the unemployment problem? We will put an end to the corrupt process which makes our young people dependent on job letters to get employment in this country. In my view, Sir, it is an obscenity that scars the social and political scene of Barbados and we in the National Democratic Party are determined to put an end to it.

The Honourable Minister of Finance took great comfort in boasting that there was an increase in the Gross Domestic Product of 3.5% and that that increase came from construction, manufacturing and tourism. Mr. Speaker, anyone with the slightest knowledge of economic processes in Barbados would clearly understand that a Budget today in April, as last year the end of April, could have no influence on tourism, could have no influence on construction other than in a negative way through taxation.

If you wish to build a house and you responded to a Budget in April the probability is that you would not get started by the end of the year after you have gone through Town Planning and all the various requirements in order to get a house built. He wants to take credit for precisely what he is repudiating but, Sir, there is a biblical quotation. The good book has been very, very decisive in its comments on behaviour of that nature and I would refer Members to Proverbs Chapter 26 and II Peter Chapter 2 and I think that kind of behaviour is well described there.

Asides.

Mr. SPEAKER: Order, please.

Dr. R. C. HAYNES: Mr. Speaker, I have pointed out that it is ridiculous to try to claim any benefit from a Budget introduced in the middle of the year in relation to those particular areas of growth. Mining and quarrying decreased last year, electricity, gas and water showed a slight increase, wholesale and retail expanded very slightly but here we have implications for lack of job creation in that area.

So, speaking generally, Sir, the economy has performed poorly except in the area of construction, manufacturing, and tourism and, as I pointed out, nothing in that Budget could have influenced anything in those areas. What we saw, in fact, was the tail end of what was going on before and this is well manifested in the decline in housing starts. It is quite obvious that if you reduce incomes through

a surcharge and increase consumption taxes, 'that that cannot stimulate construction in any country whatsoever.

However, Sir, I would like to focus for a moment on our policy in relation to housing. We believe that all citizens are entitled to adequate housing and we intend, if we are given the opportunity, to make sure that that is done by the year 2 000.

In 1986, Sir, the package for housing followed an important proposal made by the Barbados Labour Party in which they reduced the mortgage interest rates early in the year. I had the opportunity to reduce other interest rates in relation to bridging loans. I reduced the stamp duties on certain building materials. I increased disposable incomes and I made widespread changes that would affect the home and home building in relation to repairs, transport, insurance, mortgage allowances, land taxes and made increased funds available for mortgages.

The result has been a housing boom, employment, meeting the social and housing needs of this country and, particularly, for young couples being able to qualify for a mortgage. On building sites tomorrow evening when people get paid, I do not know who the person is referring to, but when they get their package they will say "This is Richie's money." I do not know who Richie is. I refer to no one in this Honourable House. I will not breach the rules by referring to anyone in this Honourable House.

In 1988 what did we get? We got a surcharge on disposable incomes. We got an increase in interest rates. We got a 50% increase in consumption taxes affecting building materials and pushing up the cost of housing and the result of that is seen in the Economic Report. 3:35 p.m.

We have announced, Sir, as a stated policy that we would introduce in Barbados 100% mortgages. I am told that there are some people who are saying that that is not possible. Mr. Speaker, it is done all over the world. This is nothing new that we are introducing. There are many countries throughout the world where a 100% mortgage can be obtained.

And what is more, Sir, is that here in Barbados there are many people in the appropriate income bracket who can get access to 100% mortgages. Indeed, Sir, I have known many instances where people have got more than 100% financing for a house in Barbados.

So there is nothing impossible about this. It is a question of how you mobilize the public and the private financial institutions in Barbados and target on this particular objective of Government.

In the area of tourism, Sir, the Honourable Member makes a claim that he introduced a Budget in April, after

the end of the tourist season and that saw an expansion of tourism in Barbados last year.

I believe that at this moment the tourist season is finished. I believe the summer is virtually totally booked up. And I am quite sure, that apart from the occasional visitors that there will be hardly any significant increase in the number of people coming to Barbados who are not already programmed to come to Barbados. But ask what measures were introduced in the 1988 Budget for tourism. The claim of tax concessions for refurbishing, Mr. Speaker, that is incorrect. That was introduced by the Barbados Labour Party. I continued it in 1986 and it was continued thereafter. The tax rebates on expenditure incurred in marketing overseas - that was introduced by the Barbados Labour Party. I incorporated it in the 1986 Budget. The programme for cruise ship passengers - that was propelled by the Barbados Labour Party and in 1986, further stimulus was given to that. Let us be fair. Let us give Jack his jacket. Do not let us claim other people's work.

Aside.

Dr. R.C. HAYNES: Because, Mr. Speaker, I can say what I did. I reduced the property taxes on hotels. I reduced the Hotels and Restaurants Sales Tax. I reduced the Corporation Tax for those hotels that pay Corporation Tax. There are widespread cost reductions in other areas of transport, energy and elsewhere in the hotel sector. And that is what made the difference over the years. On top of that, Sir, after thorough consultation with the private sector of Barbados, they agreed to put a substantial amount of money into a fund to target summer tourism both from the UK and from Canada and we saw the results down the road.

I believe, Sir, that anyone on the other side taking any credit for that, it should be the Honourable Minister of Health who participated in it.

But what do we get this year? One million dollars increase for tourism in a \$1.2 billion Budget. What indeed has happened is that last year the Consumption Taxes increased the burden on the hotel industry. And now, there will be further increases in taxation on the hotel industry, in return for the \$1 million and the institutionalization of a tax concession process that was in place for many years.

In fact, Sir, if you look at the statistics carefully, you will see that in 1987 stay over visitors in Barbados increased by 52 000 people; in 1988, only 29 000 people. Cruise ship passengers increased by 83 000 in 1987; only 62 000 in 1988. And you get the alarming statistic which suggests that tourism expenditure increased by \$110 million in the year when you got an enormous increase. And in the year when you got a smaller increase, it increased by \$161 million!

You should ask those who adjusted the current account of the balance of payments from minus \$17 million to minus over \$100 million to explain how you could have virtually half as much as an increase in tourism and an increase in tourism expenditure by \$61 million! Let them properly prorate the expenditures and revenues and not seek to justify positions that they have taken. Because to be sure, as they do all along, 4, 5 years from now they are going to slip in the right figure, in an adjustment down the road.

But, Sir, there are other matters relating to tourism not addressed. The first one, Sir, is that for the first time in the history of Barbados, we are having an increase in tourists and a decrease in the rooms available. In 1976 and 1980 when you got an increase in the number of tourists, you had an increase in the number of rooms. That speaks ill for the level of investment in tourism in Barbados.

Indeed, Sir, nothing has been done of any significance to enhance the tourism infrastructure to deal with the problems of drugs, crime, the problems in relation to the jet skis on the beaches. A whole lot of problems need to be dealt with in the area of tourism.

In terms, Sir, of the growth in tourism, it is interesting to note that there was an overall decline in visitors from North America. The only area showing any substantial growth was from the UK and Europe. Right now on the horizon, Sir, the problems with Eastern, the rearrangements of American Airlines flights making full use of the Puerto Rican hub does not augur well for tourism growth this year.

We in the NDP, Mr. Speaker, feel that the time is right to significantly increase the range of concessions to the tourist industry to put them on an equal footing with competitive destinations and in order to keep prices down and increase quality. We feel that this can be done by mobilizing existing debt capital within the public sector of the tourism plant in order to assist in that, and also, Sir, in order to promote further development of our infrastructure.

We welcome the proposals in relation to the taxi owners, a proposal which one has been talking about for some time.

Laughter.

Dr. R.C. HAYNES: In terms of land transport, Sir, in respect of the minibuses, I believe that steps should be taken to incorporate the minibuses more formally into our internal public transport sector. Some consideration should be given to assist them with capital acquisitions, bearing in mind that depreciation forms the largest part of their expense over time.

Now, Sir, in relation to agriculture, and I will not be long on this, agriculture in Barbados, Sir, declined substantially last year. I believe that, apart from an

increased output of carrots, there was nothing significant happening in agriculture. Fisheries also declined.

And indeed, Sir, I have heard no policy position on agriculture articulated in this Honourable House. No debate on sugar policy for some time now, since the early 1980s. The Ministry, as we know, Sir, is in chaos. And the Minister is clearly presiding over the destruction of agriculture in Barbados. This is a serious matter. It is not only an economic segment, but it is part of the heritage of Barbados.

We have lost 6 000 acres from productive agriculture in a three year period. And if anyone believes that the few cents offered yesterday will do anything even to rehabilitate those, then I think they are making a big mistake. Our small farmers have virtually gone out of business.

We feel, Sir, that agriculture should be the centrepiece of our economic programme because of its linkages to manufacturing, distribution and tourism. We will bring the small farmers of this country back in business. We will look very carefully at the credit policies which need to be changed in order to help rehabilitate the agricultural sector. And we will see to it, as part of an overall programme for our young people that they are involved in agriculture in such a way that they can function as total farmers, the kind of concept which the Honourable Member for St. Peter has articulated in this House over and over again. 3.45 p.m.

So that, Sir, yesterday's concessions of some \$3.6 million - I think the industry quite rightly said it is a bit of a joke and many of them pointed out that the increases in gasoline and diesel will almost wipe out the concessions granted yesterday.

In the area, Sir, of Manufacturing - what has happened? I will quote very quickly from the Quarterly Report of the Central Bank because this will give some authority to what I say hopefully - Economic Review, Central Bank of Barbados, September 1988, Page 1. Manufacturing expanded by 7%. I quote from elsewhere. The increases in taxes on garment imports in 1987 seem to have stimulated local production or recovered somewhat from the depressed level I heard earlier.

The point I am making, Sir, is that there is clear evidence that in the first half of 1988, the half before the Budget, that Manufacturing expanded much faster than in the second half and the reason is simple. Because in the first half it was responding to the increase in disposable incomes which generated an increased demand for our manufacturing goods and in the second half of the year you got the reverse - a reduction in incomes and increased consumption taxes increasing the cost. The net result of that is that you had a reduction in demand for our locally produced goods whilst the abolition of the Stamp Duties on

CARICOM goods being imported to Barbados. actually made those goods cheaper in the Barbados market, so that our manufacturing actually declined in the second half of the year.

A quick glance, Sir, if you do it segment by segment, at Food and you compare the first half with the second half. There was a decline in the second half of 1988 in food, beverages, tobacco, wearing apparel, chemicals, petroleum products, wooden furniture, other non-metallic products; they are the main ones in which there were declines.

In Export Manufacturing - you see there is an index of industrial production which is produced in Barbados and you can do a month by month analysis. In fact, the rate of increase in our manufacturing exports was slower in the second half of the year after the Budget than in the first half of the year. The lesson that you have to learn from that is that if you are going to export goods to people whose capacity to purchase is substantially reduced, then that is the most effective barrier to trade. All the others can be easily removed by administrative edit. But if people cannot buy your goods because they do not have the purchasing power there is not much you can do to export goods to them.

Now Sir, I want to deal with one or two fiscal matters. Last year, Sir, the honourable Member - I should perhaps have gone back a little earlier to those matters. That Budget yesterday, Sir, the predominant taxes were increases in Consumption Tax and Stamp Duties and they are a bitter blow to the poor people of this country. Even with the changes, Sir, in the taxes on motor cars this is what will happen - the man who has to buy a cheap motor car will have to pay between \$400 and \$700 more for a motor car as of today, the cheaper motor cars; while those in the middle range will decline between \$4,000 and \$7,000. If you look at those Consumption Taxes, Sir, and the Stamp Duties, and the \$3.00 offered to old age pensioners, they have been wiped out immediately.

When you look, Sir, at the changes in the soft drink industry and that must be a mistake unless you intend to wipe out the industry by changing from 10 cents per container to 28 cents per litre, it means that in a 2 litre pep bottle that you have actually increased the Consumption Tax from 10 cents to 56 cents, a 460% increase on a sweet drink - 460% increase in Consumption Taxes. I know as a matter of fact, Sir, that manufacturers who paid \$6,000 in Consumption Taxes last month they now tell me that they have to pay something like \$24,000 that they cannot continue in business. The people who locally manufacture those containers will go out of business unless something is done like immediately - this is recognised that a mistake has been made, that there is a problem. Use the provisions under the Consumption Tax to take appropriate effect immediately.

In terms, Sir, of our Revenue - one or two interesting things we would like to explore. I say that there was no Financial Statement yesterday and there was a reason why there was no Financial Statement yesterday. There was no Financial Statement because it would have been an embarrassment to have made a Financial Statement in this Honourable House.

Mr. Speaker, last year Revenue was estimated at \$753 million and Expenditure at \$802 million. The honourable Member decided that he could not accept a gap of some \$45 million or so and proceeded to purport to raise \$55 million which will bring it to about \$808 million and ended up with \$881 million. Even if you take out the proceeds of the Transport Levy which will be transferred to the Consolidated Fund, quite clearly there has been a major error of over 100%. Expenditure was estimated at \$802 million and ended up with \$854 million. There was chaos on both sides of the national Budget. We tried our best by pointing out that the Revenue Estimates were grossly underestimated. Now we have the out-turn figures. We cannot run away from it. We know that Income Tax was underestimated somewhere in the region of \$19 million. Corporation Tax was in the region of \$29 million. Stamp Duties - the loss was overestimated to the extent of some \$31 million. Property Taxes were underestimated by \$15 million.

Other taxes in other areas including those on goods and services other than Consumption Taxes were some \$5 million - a total, Sir, of \$99.4 million. It was not necessary to put such on the people of Barbados. But Mr. Speaker, it was done and it was totally and completely unnecessary. Last year we were dealing with projections. Now we are dealing with out-turn results and fortunately many of the taxes imposed last year can be segregated from the pre-existing taxation so you can see the actual out-turn results. Indeed Sir, those who claim that Estimates are non-important when they lead to serious over-taxation, I believe that something is wrong with those persons.

I noticed, Sir, that the honourable Member has kept the rate of Corporation Tax at what it was in 1986. Those who walk around this country telling people that I gave away the people's money to various racial groups in Barbados and big businesses, I wonder what they are going to say now. Sir, the reality is that in 1985-86 the amount of Corporation Tax yield in this country was \$56.7 million. It went up to \$71.3 million then to \$72.5 million, and last year around \$93.9 million if that figure quoted in the Economic Report is correct - a 65% increase in revenue over that particular period with appropriate job generation and appropriate investment activity in Barbados. But what happened last year, Sir? We had an alteration for the provision of tax losses reducing it from 7 years to 5 years and now the Minister comes back is here and reverses himself and extends it now to 9 years and I will tell you why. That particular bit of legislation introduced last year

was a serious disinvestment, discriminating against small companies in particular or any kind of investment that had a reasonably long gestation period. But the problem is, Sir, if you continue to escalate expenditure at the rate at which it has been escalating in Barbados which was never part of the proposals that swept the present Administration into office, then you have serious problems. 3:55 p.m.

It has also been said, and I have seen it even written recently, that Government's revenue was devastated by the 1986 budget. What are the facts, Sir? In 1985-86 Current Revenue in Barbados was \$648 million. In 1986-87 it was \$669 million. In 1987-88 it was \$723 million and last year, with the excessive taxation, it was \$881 million.

But I will tell you what has happened, Sir. The tax effort in Barbados today is the highest ever in the history of this country. The amount of revenue collected - I will do it as a percentage of GDP at market prices - ran from about 22.7% to about 24.8% between 1974 and 1977. Thereafter it increased markedly in 1978 to 27.4%, but then tax concessions were given, and it dropped to 24% in 1984. It crept up to 26% again in 1985 and a tax reducing budget was brought in this Parliament in 1985 by the former administration, recognising the dangers of having a tax effort at that level. The budget in 1986 which I introduced reduced it to 25.3%, still above what prevailed in the earlier years. The adjustment in 1987 was not a reversal, it remained at 25.5%. Last year, 28.5%!

These are the corrections the Honourable Minister of Finance made. He has corrected all of the Finance Ministers that have run this country in the past, who all recognised that any time you have taxation at this kind of level in this economy, you are bound to trigger recessionary trends. So it was not I that was being corrected, it is all of us who held responsibility for the Ministry of Finance, and this year that tax effort will go up to an even higher record level of about 30%.

In terms, Sir, of fiscal marksmanship, in 1986-87 after the July budget Current Revenue was estimated at \$651 million and \$668 million was achieved. Current Expenditure was estimated at \$688 million and \$685 million was achieved. Capital Expenditure was estimated at \$150 million and \$162 million was achieved, and the deficit was 5.3% of Gross Domestic Product, very similar to the deficit the year before. There should have been no reason why the targets of 1987-88 could not have been achieved, except for the squandermania that took place in the second half of the year. In 1988-89 that squandermania continued. Revenue budgeted for some \$808 million and you ended up with \$881 million and now we have further taxation in an already overtaxed economy which will reduce the rate of growth and increase prices. The burden of those taxes yesterday have been placed squarely and surely on the backs of the poor people of Barbados. Indeed, Sir, in a

twelve month period between the last budget and this budget the consumption taxes in Barbados have been increased by over 66%, and it is my certain knowledge that any time there is a 1% movement in consumption taxes, that is of grave concern to people who care anything about the people of this country.

Stamp duties yesterday increased by 33 and a half percent. I have already adverted to what has happened to the small drinks industry, so that we have had two major and fundamental reversals in policy positions. Last year, Sir, the Honourable Minister of Finance could not face a deficit of \$48 million on Current Account. He said it would destroy the balance of payments of this country, that the country was going on the rocks. This year he has budgeted now for \$43 million deficit on Current Account.

I already adverted to the major shift in policy in relation to the treatment of tax losses for companies making losses and their ability to carry forward those losses. What is worse, Sir, is that despite the taxation the projected deficit this year is the highest ever projected, because after you take off the \$36 million from \$297 million, you end up with \$261 million, and we are not going to accept any manoeuvring where you say you are going to take amortisations out and calculate the deficit. All deficits in the past, Mr. Speaker, under the Financial Administration Rules and the accounting procedures of the Central Government of Barbados have been calculated including amortisations, and a deficit is quoted on that basis. On the Central Bank basis, if you wish to exclude amortisations and include the surpluses from the National Insurance funds, then you can have a different level of deficit, but in all previous budgets both deficits have been quoted, and indeed if you take the total picture, you will see that the deficits in 1985 and 1986 were something like 3.5 and 3.2 respectively when you deal with the broader picture of excluding amortisations and including the surpluses from the National Insurance Scheme.

When you look, Sir, at the squandermania in respect of Government's expenditure, this is mind boggling. In 1985-86 Current Expenditure was \$663 million, when we told the Barbados Labour Party that they were squandering public funds. In 1986-87 it rose from \$663 million to \$685 million. Now this year, Sir, the budget provides for \$986 million. We have lifted in this Parliament expenditure from 31.8% of Gross Domestic Product in 1986-87 to 36.4% of Gross Domestic Product. Remember you are talking about 1% of \$3 thousand million, substantial amounts of money. The population of Barbados is the same, Barbados has not got any bigger.

. The inflation rates in Barbados varied from about 1.3% to 5% during that particular period, somewhere in that area, and indeed, Sir, there were no job losses in Barbados when Current Expenditure was controlled, and in fact it was in 1986-87 that the largest number of people that we know

about publicly - that is, for the Parks and Beaches Commission - were taken on during that particular fiscal year.

We believe, Sir, that proper management of Government's finances requires that Government's expenditure be controlled, that the people should be relieved of the burden of taxation and that revenue should be generated through expanded economic activity. 4.05 p.m.

It is ridiculous, Sir, that this year we are spending \$323 million more on current account alone than we spent in 1985-86 and \$301 million more than in 1986-87, and some \$72 million more on capital account than in 1985-86 and \$53 million more than in 1986-87. We believe, Sir, in restraining the growth in public expenditure without job losses and maintaining the integrity of the infrastructure of Barbados; we will put an end to the over taxation which has arisen as a consequence of irresponsible public expenditure in order to purchase political favour; we intend also, Sir, to note that public expenditure has increased by some 43 per cent since 1986-87.

Mr. Speaker, whenever you talk about controlling public expenditure in this Honourable House, they ask you whom you are going to send home. The answer is that you do not have to send home anybody, and if you look at it very carefully, Sir, you will see that the increases in personal emoluments have been consistent with propriety; it is in the other areas that there have been substantial increases in expenditure. And don't talk to me about debt either, Sir. Debt is something which people know about well in advance; you should be adjusting the Budget years in advance in order to deal with the amortisation payments in a given year.

Sir, I want to say a few words on the Public Service as an item of expenditure. We believe that there should be an effective motivated and skilled Public Service in Barbados. We have already committed ourselves to the abolition of the Public Service Ministry which has turned out to be an instrument of victimisation and harassment of public servants with the precision of a surgeon. We plan, Sir, to strengthen the resources available to the Public Service Commission and we believe that appointments to the Public Service, transfers and discipline should be a matter for the Public Service Commission as they used to be. To that end, Sir, we would seek to repeal those 1974 amendments to the Constitution which although not intended, have nevertheless succeeded in the politicisation of the Public Service and the undermining of morale in the Public Service of Barbados. We intend also, Sir, to make sure that that spirit is extended to Statutory Boards where people will be appointed on the basis of competence, where political affiliation will be no barrier to service, and we will seek to involve more women and young people in the service of the country at that level.

We shall respect the principle of collective bargaining and as I pointed out earlier, Sir, we will not link the salaries of Parliamentarians with the salaries of public servants. I think it is wrong that the Unions when they are negotiating with the Government for increases for their own people ... if you are going to link your own salaries with those increases, then in fact they are negotiating for you as well; they are negotiating with you and for you. Union members pay dues, but Government Members do not pay the Unions dues.

I have said, Sir, that as far as I am concerned, the Government provides a residence for the Prime Minister of Barbados, and if he does not wish to live there he will get no housing allowance; and if he lives there he will get no housing allowance. Indeed, Sir, what we aim to do is to remove the fear, the victimisation and the destruction of morale which permeate the Public Service of Barbados.

On the question of expenditure, Sir, I believe that expenditure in Barbados can be substantially reduced. I don't think there is any need for any high prestige capital expenditure projects such as an examination centre, and I think that expenditure can be targeted in such a way that employment is its main focus - things like the repair and maintenance of public buildings, for example, police stations. The road programme that is going on I support; the drainage of the Island needs to be promoted; infrastructural support for agriculture; more help for manufacturers, linked to programmes for young people; making more funds available to the Barbados Development Bank, more money available to the small businesses, more money for training and equipping the young people of Barbados with skills, more money for the marketing of agriculture, the expansion of our fishing capacity, more money for the expansion of the agro-industrial infrastructure of Barbados, for marketing and offshore services and for environmental programmes. But you can't do both. You can't go into the kind of expenditure that is taking place now and do these productive things that are job generating while at the same time enhancing the wealth of the society. Just imagine what Barbados would be like, Sir, if a Government decides that it is not going to be bothered about its own survival but it is going to concentrate on developing the human resource potential of Barbados in that particular way.

I believe, Sir, that it would be appropriate for an NDP Government to commit \$100 million over a five year period, which would be less than 1.6 per cent per year of what is being spent now, towards helping the young people of Barbados out of their predicament. You are talking about \$20 million a year and more than \$20 million a year has been spent each year on matters which I consider have a much lower priority.

In the area, Sir, of investment several things have happened in Barbados. There can be no doubt, Sir, that there has been a significant fall off in investment during the

past year. I have heard figures for gross capital formation being bandied around, but that includes all the public sector projects like roads; I am talking about new investment from private capital sources. I know, Sir, of over \$500 million investment which has been diverted from Barbados and of, the two projects, one is going up now in another Caribbean Island and one in the Dominican Republic, two projects apart from others. There have been fewer housing starts. Many projects in construction in Barbados have been deferred, and those that were continued are those where the sunk costs were so high that it would be uneconomic to pull back at that particular point in time.

I have already adverted to the strange phenomenon in the hotel sector where after three years of growth we have an increasing number of tourists and a falling number of rooms available. That is a phenomenon that speaks to one thing, the declining investment in the tourism sector in Barbados. There was not only the surcharge but the general atmosphere that was created in Barbados, and we have to be responsive to this as legislators because this society can only grow and it can only generate the kinds of jobs which our young people require in the future if it saves and invests a given proportion of its earnings. We know for a fact, Sir, that the net inflows through the Central Bank of foreign capital declined by about 50 per cent last year. I would not have time to make this a document of the House, Sir, so I would not refer to it. .

The surcharge on incomes not only damaged investor confidence, but what is worse, it was one of the worst taxes introduced into Barbados, worse in terms of its economic effects and nobody clearly understood what it was all about from the very beginning. For example, Sir, a company with taxable income of \$200 000 for a fiscal year who had hired fifteen additional employees would be entitled to \$150 refund, ten dollars per employee. That is the view of experts; it was put out in a journal by a group of experts, so therefore I do not think I can challenge that and I have checked the figures and that is correct.

There are other areas of investment that I would like to draw to this House's attention. 4.15p.m.

Some time ago, as the Press often does, and I am sure that it was just a mistake on the part of the Press, it was said that 27 Honourable Members came in here and voted against McDonalds coming into Barbados. I know what I voted for. I voted for what was before the House, that is, legislation to amend the Franchises Act. That is what was before the House and, as far as I know, under that piece of legislation, McDonalds or any other fast food operation, or anybody else can still apply for a licence.

We in the NDP like to take decisions based on reason and objectivity. We have looked at the charge that fast food operations in Barbados have put small restaurants out of

business. The reality of a study we had conducted is that there are 12 times as many small restaurants in Barbados today as when Kentucky first came into Barbados.

We have looked at the impact of large restaurants and the reality is that other large fast food restaurants have come into Barbados and they are all surviving. We have looked at the foreign exchange implications and what we have discovered is that the franchise fee representing 7% of the gross profits of approximately \$4 million, the net payments on franchise is about \$190 000 to \$200 000 a year and that would be substantially less than the foreign exchange inflows following investment like that.

We have looked at the labour relations problems and we are satisfied that that is a matter for domestic law. We have looked at a consumer interest and we are satisfied that they are best protected by competition. We looked at the cultural factor and we recognise that people are already aculturised to fast foods in Barbados.

We looked at family tourism and we are satisfied that fast food operations make contribution to family tourism in Barbados. We looked at job creating and we are satisfied that some 200 direct jobs will be created and other indirect jobs. We looked at the agricultural effects and I did not know at the time that there was an Idaho product here actually in existence with the capacity to generate some \$8 million to \$10 million yearly in foreign exchange in Barbados, certain types of Barbadian soil being more suitable than anywhere else in the Caribbean.

When one considers all of these factors, Sir, we have come to a firm policy position that the NDP would set about this matter cautiously. We believe that the present application by McDonalds should be allowed under the Franchises Act, that it should be restricted to one outlet only and that there should be a majority shareholding locally.

This policy is based on facts and not on prejudice. It is based on what we see is the public interest. It is based on fairness to one and all and I do not think we can continue to make all kinds of assumptions on various matters and not subject them to the acid test and the acid test is to go out there, do an objective study and see exactly what is happening.

Now, Sir, in that area of investment we feel that it is absolutely critical that the entire foreign affairs thrust of Barbados should be reviewed and that the highest priority should be given to areas of investment, trade, of course, the protection of our national interest, the development of our offshore services and, also, to assist in the tourism effort overseas.

We believe that urgent steps need to be taken and I wish the new Minister of Foreign Affairs well to restore the

integrity of the Foreign Affairs Ministry. We have had, of course, the infelicitous statement in Dominica some time ago. We have had the fiasco and the embarrassment to Barbadians at Heywoods. We have had the failure to support adequately the drive by our representative at the U.N. for the U.N. Presidency. We have had the appalling situation of cocaine, in the Ministry of Foreign Affairs in Barbados.

We have had another incident in London with the connecting telephone call emanating from the Ministry of Foreign Affairs. However, I am satisfied that in the second incident that there is little more to connect the Ministry of Foreign Affairs other than the telephone call.

The fact is, Sir, that if this country is to interface with the rest of the world efficiently, then, it is important that urgent steps be made to clean up the image of external affairs in Barbados.

Now, Sir, we were told that one of the reasons for the taxation last year was that the country was heading for the rocks, was facing a balance of payments crisis and what do we find? This country had a balance of payments surplus for the last seven years. Like in the past years, the balance of payments surplus and the foreign reserves partly reflected borrowings. This year \$80 million was borrowed. Last year, I do not even recall what it was because the same principle applies but the important point is this that you cannot boast when you are a borrowing country of having a large surplus on the balance of payments due to borrowing.

If you have a large surplus that is created by economic activity, by tourism, manufacturing, financial services, yes, that is something to boast about. When it is done through borrowings, all that has happened last year is that the money was borrowed up front, you have had to pay interest on the money that was borrowed, you lent the money out and the cost to the people of Barbados would be the difference between what you pay for borrowing it and what you get when you lend it out so that large balance of payments surpluses, if they are not earned surpluses, are absolutely nothing to boast about. But what is absolutely important is that that level of surplus gives the absolute lie to those persons outside of this Honourable House.

Asides.

Dr. R.C. HAYNES: If I may continue, Sir...

Mr. SPEAKER: I would prefer that to be taken from the records and the Honourable Member substitute a better phrasing.

Dr. R.C. HAYNES: It indicates that that person outside of this Honourable House who said that the economy was heading for the rocks was not, in fact, telling the truth.

If I may continue, Sir. We believe that a large amount of money is spent on public health in Barbados. The Ministry of Health, Mr. Speaker, absorbs a substantial proportion of Government's expenditure. There has been considerable debate over certain problems developing in the public health sector of the Ministry of Health along with other areas in health.

There were certain discussions which have taken place inside and outside of this House relating to chickens. I do not propose to bore the public with matters relating to chickens or any specific farm. 4.25 p.m.

Mr. SPEAKER: I hope that is a Budgetary Proposal as well.

Dr. R. C. HAYNES: Sorry?

Mr. SPEAKER: Is that a Budgetary Proposal?

Dr. R.C. HAYNES: I am speaking on the expenditure component, Sir. And I am speaking of the need of the Ministry of Health to devote more resources in order to deal with the questions relating to ensuring that Barbadians get clean pork, clean chickens and so on.

What I am saying, Sir, is that I did not know that this matter was under discussion for a year before it was being discussed here, and that the matter was known to the Ministry of health about a year before. I did not say the Minister. I said the Ministry of Health.

And what I did not know, and I say, Sir, I did not know is that a dead pig was prepared, Mr. Speaker, for sale to the public.

Asides.

Dr. R.C. HAYNES: And thanks to the vigilance of....

Aside.

Dr. R.C. HAYNES: the Public Health Inspectors, they identified the public pig, Sir.

Laughter.

Dr. R.C. HAYNES: They identified the dead pig, already purple and bluish, fully prepared.....

Aside.

Dr. R.C. HAYNES: and frozen.

Aside.

Dr. R.C. HAYNES: And they had to order that that pig be burnt and buried. And it remains buried.

That dialogue, Sir, - I understand that there are restraints of a judicial nature which might prevent me from pursuing that matter. I will respect that. And therefore, I do not refer to any particular farm.

But what I do know, Sir, is that there were situations where Public Health Officers, Mr. Speaker, have been able to identify some very unusual things, large rodent infestations, accumulations of manure heaps breeding flies, dogs being housed in the staff's lunchroom. All these things taking place in this country and brought to the Ministry of Health since March, 1988. I will let you have the correspondence.

I have always been worried, Sir, that from time to time we see mysterious illnesses in Barbados and one wonders what are the causes of those illnesses.

But I would say that if we are serious about developing our agro industrial potential that this sort of thing should not be allowed to happen in Barbados.

Mr. Speaker, what I have sought to bring to the attention of this House in several areas is the failure of this Administration, not only to respect the wishes of the electorate, but to embark on fiscal policies which have now created serious problems for the people of Barbados.

We are hearing a lot of talk, Sir, as I said about the fiscal deficit, the need to control the fiscal deficit. And I want the Honourable Minister of Finance to tell this country how he proposes to finance a deficit of \$261 million, apart from removing \$143 million from under the carpet and saying that that is amortizations.

I want the Honourable Minister of Finance to tell this country that if he removed the additional taxes that he got, % such as surcharges, what he would have got if he had left the tax base completely as it was last year. The amount of revenue, Sir, that the Honourable Member would have got, excluding the Transport Levy would be about \$950 million. Those facts are there, Sir. As a matter of fact, Mr. Speaker, even if the Honourable Member as it has turned out wished, as I said, to accommodate a policy of reduction in Stamp Duties in respect of CARICOM imports, provided that was accurately and reasonably accurately estimated, then he could still have achieved that. And if he were a little uncomfortable, maybe \$10 million to \$15 million in taxation would have given him additional comfort.

But, of course, I was very surprised at those estimates in terms of revenue loss from Stamp Duties. Because it is to my certain knowledge that when the matter of the loss of revenue from Stamp Duties, consequential on the abolition of Stamp Duties and goods from CARICOM into Barbados,

when that was looked at, to my certain knowledge, the figure was about \$12 million.

A process was also started looking at the cost of the abolition of Stamp Duties on raw materials in other areas of manufacturing. And in point of fact, the \$20 million loss or so, \$18 million to \$20 million loss or so should have been the correct estimate, based on what I knew. Those discussions did not start last year. They started a long time ago when the Ministry of Trade was discussing with their counterpart Ministries in other parts of CARICOM the need to abolish Stamp Duties on CARICOM goods. And if my memory is good, arising out of a meeting in Guyana, some time in 1986 or 1987, there was a further look at the loss of revenue that could result from a removal of Stamp Duties and the figure was somewhere about \$12 million. The garment industry and other areas were looked at as well, in terms of domestic manufacturing and export manufacturing. At no time, a figure of that magnitude was ever suggested.

Perhaps, Sir, the Honourable Minister of Finance can tell us what the estimated cost will be for the Public Service this year in the regrading exercise. Whether that is included in your expenditure.

Perhaps, you should tell the country what is your position in relation to the Common External Tariff. Whether or not Barbados will be party to a commencement date within this financial year. All these things, Sir, will help the people of Barbados to get a more balanced position on the possibilities of that particular deficit this year. Because one would impact on expenditure, whereas the other one would impact on revenue.

Is it because you are anticipating that probably in the fourth quarter of this year, you will lose revenue on import duties as a consequence of the Common External Tariff. Is it due to come into force? I do not know. I am just asking questions. I think the public of Barbados would be very interested in knowing.

Mr. Speaker, Sir, I do not think that we are doing in this country as much as the Government said that it would do in relation to eliminating the scourge of illicit drugs in Barbados. That was in terms of social commitments to Barbados, one of the principal promises made by the present Administration.

We have more drugs, we have more crime, we have more unsolved murders.....

Mr. SPEAKER: The Honourable Member has one more minute for broadcast time.

Dr. R.C. HAYNES:..... the morale in the Police Force is at its lowest level. It would seem to me, Sir, and it is known throughout this country, that at the highest levels in the Defence Force, there is constant confusion.

What is happening in Barbados? Is it a general and utter contempt for the political directorate of Barbados? Is it that they are perceived as weaklings? Is it that they are perceived as drifting and cannot offer direction to the country? What is happening, Mr. Speaker? We are talking about the forces of law and order. 4.35 p.m.

At this point Mr. SPEAKER directed that certain words spoken by the Honourable Member for St. Michael South Central be expunged from the record.

Dr. R. C. HAYNES: Anyhow Mr. Speaker, I want to make this pledge to the people of Barbados that an NDP Government will make every effort to deal with the drug problems of Barbados. That an NDP Government, Sir, would make a serious effort to look at all of the resources allocated to law and order in Barbados and make sure that the police of this country have the manpower available to them, the skills available to them, the technological help and the equipment necessary for the detection of crime and the prevention of crime in Barbados. We think that there is an urgent need as well for Prison Reform in Barbados and nothing is being done or said about that.

We believe, Sir, that where we have a situation where drugs are imported and not grown in Barbados that this should be a relatively easier problem, I am not saying it is not difficult but a relatively easier problem than if they were grown in Barbados like in other countries like Colombia.

Mr. Speaker, I have given considerable thought balancing the disadvantage under which one is placed in replying to a Budget in 80 minutes. But bearing in mind, Sir, that there are other Members on this side like myself who were not party to that decision I would like to do nothing to prevent them from participating in the debate fully. Therefore, Sir, at this point I will wind up my address. But before I do so, Sir, I would like to introduce an amendment to the Motion before the House to the effect that all the words after "Whereas" appearing in the first line of the first paragraph be amended to read as follows:

"Whereas it is a matter of fact that the tax burden on the people is at its highest level in the history of this country, and whereas this situation has been the result of callous indifference to the wishes of the electorate, errors, ignorance, and stubbornness on the part of the Minister of Finance, and whereas all sectors of the economy and the welfare of our people particularly the youth and the unemployed have been adversely affected by such gross indifference, and whereas public expenditure as a percentage of gross domestic product is also at its highest level in our history, and whereas such incredible escalation in expenditure is a direct result of mismanagement and the need of the Minister of Finance to secure political support through extravagant spending, be it resolved that this

honourable House severely censures the Minister of Finance."

Mr. SPEAKER: As the Amendment has been read, it cannot be accepted in this form particularly the last paragraph "Be it resolved that this Honourable House severely censures the Minister of Finance." It can only be done by a Resolution.

Dr. R.C. HAYNES: Mr. Speaker, I accept your Ruling except to point out that I have introduced several other Resolutions in those terms in this House before. Thank you very much.

(Applause.)

SUSPENSION OF SITTING

Hon. P.M. GREAVES: Mr. Speaker, Sir, I move that the House be suspended for 20 minutes, Sir.

Hon. B.M. TAITT: I beg to second it, Sir.

The question that this House be now suspended for 20 minutes was put and was resolved in the affirmative without division and Mr. SPEAKER suspended the sitting according. 4.45 p.m.

ON RESUMPTION

Mr. SPEAKER: This sitting is resumed. The Honourable Member for St. Philip South.

Hon. H. A. BLACKMAN: Mr. Speaker, this afternoon, exactly like the afternoon last year in the budget debate, the Honourable Member for St. Michael South Central overdid himself. I believe that today was probably the worst time I have heard the Member for St. Michael South Central speak. He was rambling here, there and everywhere. I have never heard him worse than he has been this afternoon.

The first point I need to make here, Mr. Speaker, before I deal with some of the points he raised, is the question of speaking time in the budget debate. I have been in this Honourable House for about eight years and in those eight years we have always followed the principle that the chief spokesman for the Opposition was to speak for exactly the same time as the Minister of Finance. Suddenly, because it is the Honourable Member for St. Michael South Central - remember he was Minister of Finance too - he wants the rules in here, all the principles that have guided us throughout the years, to be changed to suit him.

Let me tell you why he wants the principles changed. He has gone on record as saying that he is not going to cross the floor with only two Members with him, because

that would not be sensible. If he goes over there with only two Members he will have just the half hour to speak. That is why the Honourable Member for Christ Church East held him over a barrel for about six months.

Laughter.

Mr. E. BOURNE: Mr. Speaker, on a point of-order. I should like the Honourable Minister, the Honourable Member for St. Philip, to withdraw those remarks. It is not true.

Aside.

Mr. E. BOURNE: I am asking him to withdraw the remarks, or explain to me what he means by holding somebody over a barrel.

Hon. H.A. BLACKMAN: Mr. Speaker, the words are being used figuratively. When the decision was made that he could collect the three persons with him, he then moved over, because he said he wanted to speak for the length of time, the two, three or four hours the Prime Minister was going to speak.

Now, let me say something here, Mr. Speaker. This is not any Cabinet secret I am letting out, but I will tell you my position. When I heard that, all of these persons here can tell you, I asked the Prime Minister if it were not possible to condense his speech into 30 or 40 minutes so that he could be "cat spraddled." We have to understand something, Mr. Speaker. All through the regime of the late Prime Minister, his budgetary proposals used to be 40, 45 or 50 minutes. In fact, one time he went down to 38 minutes. It was only after the late Honourable Tom Adams took over as Prime Minister that the budgetary statements were long, and in fact I heard the Honourable Member for St. Michael South Central in here attacking the Barbados Labour Party on more than one occasion, saying that all Tom Adams did was to read the Economic Report, regurgitate it and that is why it took three or four hours.

The Honourable Prime Minister yesterday gave a reason why there was no necessity to speak for any two, three, four or five hours. The Central Bank Report had already been laid about two or three weeks before, I believe the earliest time ever, because you remember on many occasions the Central Bank Reports were leaked to people, we could not even get them by the time the budget debate started. The Economic Report was laid about two or three weeks ago as well, so why should the Prime Minister speak for two, three, four or five hours? My view was that it should have been 40 minutes.

Mr. Speaker, there are persons who would like me to speak about housing and nothing else. I am not going to do that. Housing is well taken care of, and we will have other debates in here when we will speak about housing. You will

hear about housing very shortly. Housing used to be the football in Barbados. It is not the football any longer, and we intend to keep it that way.

This budget, Mr. Speaker, is about credibility as against showmanship. It is about concern for Barbados and Barbadians as against unbridled ambition. It is about honesty as against cheap popularity, and the point I am trying to make is that if the Prime Minister wanted cheap popularity he would do exactly what you are saying and remove the taxes. He would have no problem. Remove all the taxes, as you say. That would be cheap popularity. The Prime Minister is concerned about the welfare of this country, and that is why he is not doing what you tell him. You have a reason why you want the Prime Minister to go down that road.

Someone ought to tell the Honourable Member for St. Michael South Central that we are now in the year of Our Lord 1989, not 1986, and it is time he stops harking back trying to justify and trying to prove to people in Barbados that he was right and everybody else was wrong.

Last year the Honourable Member for St. Peter conceded that the Honourable Prime Minister had to correct certain deficiencies in the economy. What he did, and I will concede it to him, he gave the impression that in his view the Prime Minister had gone too far, but he said that there were deficiencies in the economy that needed to be corrected. So everyone is telling him that except himself and the guru from the university. Unless he can show that the goals the Prime Minister set in the last budget were not met, and unless he can show that the policies of the Prime Minister have failed, I would humbly suggest that he shuts up, goes over there and let the Honourable Member for Christ Church West take over there again and let the Honourable Member for St. Peter resume his rightful place as the spokesman for the Opposition on the Ministry of Finance. That is what should happen. At least Barbadians expect that party to oppose us, because the people in this country determined that that should have been so. The people in this country never determined that somebody should oppose us because of his burning ambition to be Prime Minister. This is not a simple matter this afternoon, this is a matter of credibility.

Mr. Speaker, a lot of people tend to forget that one of the reasons the Democratic Labour Party lost the Government in 1976 was that the Barbados Labour Party successfully got the people in Barbados to believe that if the Democratic Labour Party had won, the late Prime Minister would have made the Honourable Member for St. Michael South Central Prime Minister, and that is why he lost his seat in St. George. The people said they were not taking any chances with him.

I am heartened, nevertheless, Mr. Speaker, by the good sense of the Barbadian people. Despite all the attacks

and the innuendo and the invective against the Prime Minister and Minister of Finance throughout the year, a poll was carried out and they gave all sorts of excuses. Some of them said it was carried out in DLP areas, some said it was carried out in the Prime Minister's house, but the Prime Minister came out on top. That is why I am heartened by the good sense of the people of Barbados.

Another reason I am heartened by the good sense of the people of Barbados is that all the key persons - and the Honourable Member spoke today about his constituents of St. Michael South Central - but all the key persons in that constituency have remained faithful to this Government. All! If not all, 99.9%. 5.15p.m.

I saw them on Sunday, and what is the most encouraging of all is that in a recent poll that was done, the most boxes that were done were done in the constituency of the Honourable Member for St. Michael South Central - four boxes; and would you believe that out of 107 people polled only six of them believed that he should be Prime Minister of this country? Six out of 107. But I turn now to some of the statements that he made in the reply to the Budget today.

He said that his fiscal measures were responsible for any growth in the economy. I am going to read, Mr. Speaker, what he said last year in his response from over there. He said, and this is on page 2 434 of the House of Assembly Debates, First Session, "These taxes will impact on every growth area in the society, whether it be tourism or construction, but particularly in domestic manufacturing."

Now last year he said that these taxes would impact on the growth; the growth this year is higher. Were the taxes taken out altogether? He said that the taxes would have impacted on the growth and would have reduced growth, and the growth increased. The growth last year was only 2.2 per cent. He went on to say, Mr. Speaker: "I need not say there will be a substantial reduction in employment. What these taxes will also do, Sir, unless they are removed as rapidly as possible, is to reverse the process of new investment taking place in Barbados."

Now, Mr. Speaker, that is not all he said, because what he said you have to take against what actually turned out. You have to look and see that tourism grew, manufacturing grew despite all the predictions. But he went further. He said that the measures that the Honourable Prime Minister took last April could not have had any effect for about twelve months. But, Mr. Speaker, I am sure you recall that he said that his Budget that came in July, 1986, created 5 000 jobs in a year; the Prime Minister's measures can't have any effect for a year, but his had effect immediately. What is more, Mr. Speaker, he said as well, and this is found in the Financial Statement and Budgetary

Proposals of the Hon. R. C. Haynes in 1987, "the overall deficit of the Central Government was \$163.8 million or 6.1 per cent of GDP." Remember today he said you should not take out amortisation, but he modified it slightly and said if you take out amortisation you put in other things. But listen here, he said, "However, when amortisation is excluded from the current expenditure and shown as a financing item net of capital inflows as is the custom ..." In his budgetary proposals he said "as is the custom".

Mr. Speaker, he went down the line and was speaking about the concessions that the Prime Minister made to the hotel sector, the manufacturing sector and so forth.

Asides.

Hon. H. A. BLACKMAN: I am not quoting. In fact I am not even reading it. The hotel boss said, despite what he said that they are complaining about this and about that is this Budget, the hotel boss said that what has happened today is significant and welcomed, but the Honourable Member said that they said it is not anything. They say it is significant and welcomed. He said that the farmers said that the concessions are not anything either. The President of the Farmers' Association said "I am pleased with the measures and they should make a great impact on the entire farming community." He went on, I am talking about the farmer, not the Honourable Member, "we have been trying to impress on Government for the past...."

Mr. SPEAKER: I would not want to interrupt the Honourable Member, but I am sure he knows where I am coming from.

Hon. H. A. BLACKMAN: Yes, Sir. He was trying to impress on the Government for the past fifteen years to take these measures that the Honourable Prime Minister took. That is what the farmer said, but the Honourable Member said that they are complaining. You have to understand something. Let us suppose, Mr. Speaker, that the Honourable Member was right in everything he said; what does that prove? All it would prove to me is that he should be Minister of Finance. But I am going further, I am not stopping there. He already had the Ministry of Finance and gave it up on the flimsiest of excuses.

The question one has to ask is why did he give it up and why did he give it up at the time that he gave it up. Those of us who are close to these things know that on many occasions he told us that he was resigning; he told me, your humble servant, that he was resigning.

Mr. SPEAKER: We have Honourable Members in here.

Hon. H. A. BLACKMAN: The Honourable Member told this Honourable Member that that Honourable Member was going to resign; but that was when the thought was that

I was going to jump ship. Mr. Speaker, let me tell you something now. I have supported the Democratic Labour Party from the time I was fourteen years old at Combermere School, and if I were to jump ship, I would deem it an act of unpardonable betrayal of the memory of Errol Walton Barrow and the people of Barbados. Any time I jump ship I am going to drown because I cannot swim too good, and I don't have any other ship to jump in; so let that be understood now.

Sir, you keep hearing about the NDP, and they keep speaking about morality, integrity and yard-fowlism. The thing that I can't understand, Mr. Speaker, is why suddenly these persons are trying to portray that there is more morality, more integrity, less yard fowlism in that party than in any other party in Barbados.

Now, Mr. Speaker, the Honourable Member bemoaned the fact of current expenditure rising. When last have you heard any person in Barbados speaking about potholes? I have not heard anybody speaking about potholes for the past two years. 5.25 p.m.

You can see where the expenditure is going. Let me say something, Mr. Speaker, that in the Estimates debate that part of the line against the expenditure and when the measures were put to the vote not one of them voted against it because all of them said they wanted something else.

One of them said they wanted roads built from Chancery Lane right over to the Airport but still you hear that expenditure is too great. You have to understand.

I am not going to say anything about the other three Honourable Members because, to be honest, Mr. Speaker, I believe that they were misguided and misled and that is my personal view. I might be wrong but that is my view because as far as I can see the complaint they have against this party was that they could not get certain things done in their constituencies. That is not enough reason to leave a party.

I have been representing a constituency, Mr. Speaker, for eight years and there are things that I wrote the past administration about and I have not got them yet but I had an old mother that used to say that taking time is not laziness and I am getting things done in St. Philip now.

In Gemswick the road is finished. Rices, a little road that people were complaining about for years is ready. Ocean City is finished. They are now doing Harmony Lodge. Very shortly they will be doing Harlington and they will be doing Diamond Valley. You have to take your time.

Mr. Speaker, in the next few minutes I think we need to look at the motivations of persons in this debate. I find it

strange, Mr. Speaker, that attacks could be made on the Honourable Prime Minister when every goal that the Prime Minister set himself he achieved. If some of the goals that the Prime Minister had set he had not achieved, I could understand the Honourable Member saying or criticizing but, in fact, the Prime Minister was modest and he always errs on the modest side. He said that growth was expected at 2.2% and we got a growth of 3.5%. Every single thing he said he achieved and he is still being criticised.

Aside.

Hon. H. A. BLACKMAN: Mr. Speaker, immediately after the Prime Minister's presentation is the last Budgetary Proposals, the first person to say that the Prime Minister did the right thing was the former Governor of the Central Bank. Then the IADB said he did the right thing. The "Institutional Investor" suggested that he had done the right thing. The people of Barbados who, no doubt, had been a bit confused after hearing Honourable Members speak against the measures of the last Budget are now satisfied that the Prime Minister did the right thing.

Do you know that the first time that I could remember that I heard the statement in here, as from tonight gasoline prices will go up from that to that and I did not see any sort of line at a gas station was last night? Do you realise that? There was not any line. The people are satisfied that the Prime Minister is doing the right thing. That is what is happening here.

Now, I have to say one thing with the discussion....

Aside.

Hon. H. A. BLACKMAN: The Economic Society of Barbados also said he did the right thing. The only person who believes he is not doing the right thing is the guru and the point I am trying to make, when you are talking about this person you should ask the guru who it was that tried everything in his power to stop the owner of Cottage Plantation from reseriving and revitalising the economy because they wanted the Barbados National Bank to declare the owners of Cottage Plantation bankrupt for the guru and two more persons to purchase Cottage Plantation and the other two persons are members of the NDP.

> Do not let me call any names. You have to understand when they are talking about yardfowlism and morality. Ask the Honourable Member for St. Michael South Central whom he wanted to appoint as Executive Director of the Barbados National Bank and pay him \$128 000 a year with one day off every week. Who it was? The guru. And he is talking about yardfowl?

Mr. Speaker, my position....

Mr. SPEAKER: The Honourable Member has risen on a point of order.

Dr. R. C. HAYNES: On a point of order, Sir.

I have never expressed an opinion to anyone as to who should be appointed as Director of the National Bank.

Hon. H. A. BLACKMAN: Mr. Speaker, what about the midnight calls to people high up in the NUPW telling them not to agree to the proposals at all? Is that integrity? What about telling me on the 28th August, 1988, a Sunday night at twenty-five minutes to twelve o'clock to resign from the Prime Minister's Cabinet? Is that integrity? Everything I say is here today is the truth, nothing but the truth, the whole truth. I am not going to put on the swear word on it. I do not swear. We have to understand something.

Mr. SPEAKER: One minute more.

Hon. H. A. BLACKMAN: Mr. Speaker, let me say this. I did not want to get this way in this Budget debate but when certain things are said, one has to take defensive action, like the Prime Minister had to take corrective action. If the Prime Minister was interested in cheap popularity, he would have done everything that the Honourable Member said; give back the people all the money, give back the businessmen all the money, give the tourism sector \$40 million instead of the three but the Prime Minister has to start somewhere.

Mr. Speaker, I will leave because, as I said, I had a nice old lady, my mother, and you know those old ladies had some good sayings and I leave one saying of my mother with the Honourable Member for St. Michael South Central and that saying is, "if greedy wait, hot will cool."

Thank you, Mr. Speaker.

Applause.

Mr. O.S. ARTHUR: Mr. Speaker, Sir, we will this year celebrate the 350th Anniversary of Parliamentary Government in Barbados and when future generations come to look back at what this Honourable House tried to accomplish this day, I fear that they will have to use words of the Jamaican Reggae Singer, Ernie Smith, if they were only going to take account of the speeches that have, so far, been presented, that "while they fought each other for the power and the glory, Jah Kingdom went to waste." 5:35 p.m.

They would be shaken, Sir, that at a time when black people have been entrusted with the responsibility of building a society, that a matter, as serious as a Budget Debate could be reduced to who was right and who was wrong. It is well with my soul, Sir.

I do believe that in this particular debate which occurs at a very crucial time in the economic and social development of this country, it behoves us, Sir, to begin to refocus what are the critical issues facing this country at this time, and try as best as we can to slot what the Prime Minister has presented as a Budget within the context of the issues of the day. And ask the question, Sir: To what extent will they cause future generations to believe that we who sat here in the 350th year of this Parliament, Sir, were serious people.

I want, Sir, to say this, that I cannot support the Prime Minister's Budget, largely because it was a Budget that was very vapid in its content, it was meaningless in the directions it set for the society, and in many respects, Mr. Speaker, it was simply the product of a confused mind, a mind which has already dispensed with the Democratic Labour Party's Manifesto, and in the process of this Budget, Sir, dispensed with the policies that were set last year and the policies to bring Barbados back into a situation of stability.

And why do I say this, Sir? Because in a very real sense, the only issue that this Budget has dealt with and resolved is the issue as to who will now have to pay for the removal of the surcharge on incomes and profits which should not have been imposed, Sir, in the first case. That is what this Budget is about and it is the only issue that it has dealt with and has resolved.

The answer to that question is contained in the Budget and it is devastatingly simple. That the persons who will have now to pay for the removal of the surcharge are the broad mass of low income wage earners in Barbados who benefited least from the DLP tax cuts in 1986 who are now shouldering the burden of the trade unions' new found commitment to wage restraint and who have already had to endure two previous tax onslaughts by the Democratic Labour Party both in the form of increased payments of levies, but moreso, Sir, in the form of the increased payment of indirect taxes which they have to endure when they go to the supermarkets and when they shop in the stores. Those are the persons who will have to pay.

And I therefore charge, Mr. Speaker, that this Budget is an anti people Budget. It will frustrate and it will fail the young people of this country who have to adorn our street corners at a time when the Government is taking \$10 million out of the pockets of their parents, as a Training Levy, and spending nearly \$4 million on occupational training, at a time when we are having to import skilled labour from places as far away as Guyana. It will frustrate those persons, Sir. And at a time when the Government is giving a part of that training levy to the Barbados Workers' Union and others to hold seminars. It will frustrate our senior citizens and our pensioners who will get \$3.00 in one hand and will have \$5.00 taken away when they face the

silent killers in the form of the Consumption Taxes in the supermarkets and the stores.

It will frustrate the small businesses of Barbados whose problem it has not addressed. It will frustrate all of those potential entrepreneurs who look to the Barbados Development Bank, Sir, for their source of investment funds. It will even embarrass the supporters of the Democratic Labour Party, because they were led to believe in 1986 that the Barbados Labour Party was a party of over taxation. And now those same members of the Democratic Labour Party would have lived to hear their Leader say that between 1981 and 1985 when the Barbados Labour Party was supposed to be managing this country poorly that we were taking only 24 cents out of each dollar earned out of their pockets. And now to their Leader, Sir, managing things well is taking 31 cents out of each dollar out of their pockets.

How can they go back and ask their supporters to face ours when the last election, Sir, was fought on the question of over taxation. The Prime Minister cannot today confess that under the Barbados Labour Party, 24 cents out of each dollar was taken out as taxes in total and now 31 cents out of each dollar, and we are to congratulate the Government, Sir.

It will embarrass the Prime Minister as well, who will have to explain how is it that the amount that he spends to run the country has risen from \$660 million under the Barbados Labour Party to \$986 million this year without his Government being able to put a single street light in any district in Barbados in the course of the last two years, without his Government being able to construct playing fields and community centres, with his Government now being forced and put to the necessity of having to try to save expenditure by recycling disposable gloves, with his Government and a Cabinet allowing Ministers to award road contracts to the highest bidders, with a deterioration in the state of the roads, if not in the constituency of St. Philip South, at least in the constituency of St. Peter, and with a cut in spending on export promotion at a time when the export earnings of this country are half what they were in 1985. These, Sir, are the issues which this Budget present. And the sad thing, Mr. Speaker, is that these need not have to be the issues. Because Barbados, if we were to get proper economic management could face exciting economic times.

We are now living, not in the 1980s in an era of international recession, but in the context of a situation when the world economy is expanding faster than it has at any previous time in the last 40 years. We are living at a time, Sir, when the growth rate realized by Barbados last year was the lowest in the Caribbean, except for Trinidad and Guyana, two countries which we would not want to accept as the model to which we must aspire.

Indeed, Sir, it is a telling statistic that Jamaica, affected by a serious hurricane realized the same economic growth rate as Barbados realized last year. And I am saying this, Mr. Speaker, not with a view....

Aside.

Mr. O. S. ARTHUR: ... to rain on the Democratic Labour Party's parade.

We have to face a very serious issue, that the situation that now presents itself is one in which we are going to tell the ordinary people of Barbados that the economy has realized 6 years of successive growth and that we have this year realized a respectable growth rate of 3%.

They will ask us: How long must the economy continue to grow and by how much must it grow before the level of unemployment in this country is reduced? That is the question they will ask us, Sir. They will ask us as well: For how long must this economy grow, and by how much ' must it grow before we in Barbados start again to pay our way in the world, put behind us the tactic of having each year to borrow money for balance of payments supports similar to a situation as if each month you had to go to the supermarket and borrow money for your groceries? This is what this Budget must be about, Sir.

The Budget is about growth in the context of an economy that is behaving like a top spinning in mud. It is going nowhere. And what Barbados requires, Sir, is a serious adjustment in our economic strategy, not only in the nature of our taxation, Sir, but a fundamental reordering in the production basis of this economy. Because unless we are prepared to face that issue, we will never resolve the paradox that this society is supposed to have grown continuously for six years, but yet, the basic social and economic problems, and in particular, the key problem of unemployment cannot be resolved.

We have to face the critical issue as to what we are going to do with agriculture. It cannot any longer, Mr. Speaker, be avoided that the old plantation system which has been the backbone of Barbados' agriculture for three hundred and odd years has seriously to be reformed. 5.45 p.m.

It behoves us to address our minds fundamentally to that. There has to be land reform in Barbados, Mr. Speaker, with a view to making sure that those persons with a capacity to farm are put in possession of land not necessarily by way of a \$3 million grant on the Budget but by way, Sir, of leasehold arrangements that limit the amount of capital that they must have in order to undertake their vocation. There has, Sir, to be a fundamental change in the role of the Barbados Marketing Corporation to stop it from being an agency that sells other people's agricultural produce to one that begins to sell the produce of the

Barbadian farmers. I say to the House, Sir, that so long as the Barbados Marketing Corporation remains in its existing mode, agriculture has no future at all in this country. There has also to be a new Agricultural Development Act that allows us to recapitalize agriculture in this country and to put agriculture, Sir, on the same kind of footing as we afford to offshore business and other sections of the economy. We have also to realize that the numbers are telling us, Mr. Speaker, that the industrial strategy that we have had for the last 25 years, Sir, has outlived its usefulness, that it is an industrial strategy that can only work if Barbados is prepared to compete with Haiti upon the basis of wages. It behoves us to address our minds to the question in this debate, Sir, as to how we are going to build a new industrial order in this society. The question, Sir, of excess liquidity in the banking system has to be addressed.

How long must we tell the people of this country, Sir, that the savings that they are putting in the bank are rising faster than the amount that the banks are prepared to lend out and at the same time tell them that our level of investment is too low giving rise to high levels of unemployment? We have, obviously, to deal seriously in these debates with the question of the role of the banking system.

We have also, Sir, to find a constructive and new role for all of the persons in this society who seek cooperatives as part of their vehicle for transmission. Therefore, Sir, when I say that the Prime Minister's Budget was lacking in content and gave no new direction it is simply because at this critical juncture, Sir, the only thing the Prime Minister was concerned about is simply how does he now compensate for the fact that he has to give up a surcharge. I am saying, Sir, that when we now begin to focus as we must focus on the Financial Proposals it becomes clear that not only is the Government lacking in direction, but that the Budget was obviously constructed by persons of confused minds.

The Member for St. Michael South Central, Sir, and the Leader of the Opposition made it very clear and made a very important point that the Budget really does not set out a Financial Statement and he was correct when he said that the Government would have been embarrassed if that Financial Statement was set out. The reason being, Sir, is that the Financial Statement would have shown that the Prime Minister who did not last year set out to raise taxes to pay the civil servants nor to prepay the University of the West Indies ended up - and he said in his Budget last year that he will have to settle with the civil servants, and then if necessary come back to Parliament - it would have shown that the Prime Minister was in a position not only to pay the civil servants without having to come back to Parliament and prepay the University of the West Indies, but having done so run a Current Account Surplus, Sir, that was far in excess of anything that you could possibly imagine, Sir.

The fact of the matter, Sir, is that if the surcharge had not been imposed, the Government would still have been in a position to run a Current Account Surplus and still have a small proportion of money to help finance the capital programme.

As regards to this year, Sir, the Prime Minister must go to lengths to tell us what lies behind these numbers that are meant to represent a financial policy. As I understand it, Sir, he has now agreed that his notion of raising taxation to finance a projected Current Account Deficit is a policy that he has decided to throw out the window. What he is now doing, Mr. Speaker, is recognizing after much pressure that there are certain current account expenses for which one does not have to raise taxation to cover and that if you have a current account problem that is a debt service problem you do not have to raise taxes in order to deal with that. But the possibility exists for a Government to refinance its debt as an option to raising taxes and that, Mr. Speaker, Sir, is the policy that he has taken his Party and the country into his confidence about. If we were to take the Prime Minister, Sir, at his word at Page 22 and if we were to interpret him on the basis of his past policies, then Page 22 will lead us to the conviction that he in fact should not be imposing taxes this year at all. What Page 22 tells us, Sir, is that when we take out amortization, the net financing requirements of Government is \$154 million. Included in that net financial requirement is the Capital Programme of \$218 million. So that you can only have a net financing requirement of \$154 million, Sir, and a Capital Programme of \$218 million if the Current Account Surplus is \$64 million and he will, therefore, have to explain to us why it is that he starts with a Current Account Surplus, says he will never increase taxes unless we have the deficit, but yet with a Current Account Surplus of \$64 million he now wants to raise taxes by as much as \$43 million.

Quickly Mr. Speaker, Sir, let me deal with some of the specific measures that have been outlined in this Budget. As regards to the loss carry over, this reflects a genuine insensitivity to the pride of the enterprises under pressure and it also reflects, Sir, the deep state of confusion that exists in the mind of the financial planners of Government. The record on this matter, Sir, is quite simple, that in the past enterprises that had incurred a loss were allowed to carry forward those losses into the years when they made a profit and reduce the tax payable correspondingly. What the Government did last year was that it told the enterprises that it can no longer carry forward all of your profits and subtract them from your tax payable in any year. You can only carry forward in any year an amount that reduces your tax payable by 50% and this is a measure, Sir, that has worn in a particularly distressed way on the small businesses, medium size businesses of Barbados, and in particular the businesses which are most in need of help. Now it does not help them at all, Sir, for the Minister of Finance not to revert to the former position. His position should be to go back to the position of the past if he wanted to help them.

Merely lengthening the period over which they can carry forward losses, Sir, will not at all bring any relief and if Members on the other side want the proof, you can check the Prime Minister's Budget yourself and you can see that the cost to the revenue from this measure is zero, no relief whatsoever from the extension of the time. The only way of relief that can be brought to those businesses is by the Prime Minister agreeing to revert back to the former order of things.

As regards, Sir, the Consumption Tax - those are the silent killers as his former opponent if he were here might have described them, Sir. They are the taxes that the old people pay, the housewives pay, maids, gardeners, and the Parliamentarians pay out of their pay cheques, Sir, when they go and get ambushed at the supermarket. I am saying, Sir, that the imposition of new indirect taxes this year is a disagreeable imposition on the people of this country and it will also be an ineffective imposition when judged in micro-economic terms. The honourable Members are taking too lightly some of the statements made by the Member for St. Michael South Central. The fact of the matter is that there was a slow down in the rate of growth in manufacturing in the second half of the year principally as a result of the imposition of these taxes and the Minister of Finance should tell his colleagues that last year he set out to increase the Consumption Taxes by \$70 million but his receipts were far less than that, because this economy started to slow down in the second half of the year under the impact of the Consumption Taxes. 5:55 p.m.

As regards the concessions to manufacturing, just simply to say it has been the policy of the Ministry of Finance in the past to grant waivers to manufacturing in circumstances where enterprises are not operating under the fiscal incentives legislation, all the Minister is doing is removing the discretion from the Minister of Finance and putting it into the legislation.

I will not oppose it in principle, if only because on 8th March in a speech given by one Owen Arthur at the Rotary South luncheon, I delivered myself of these remarks:

"Our tax planning, and indeed our overall economic policies, ought to be designed to bring more enterprises into a position where a reasonable rate of return can be realised on their investment. I think of enterprises which do not operate under fiscal incentives legislation and which have to depend upon the discretion of the Minister of Finance for tax waivers on investment goods. Many are small and medium sized firms which would clearly benefit from a clearly defined fiscal system which standardises what at present is left to the discretion of the Minister of Finance.

If we are to depend increasingly on tourism, we have also a responsibility to formally put on the table generous concessions for refurbishment and improvement in plant and facilities as a matter of course and not as a matter of discretion."

Imitation, Sir, is the sincerest form of flattery, and if the Minister of Finance has seen the wisdom of incorporating advice given, then I am not here to condemn him. I want, however, to deal with the issue of the Barbados Development Bank.

The policies as set out by the Government in relation to the Barbados Development Bank really might be the emptiest part of the budgetary proposals. The Barbados Development Bank has been technically bankrupt since March 1988. Its accumulated deficit has been greater than its capital from that point, and the Government has moved not a bit to address the issue. The implications have been that while the Government has been sitting down on this problem for more than a year, there has been a complete 'shortage of resources at the disposal of the Barbados Development Bank to carry out its development functions, and the evidence can be shown in the fact that the Bank is approving loans for people without the capacity to give them money to carry the loans into operation, with an attendant reduction in the job creation in the society.

I will give you the areas, Sir. In the area of micro businesses, the Bank last year approved \$53 000 in loans but was only able to disburse \$5 000. In the case of small businesses, the Bank approved \$2.5 million in loans but was only able to disburse \$1 million. So that the recapitalisation of the Bank is necessary, has been long overdue and it is completely outrageous, Mr. Speaker, for the Minister of Finance to have sat on this matter for more than a year to have a large number of persons who have no other development institution to go to, to go and get loans approved. It is as if the Government is laughing at these people, but the Government has sat on this matter for a year and comes to the House not with a specific proposal for recapitalisation, but with the promise that at some time in the future the matter will be dealt with.

I must ask the Government, Sir, how much longer will it take the Government to put into effect the Report of the National Insurance Board so that the whole confusion that is about to arise in this country over the benefits that accrue to people when they get severed and when they become unemployed can be resolved? The Government has recently made a policy initiative which is going to leave a large number of small people in this country disadvantaged and to their surprise, but it has had a Report concerning the Severance Payments Scheme and the Unemployment Benefits Scheme for a long period of time, and the Government must act. How much longer will the Government sit on the Report that was submitted by the Committee dealing with the graduation of the corporation

tax, and which specifically recommended, Mr. Speaker, that a beneficial rate of tax should be allowed to small businesses in Barbados in preference to entities of a larger scale?

That Report has been on the desk of the Minister of Finance since March 1987. How much longer will the Government tarry in implementing the recommendations pertaining to the formation of a secondary mortgage market in this country to widen the scope, to bring more money into housing, so that we can get the kind of hundred percent mortgages that we hear being spoken of in this country? How much longer will the Government of this country tarry on the question of a relationship with Trinidad, when our fishermen are being arrested on the high seas? How much longer must the Government tarry in this matter?

Sir, I must put it in this succinct way. In a sense there is nothing fundamentally wrong with the Barbados economy that a strong dose of economic leadership will not cure. But the Minister of Finance has taken unto himself a certain vanity. He will not listen to advice and he is a difficult man to consult. He believes that he has 21 years' experience and that he has more training than any previous Minister of Finance in this country, and I will urge him to make the distinction between 21 years' experience and the same year's experience 21 times.

There is no question, Sir, that the economic context within which this country is operating is one that lends itself to rapid economic growth, but the Government must set an example. It cannot tell maids that their income must grow by only 8% per year, while the revenue to Government must grow by 21%, as has been the case last year and will be the case this year. Government must set the example, it must take fundamental decisions on matters that can affect the security of persons' work, the benefits to which they will be entitled when they become severed, and it must take fundamental decisions in relation to our trade, in relation to the recapitalisation of the Barbados Development Bank, and more particularly, Sir, we must expect from the Government a greater degree of discipline in the manner in which it allows the expenditure of the Government to build up.

I do not have the time, Sir, to go through the growth in Government's expenditure, but it is a sad thing that the Government of Barbados can this year find \$2 million to cover the loss for the Caribbean Broadcasting Corporation, but can find only \$1 million to put into tourism promotion, and I do feel that when we are faced with contradictions, paradoxes of this order of magnitude, conflicts in policies of this excess, this Opposition Barbados Labour Party cannot find it in its heart either to join in the struggle for the power and the glory, nor can we find it in our hearts to support the Government on this Resolution.

I am obliged to you, Sir.

Mr. R.L. MORRIS: Mr. Speaker, I am afraid that we might give to the people of Barbados the general impression that we cannot debate matters relating to the welfare of this country without being over serious and giving the impression that there is nothing good that can happen once the Minister of Finance makes pronouncements about a budget. 6.05 p.m.

I would take as my point of departure a statement made by the Honourable Member for St. Peter before he sat: there is nothing fundamentally wrong with the Barbados economy. Now sometimes these honourable gentlemen will say the truth when they don't intend to, and then they will put riders to that truth, because the rider that the Honourable Member made was that the Honourable Prime Minister....

Asides.

Mr. R. L. MORRIS: That is what he said; I am quoting what he said.

Mr. O. S. ARTHUR: Mr. Speaker, on a point of order, the Honourable Member is distorting deliberately what I said. I said that there is nothing fundamentally wrong

Mr. SPEAKER: You had better not use the word "deliberately".

Mr. O. S. ARTHUR: ...with the Barbados economy that cannot be resolved with a dose of strong economic leadership. He must see the statement in its entirety.

Mr. R. L. MORRIS: Mr. Speaker, the Honourable Member for St. Peter can't teach me English. I am versed in English, taught it for many years, got prizes in it at university. You can't teach me English. You make a statement and then you put extenuations on the statement, and what are the extenuations, that the Prime Minister should take advice from persons like himself to correct what he considers to be the wrong, but I will deal with whether you, or rather the Honourable Member, is fit to give that advice or the Honourable Leader of the Opposition.

One of the myths that we have in this country is that we can individualise the roles that we perform when we have important functions. Every Minister of Finance depends on the Civil Service bureaucracy and other persons to make inputs into things like Budget proposals, so when you are condemning budgetary proposals, you are not condemning an individual. I hear persons like the Leader of the Opposition talking about my Budget Statement - full proprietary position, or positions that are representing a Government and a party and a people and trying to distance others from positions that they make. When I am part of a party and a Minister of Finance speaks, he speaks for me as

long as I give him that authority as a member of that group, and I do not understand that any one person, a Minister of Finance, can say this is my set of budget proposals and believe that it is something that they have a proprietary right to, as though it is personal property. I do not believe in these things. That is a myth that we have to correct. When you are attacking the budgetary proposals presented by the Democratic Labour Party through the Minister of Finance he is our spokesman - when you are putting personal attacks on that person, you are really attacking the party. Let us understand that very clearly. It is not a personal position.

Now all of us sat in this Chamber last year which represented a turning point I think in our perception of Parliamentary democracy. I am not getting into personal matters about why people form parties and so on, there is a time and a place for everything and the budget debate is about debating the budget, looking at financial proposals for the people of this country - and we all remember that that debate generated a lot of discussion about economic matters in this country. As is normal, I expect Members of Parliament and others in the community to commit themselves, make predictions and have judgments. That is very normal.

I want to look at some of the comments attributed to some of the spokespersons on the impact of last year's budgetary statement. Inflation; that was a matter that generated a lot of thought and predictions and some people are going to be very embarrassed when I finish on this particular section. The Government at the time thought that the inflation rate would go up by about one per cent more as a result of the budgetary measures. The present Leader of the Opposition reportedly stated that inflation rate would not be at the 1.3 per cent of 1986 or the 3.4 per cent of 1987; he said it was going to be more. Now that is a cautious statement. The level would not be 1.3 per cent nor would it be 3.4 per cent. He did not give a figure of what it would be, but clearly since Government had said that it would go up by about one per cent more, he would distance himself from that position.

He went on further and in a panel discussion with a former Prime Minister, as part of that panel he predicted a rise in inflation, emphasis again, so one gets the impression that there is going to be this steep rise in inflation, a decline in business confidence and a squeeze on the purse string of the poor; normal purple language. We are becoming very accustomed to this hyperbolic use of language in this Chamber when we should be trying to educate people and talk to the people about the realities of public life. So now that emphasis again is on the rise in the rate of inflation.

Of course it took a real economic guru, my good friend, the Honourable Member for St. Thomas to give you a specific rate of increase, and he said that it would increase to at least 8 per cent.

Asides.

Mr. R. L. MORRIS: No, no. He was speaking on good authority. He was following the person who wants to give the Prime Minister advice. The Honourable Member for St. Peter said it would rise at least to 6 per cent; so if he exaggerates a little bit on you, knowing that you are an authority, misleading the Honourable Member for St. Thomas, 8 per cent. But I know the Honourable Member for St. Thomas was speaking in a different arena, not a place for debate, so you could get away with those things. But let us be very reasonable, because the Honourable Member for St. Peter was speaking in this Honourable Chamber when he predicted 6 per cent, and in this Chamber we try to be as serious as possible.

Now the Government has been vindicated. The increase was to the level of 4.8 per cent, but I will just suggest to the public at large that when the Director of Research of the Central Bank of Barbados was asked what the level of increase in the rate of inflation would be, he said "I do not know; I cannot tell you." Now that is a trained economist. The Honourable Member for St. Peter is a trained economist also, but he is a politician also, and I attribute a lot of what he says in today's speech as in other speeches to the fact that he has to be political from time to time. He is a trained economist and a good economist too, but the fact that we have to be political sometimes can make us err in attempting to mislead people. Some do that. I said we in the sense that we are all parliamentarians and belong to that set of people; but those who do it would know you look at some other things.

The Honourable Member for St. Peter by May, 1988, was saying in the same kind of forum that there was no money in the till in Barbados and that Barbados could no longer pay its way in the world. Now these are statements that will come to haunt some people because they make them in the open forum, in public debate, and then you have to look with hindsight and see what actually happened one year after.

The guru who has been making these learned pronouncements on the Barbadian economy and who apparently is very influential in the thinking of the Leader of the Opposition predicted that the Budget would lead to a curtailment of recovery of manufacturing; he went further to say that corporation tax measures would be disruptive of the investment climate and would undermine investor confidence in Government, and in Government's economic policy leading to a lower rate of investment than would otherwise have been the case. We were told by the same guru when the salary negotiations were underway and when the civil servants were getting mixed signals from their leaders in a particular trade union and different signals from the leadership and membership of the same trade union, when they were discussing with the Government salary negotiations and walking all over this country at the time,

that the reason for this unrest in Barbados • was the budgetary proposals. Economists can sometimes come up with some strange causal relationships. The budgetary proposals caused those particular groups who were misled to walk up and down this country when they should have been discussing the salary negotiations. 6.15p.m.

The same persons took their legislated salaries and there was not a murmur from anybody because the workers wanted the money and they were satisfied that there was a good level of settlement. When we recognise now, really, where the General Secretary of that group was, then we realise why there was any disruption and the unrest had nothing at all to do with any salaries negotiations or any Budgetary Proposals.

But we are dealing with the guru and the whole question of who is to give economic advice, which of these pure economists who are to give economic advice that is the only advice that can be taken, and the best advice that can be taken, and better advice than the advice that the Honourable Prime Minister takes. Who are these economists? Who are they who are so good and so pure that they are better than he is or better than his economic advisers are? Where do they exist?

The guru at Cave Hill who is mentor of the Leader of the Opposition, the Leader of the Opposition or the Honourable Member for St. Peter, what gives any of you the qualifications, the interest of the people of this country or the integrity that distances you from the Honourable Prime Minister of this country, or the capacity even, or the skills even, what gives you better qualifications than he has?

That resides in your own minds, and to the extent that you can project it to others then you might have some success in bewildering people but let us be very objective. What makes the Honourable Member for St. Peter, the Honourable Member for St. Michael South Central a better financial director than the Honourable Prime Minister of this country by training, length of experience, judgment or anything else? Why is it that you cannot find anything positive in what he has to say to this country? Something has to be wrong somewhere because his judgments are being borne out by the fruits of his policy, the out-turn, but you will never credit that anything good, anything positive has happened as a result of these proposals.

Let us look, Mr. Speaker, in retrospect, at the outcome of the Government's Budgetary Proposals of 1988 and I will have to agree with the Honourable Leader of the Opposition that it is extremely difficult to say that proposals in 1988 had all these results in 1989. Similarly he could not take in 1986 praise for the out-turn figures in 1986 because the Minister of Finance in 1985 would have been saying, "there were mine".

How could you be going for those kind of arguments? What statistical tool can any economist generate that can separate when one set of results come into play as against the general trend of results that come from a particular measure that you take? Show me that tool that exists anywhere in economic kingdom. Tell me any trained economist that can show me a tool that can separate very cleanly, clinically and clearly how results from one year merge into or move into results in a following year. Show me the tool. You have to be very clear about that.

Aside.

You cannot make tentative predictions and analogies about those impacts and those effects so this is only motivated by trying to say "they are mine" and not somebody else's because, clearly, nobody can take any credit completely for any particular set of proposals and how they came out and we really should not be bothering ourselves with that kind of analysis - my results or your results. The results are for the people of this country, the people who by sinew or brain, or both, produce the goods and services in this country irrespective of whichever Minister of Finance is there.

A number of politicians in this country take a lot of credit about how this country works. We have given a set of directives to people, guidelines, and then you have the temerity and the conceit to give the impression that the whole outcome of what happens in a country 100 000 working hard out there are directly responsible about this exercise that we go through every year.

There is no wonder that sometimes people get despondent about politicians and we are creating very bad precedents by some of the things that we do. It becomes bothersome to me because the people are looking for a lead and some very strange things are happening all over the world in leadership positions.

It really bothers me when I hear what is happening in Japan, what is happening in the United States and the way how the people operate in the market, a leak in Canada about the Budget information, these things bother me. There are very negative signals in this world and when we get in here tearing down each other, not on principle, basically, not on questions really of what we believe in but to score cheap, political points; that is bad and they are sending very bad signals to the people of this country, particularly, the young people that we say that we care so much about.

I believe in good, sound, economic management, not magic positions. When I hear some people in these small and young economies getting on as though every year there could be some miracle scheme that would be exposed in the Budget, I wonder. The people in the older countries, in Britain, have been practicing this kind of financial

management for donkey years. Do you think that every year somebody expects that you come up with something new, with something different?

This talk in Barbados that you want new vision and new directions and so on, what do they mean really? You ask the Director of the Central Bank, the Director of Research, what he would suggest in terms of where the country should go. The Director of the Central Bank says, "I would look at all of the strong sectors and I would try to improve on them," a sensible policy to move forward on.

All the people are talking about this new way, new path, new directions and vision and new...

Aside.

Mr. R.L. MORRIS: I will speak within the context of what I am saying. I know what I say. I do not need any help from my friend from St. Thomas. I really do not need any help in that direction.

I am talking about things like economic management, things like financial management. You do not change these things around in a year or two. The transition period is likely to be a long transition period and we get on again as though Barbados is the only place in the world where these things happen.

We have, in the Democratic Labour Party, been practising fiscal prudence, we have been encouraging high rates of savings, and investment (although we need more investments), sound public sector investment, and we have been controlling expenditures and making sure that the goods and services that are produced are those that the people of this country want. To me that is a package of good economic management.

Just look through the Caribbean. You want examples of less than good economic management? Look at Guyana, Jamaica, Trinidad and a whole lot of the others. 6.25 p.m.

Look at the problems in Venezuela and then, convincingly tell the people of Barbados or of the Caribbean that they are not getting good financial and economic management in this country. Whom are you talking to? To whom is that message going? What honesty could there be, looking at all objective realities that Barbados I go back to the Honourable Member for St. Peter. He said there is nothing basically wrong with the Barbadian economy, just that the Prime Minister should listen to him a little more. He might take that advice. It is within his purview. He might

Aside.

Mr. R.L. MORRIS: He was suggesting I should take the advice of some person. I thought he was putting himself up. He is qualified to advise. I have no problems with that. In some ways.

Mr. Speaker, there is evidence from all economic reports that this country is doing well. Anywhere else in the world where you read a report, real GDP increase of 3.5%, per capita growth 6.5%, a moderate inflation rate at 4.8%, at least two of your tradeable and productive areas tourism and manufacturing, especially in terms of the context of where they were coming from when we took over the administration of this country in 1986, beginning to show a return to health, a growth in domestic product by 13.1%, a net export of services of 16.4%, surplus in the balance of payments by \$70 million, a rapid increase in commercial bank deposits by the people who are so hard pressed, so poor and so downtrodden that they are saving more in the banks, in the credit unions and everywhere else, the people who have been pulverized in this country who cannot take any more, but they are saving.

Aside.

Mr. R.L. MORRIS: The same people who are working for a consumption income saving more than ever before. How do you account for that contradiction in what you are saying, that the people are so downtrodden and more and more money going in the banks and the credit unions?

Why do you not talk to the people of Barbados in ways that they can understand? They must know that you are not serious.

Gross capital formation rose by 16.4% and on top of all of that we were able to keep the overall deficit to 4.8% of GDP.

Mr. Speaker, on top of all of that I would express concerns. My first concern is the concern about unemployment. It is a concern that excites all of us. But I am rational in my approach to the question of employment.

The Honourable Leader of the Opposition said that for him, full employment would be about 5%. I do not necessarily agree with him. But he is an economist and I am not. I would say 5% for developed countries. But I would say, if you can meet 10% in Barbados, that is full employment. I think the Honourable Member for St. Peter will agree with me about that.

Aside.

Mr. R. L. MORRIS: That is not true. We agree outside the Chamber. We can agree in here. That is not true. Do not try to fool the public.

Aside.

Mr. R.L. MORRIS: The economist there. The Leader of the Opposition who is not now in his chair.

Asides.

Mr. R.L. MORRIS: You thought he was a doctor. The Honourable Leader of the Opposition who is not now in his chair said that he has a definition of full employment of 5%. Sensible economists know that in talking about countries like ours that with 10% you are doing all right. That is full employment for us.

Aside.

Mr. R.L. MORRIS: Full employment 10% for Barbados. I would put it at that level. Because I do not slavishly use definitions from other people. I am realistic and pragmatic! And I would love to get to 10%.

He gave us some bogus economics too about how Tom Adams created 20 000 jobs in a period of time. But he does not relate jobs to demographic factors, to growth of the employment sector. So when he creates the jobs, by the time he is finished, there might be so many people looking for jobs that the rate of unemployment might not have decreased.

Asides.

Mr. R.L. MORRIS: That is another point. I was looking on employment. I want to spend some time on employment. The Honourable Member for St. Peter said he is interested in employment. Well tell the people of Barbados, this is a.....

Dr. R.C. HAYNES: On a point of order, Mr. Speaker. The Honourable Member has said that I gave the House bogus information on the question of jobs created by the late Tom Adams, and referred to the number of 20 000.

What I did tell this Honourable House, Mr. Speaker, was that between 1976 and 1981, 18 000 were created, not 20 000 in the first instance. And in the second instance, that if you can create 20 000 jobs looking at the demographic situation in Barbados that that would result in a 5% level of unemployment which I considered would be an acceptable definition for full employment in Barbados, not 10%.

Mr. SPEAKER: I would expect that future points of order would be much shorter.

Mr. R.L. MORRIS: Mr. Speaker, there is an expert study on CARICOM which talks about CARICOM to the year 2 000. The leading expert there is Professor Compton Bourne of the University of the West Indies. He is suggesting that if we are to maintain the levels of unemployment, not generate new levels of unemployment or improve the situations of unemployment, that Caribbean

territories would have to be operating at a growth level of about 6% per annum. Professor Compton Bourne is saying that. Just to maintain the level of unemployment, you have to be experiencing economic growth of a level of at least 6%. That is what Compton Bourne is saying.

Aside.

Mr. R. L. MORRIS: Dr. Bourne. He is an Economist. And he is leading a team of experts on this.

Aside.

Mr. R. L. MORRIS: The guru cannot get in that company. Must be at least a level of 6%. That is just to maintain present levels of unemployment, based on demographic factors.

But listen, I have a book called, "Jobs For Young People" put together by an expert group, a Commonwealth expert group. Dr. Joycelyn Massiah from Barbados was part of this. They were looking at unemployment and particularly youth unemployment, and looking at a variety of countries. The unemployment rate is high in all of these countries. Wherever it exists, youth unemployment is generally about twice the amount of whatever the average rate is. It is a phenomenon that not only Barbados is struggling with. It is a world phenomenon. Let us understand that first of all. That a high rate of unemployment is not characteristic of Barbados alone. And that a high rate of unemployment for youth is again not characteristic of Barbados alone.

But bearing all that in mind, I agree that we need to try as hard as possible through macro economic policies to try to reduce that level of unemployment. I would suggest that we also look seriously at a number of schemes that have been tried throughout the world to try to deal with that problem. There are suggestions like the schemes started in Jamaica, the HERT programmes Human Employment and Resource Training and other schemes throughout the world that we can look at. But I do not look down on Barbadian schemes because although this looks good, it is funded by so many different international organizations. But in Barbados, we fund our own. We do not go begging and borrowing. We fund our own. But we look at a number of schemes and see how we can implement measures to help the young people of this country.

But, Mr. Speaker, in closing, let me say that the Democratic Labour Party Government has produced a good Budget. One that is accepted by the masses of people in this country, finding time inside there of course to give the old age pensioners a little bit more and increasing social welfare benefits, the funeral grant and the maternity grant. As the economy improves, then you can make those kinds of incremental changes for the benefit of the people of this country.

And I should like again, in closing, to compliment the Right Honourable Prime Minister in fulfilling his promise to get tripartite discussion going and establishing a number of bodies. And also his intention to set up a three member economic policy advisory committee. I think that is healthy and useful. 6.35 p.m.

Also healthy and useful is the indication in the Budget that he is setting up study teams in a number of areas: a study team in manufacturing, tourism, and a study team to look at the Development Bank and so on - a person who is cautious in his approach to public management who is willing to spend funds on examining positions and then taking the requisite steps. We can be too hasty sometimes. We had a debate in Barbados about the gantry crane, lots of negatives at the time when that was under discussion between institutions of knowledge and repute in this country, the Barbados Workers Union and the Barbados Port Authority. These things come to a conclusion and what do you say afterwards? When something happens - when will it be completed, the negotiations with Trinidad* as though you can stand from here and decide that negotiations w[^]i Trinidad are to be completed tomorrow? People who are not accustomed to negotiation, who do not understand that we operate in democratic countries, and that even though we might suffer sometimes in terms of the democratic process we have to wait and work things out. We are dealing with a sovereign country and you cannot dictate to them what position they should take.

I take full pleasure in supporting these Budgetary measures.

Applause.

Mr. SPEAKER: The Honourable Member for Christ Church West Central.

Hon. M.A. KING: Mr. Speaker, the nature of the ^ political divide in this country is such these days that in these Budget debates one can anticipate what will happen. You will never expect, of course, the Honourable Members who sit on the other side to agree with or support anything that is presented from this side. The people of Barbados I believe have come to understand that and to expect that in these political debates and sometimes we get carried away by rhetoric. We get carried away by the use of extravagant language, extravagant statements, and irrational statements in the course of these debates. I will give you a few examples, Mr. Speaker.

The Honourable Leader of the Opposition and the Honourable Member for St. Peter have begun with a premise which was introduced on the last occasion of Budget debate that what we have done is to complete a repudiation of our Manifesto, a broad general statement. What the Honourable Member for St. Michael South

Central, the Leader of the Opposition, goes on to say is that we are in the afterbirth of 1988. Now when you place that against his presentation last year and the use of the very emotive and melodramatic language of afterbirths, - remember he talked about the back street abortion. So that he carries the metaphor a little further and the symbolism from the back street abortion to the afterbirth of the back street abortion. Now that is the type of presentation and the type of approach to the Budgetary issues that we are faced with in his language. His presentation was characterized by illogical statements, contradictions, and by broad generalizations.

Asides.

Hon. M. A. KING: You are saying he was normal. Now I will give you some indication, Mr. Speaker, of the illogical statements of the Honourable Member for St. Michael South Central.

Now you will recall he talked about the job creation between 1976 and 1981, a point which was addressed by the Honourable Member for Christ Church East Central at some point in time and the Honourable Member for St. Michael South Central makes the point that 18,000 I understand is the figure which he is supporting - 18,000 jobs were the number of jobs which were created in 1976 and if we are on the road to full employment which he says that he can produce in 5 years, that if Tom Adams was able to do that in those years between 1976 and 1981, then it follows logically that it can be done now. Now that is not a logical statement, Mr. Speaker, and it is not a way along which you can deduce the conclusion. So that characterizes the type of illogical statement which I suggest that the Honourable Member for St. Michael South Central has been so guilty of. He generalized in vague terms and in language which was all characterized to offend I think more than anything else the Honourable Members on this side.

Now let us look at the statement that the Budget of today is the afterbirth of 1988 and that according to the Honourable Member for St. Peter we have repudiated our proposals. Now when you look at the Manifesto of 1986, Mr. Speaker, we talk about the new fiscal arrangement. They talk about the New Path Manifesto and what did it do? What did the Manifesto say, Mr. Speaker, in relation to the new fiscal arrangement? It set out specific proposals in relation to the new path to be followed and in relation to the new fiscal arrangements and those proposals addressed directly the issues of Income Tax. It made the general statement at first that the country was suffering from over-burdensome taxation. It addressed the issue of Income Tax. It addressed the issue of Corporation Tax. It addressed the issue of Stamp Duties and specific proposals were made in relation to Income Tax, Corporation Tax, and Stamp Duty. Now those proposals in relation to Income Tax, as the Honourable Member for St. Michael South Central would know, were effected in a very short period of time. The

proposals were effected completely and they are still the law of this country. Proposals in relation to Corporation Tax are very much on track. In relation to Stamp Duties, what was said in the Manifesto was that Stamp Duty on basic foods, medicine, building materials, and wines would be reduced. Now I have been looking through the Manifesto in relation to the issue of Corporation Tax and I do not believe I see the word Consumption Tax mentioned in the Manifesto.

So that the Manifesto in its language did not directly address the issue of Consumption Taxes. It addressed directly Income Tax, Corporation Tax, and Stamp Duties. So that because the Manifesto was silent in relation to Consumption Taxes then perhaps that would have left the opportunity available for the Honourable Member for St. Michael South Central in 1987 Budget to raise \$51 million by way of Consumption Taxes.

Asides.

Hon. M. A. KING: Was not \$51 million raised by your Consumption Taxes in 1987? ...\$57 million. I, fortunately, have the Budget of 1987 with me. I will take the issue of Income Taxes in relation to the 1987 Manifesto. 6.45 p.m.

The fact remains, Mr. Speaker, that whether we accept it or not a considerable amount of taxation was levied by us as a Government in 1987 when the Honourable Member for St. Michael South Central was Minister of Finance, so if you are saying that we have retreated from the Manifesto of 1986, which did not mention consumption taxes, but which mentioned income tax, stamp duties and corporation tax, which still remain the law, then what has happened is that the Honourable Member for St. Michael South Central had no difficulty in using consumption taxes as a vehicle for raising taxation.

Item 22 of the summary of the budget of April 1987: "With immediate effect there will be increases in Consumption Taxes as shown in Appendix A. These changes include a special regime for extra-regional garments and other Imports which compete directly with local products. Also the rebate on motor cars imported by garages has been reduced from 20 per cent to 15 per cent. Additional revenue of \$14.0 M. is expected." The total taxation raised in 1987 was \$51 million.

What is so unusual about this whole debate on consumption taxes, Mr. Speaker, and this is a thing of which the Honourable Member for St. Peter is guilty as well, is that he talks about consumption taxes as being the silent j killers. Dramatic and emotional language, so who was the inventor of the silent killing? Consumption taxes, Mr. Speaker, in the way in which they have been imposed in Barbados and how we have come to recognize them today

had been introduced by the Barbados Labour Party Government.

Hon. H. deB. FORDE: On a point of order, Sir. The Honourable Member must not mislead the House. Consumption tax was first introduced in this House by the late Right Honourable Member for St. John, the late Enrol Barrow.

Hon. M. A. KING: Mr. Speaker, the point which I set out to make is that consumption taxes on a wide variety of items in Barbados were introduced by the Barbados Labour Party when as a definite policy shift they decided that the important thing for the country at the time was to move Barbados away from direct taxes to a regime of indirect taxation, and the vehicle for imposing direct taxation...

Hon. H. deB. FORDE: Again, Sir, on a point of order. The Honourable Member's economic history of the consumption tax measure is not correct. There were two reasons. The first reason was the abolition of the sales tax introduced by the Democratic Labor Party, and the second reason was fulfillment of certain CARICOM arrangements.

Hon. M. A. KING: Nothing that the Honourable Member has said has altered the fact that the definite shift in policy from direct taxation to indirect taxation was heavily orchestrated by the Barbados Labour Party Government when they used consumption taxes and stamp duties as the principal vehicle for raising taxes in substitution, to a certain extent, for income tax. And do not forget the levies as well as a form of indirect taxation. When we were in the opposition at the time I always criticized indirect taxation. I criticized the levies, and I do not retreat from that, but the position is that the country has become accustomed to indirect taxation.

I believe the Prime Minister in his presentation made the point that it seems that indirect taxation is the form of taxation which the country prefers. People prefer, perhaps, not to see the direct tax coming out of their hands, but they do not mind it as much if it is taken in an indirect way. If that is what the country wants, then so be it, but that does not alter my own perception of the problem and how I view taxation in that regard.

Let us not be carried away by the kind of language which we hear, that consumption tax is the silent killer, when all of us now are guilty. I use the term, because if we are using symbolism let us continue with that. We are talking about murder and killers. If you are putting it that way, all of us are guilty because all of us have introduced a regime of indirect taxation and it is felt that that is a regime with which the people of Barbados are prepared to live.

We have to be careful about the way we use language. The Honourable Member for St. Peter then goes on to repeat the normal things about what is said about these

economies, economies of small developing countries like ours, year after year. He talks about the need for transformation in the society, he talks about the need for land reform, he talks about radical changes which are necessary in the system of land tenure, he talks about changes which are necessary in agriculture. Now these are time worn recommendations for the solutions to the problems which beset our country. Why didn't you address these issues as well? These are not new issues, these are issues which have bedeviled us as a developing country for years, and which will perhaps continue to bother us for a number of years unless we become so bold that we can take initiatives in the areas of land reform which are being articulated. But the moment you find that dramatic efforts are made in relation to reform of a system of land tenure, you are going to hear other allegations - "communist", "the fellows want to take away the land from the rich" and that sort of thing. Whatever you do, whatever technique you use, as far as the Members of the Opposition are concerned, you can never win.

I agree that certain changes need to be made in the system. We need to develop the country and to orient our development towards business, but we have to be cautious again in all of that, because we have to recognize that in dealing with that we have problems which are not necessarily of our own making and which we cannot necessarily overcome.

We have the problems of markets overseas. I think it was the Honourable Member for St. Michael South Central who made the point that it is useless planning your development, your export strategy in areas where you cannot sell to people because they are not in a position to buy anything from you because they cannot afford to do so. That is a truism which you cannot depart from and we find that in this CARICOM region the question of whether markets are available in the CARICOM area is not entirely a problem which we ourselves can deal with.

Aside

Hon. M. A. KING: Of course CARICOM is not the world, but develop your strategies and tell us what your strategies are for getting your markets in North America and in Europe, when you have to deal with some of the protectionist policies which exist in relation to the United States of America and in other areas. How do you deal with that problem?

Take a simple issue like the tax treaty which we have with the United States and the concessions which were granted to exempt insurance companies arising out of that, a privilege which Barbados had, and because of vested interest and lobbying interest in the Congress of the United States, something called a Technical Corrections Bill was introduced which resulted in Barbados losing the privilege for exempt insurance companies in Barbados, which would

result in exempt insurance companies here not finding Barbados as attractive an area as it would be had we continued to reap the benefits of the treaty. 6.55 p.m.

But you had a change unilaterally, without any reference to us, and in the international arena those are the kinds of problems we have to deal with. We have to deal with the vested interest which other countries have in their own concerns, and the unconcern - let us face it - for the genuine problems of developing countries. We can't be arrogant about our own position in all of this.

The Honourable Member for St. Peter quite unreasonably talked about the fact that we were not able to conclude an agreement with Trinidad on the fishing issue and talked about our fishermen being arrested on the high seas. Now again that is emotive and melodramatic language and not true, and not sensible, and you would not expect that coming from the Honourable Member for St. Peter.

Asides.

Hon. M. A. KING: Are you going to use that as well? You must know of the law of the sea; you must know about the economic zone, but it is misleading to make the statement that they were arrested on the high seas, because if you were fishing in the economic zone of another country

Asides.

Mr. SPEAKER: Order, please!

Hon. M. A. KING: Let us not get into an argument of what is or is not the high seas, because that is not the issue, and that is the point I am making. It is mischievous and misleading to say, and to say no more than that the fishermen were arrested on the high seas. That is only part of the equation. What you have to do is to go a bit further and deal with the whole concept of the exclusive economic zone of states and determine that if these people are fishing in the Trinidad waters, in the Trinidad zone, is it right that we as Barbadians without the permission of the Government of Trinidad have the right to go and say we are going to take your fish? Would you like that to be done to us? So I am saying....

Asides.

Hon. M. A. KING: It is done by the Koreans. I am not going to deal with that. Big, huge mother ships plying the Atlantic on the way crossing several oceans, and one little Coast Guard ship we expect to police the economic zone. This is a problem. All sorts of people fish in our waters; we know that. Everybody fishes in Trinidad's waters, but the nature of the beast is that we in this region need to sit down and work out a regime for the protection of our marine zone

and the marine resources, and that is what the Heads of Government are talking about. You don't reach conclusions on issues overnight, but the important thing is that the Heads of Government of the Commonwealth Caribbean are addressing these important issues and you need to view the problems which arise from time to time between nations of the Caribbean in the context of all of us trying to resolve our common problems, and it is not going to do any of us any good to try to promote discord and disunity between ourselves and another country with whom >ye have traditionally enjoyed good and friendly relations.

Mr. Speaker, we have to recognise that as a small developing country which we are, we have continually to strive for economic development. We cannot avoid debt. We are not unique in that regard. The mass of other developing countries in this world have problems which are akin to ours, we are in an eternal race to deal with the problem of economic development. The answers are not that easy and the options which are available to Government in dealing with the problems of development especially when you are a small society like ours are not an awful lot. We operate against the constraints of limited land area, few natural resources, limited capital for development and a whole lot of other problems and we always talk on budget occasions, and we are good at doing this, of creating the environment for development, of concessions to business and to industry.

I have been hearing of concessions being granted to business and industry since 1984-85 and what massive and important thrusts these would be for development, and yet you don't see the results in concrete terms. What Government has to be concerned about is dealing in the best way it can in the context of what is available in the country with the problems which as a people we have to face.

This Budget, Mr. Speaker, addresses some of the problems which are of direct relevance and of direct concern to the people of Barbados. It is a budget which clearly the people of this country seem to be able to live with, because when you speak to them you don't hear massive adverse comments. The departure which we had, and I accept it was a departure, last year, was the imposition of the surcharge, and the Prime Minister had indicated that the surcharge would be introduced for one year and that it would come to an end after that, and that surcharge has now been removed, so where does one see the derogation from the principles of the manifesto? Look at the details and imagine all the things which we said had been done in the financial area and which are still there. The surcharge, I said, was a deviation; it has been corrected, it has been removed. It has been a deviation from the point of view that it was a re-imposition of direct taxation and we said we would remove direct taxation, but the fact is, Mr. Speaker, that we are keeping faith with our manifesto. You can use dramatic language without bringing details to say otherwise. The fact is that the Democratic Labour Party is

keeping faith with the manifesto which brought us into office and we will continue to do that in the interest of the people of this country.

SUSPENSION OF SITTING

Hon. P. M. GREAVES: Mr. Speaker, I beg to move that this sitting be suspended until 8 o'clock tonight.

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

The question was put and was resolved in the affirmative without division, and Mr. SPEAKER suspended the sitting accordingly. 7.05 p.m.

RESUMPTION

Mr. SPEAKER: This sitting is resumed. The Honourable Member for St. Andrew.

Mr. C. A. NEBLETT: Mr. Speaker, we are at another year, another year of gloomy predictions on the Budgetary Statements that are being discussed. Last year we were made to believe that the country was being taxed unnecessarily, that current expenditure was out of hand and the obvious result would have been serious recession in all sectors of the economy.

Previous speakers from this side have quoted statements made by Members of the Opposition last year. I would not want to repeat them but I would like to take you along the route very much related to some of these statements and question whether any credibility can be seriously placed on some of the predictions we have been having from the Opposition.

We were told that we would have had some very serious out-turns but lo, from the Economic Report, we have been firing on nearly all of our cylinders. We had one or two problems such as in agriculture, and, also, in mining and quarrying.

I would like to remind members that in agriculture in the early part of last year we had some very dry weather and then towards the end of the year we had heavy downpours, torrents. I would, also, like to remind members that during the latter part of the year we had a situation where howls went up for import licences to import vegetables because heavy rains had affected the vegetable farmers but it seemed as though just to provide some opposition bland statements are made and everyone suddenly forgets conditions under which that sector, or other sectors have had to operate.

We, also, know that it was a policy decision to cut back on oil production because it was uneconomical at the time - because of the going price of crude oil - to continue

drilling. We have made provisions for the resumption of drilling now that the price of crude is moving up so, therefore, you cannot judge the performance of quarrying and mining in a general way without recognising some of the conditions that exist.

Generally, I am pleased with the outcome of the economy for the period ending March 31, 1989- and I believe the Opposition are also pleased. I would also like to think that we are all nationalistic. We are good Barbadians and we would like to know that we are very nationalistic, even the NDP, and they are happy that the economy is turning the way it is and, hence, they would join us and encourage not only us, but encourage the nation generally to improve in every aspect so that we all can share in whatever good fortune that lies ahead for this country.

We know that you are going to oppose but one would expect a serious review. You might even suggest some alternatives, but never for once condemn out of hand and then you do not offer a reasonable alternative.

In the general area of agriculture, I too, am very concerned about*. *the loss of arable land and I am advocating a serious return to agriculture. It can do many things. It would help us to improve our sugar production and it would also help non sugar agriculture. It could put us on the road to seriously feeding ourselves and, at the same time, providing a saving in foreign exchange whereby we can improve other sectors.

There is, also, the situation covering the constituency which I represent, St. Andrew. Because of a shift over the years in the location of factories, it has become rather costly for, especially, the small farmers, to transport their produce, namely, their canes, to distant factories and those farms that were previously marginal have now become rather uneconomical and many people have given up the notion of continued farming.

I would like to see that land covered again rather than have it infested with various shrubs, etc. which, really, are not productive. There are many things we could do and I am sure that the Ministry of Agriculture is seriously considering using that land especially when there is this cry for fodder for the dairy industry. Perhaps, there are grasses that can be planted - I hear various members of the Opposition refer to it from time to time - and these grasses would be good forage and cheap forage for our dairy industry and assist them in the current bind that they are in.

There is, also, the prospect of concentrating on the world market for sugar. At the moment, we have the manufacturing capacity. We can aim at the world market for the sale of our sugar since we might be able to cover our variable cost but we have already some cost in machinery, equipment, generally, and we would be able to, at least, add

to our earnings where sugar is concerned so there is this opportunity.

I hope that my friends of the opposition would join us in encouraging the country generally to approach that position. 8.10p.m.

It would provide extra jobs because I find it from time to time rather strange that you get many people, especially general workers who make suggestions to you that they would like jobs in MTW, they would like jobs in NCC. But if we step up our sugar production, obviously I would like to know that they would transfer their energies in assisting us in meeting some targets where sugar production is concerned.

The other area I should like to touch on is the question of production. I sat patiently and I listened to certain positions put forward by the Opposition concerning industrial production. I heard, very clearly, coming from the Leader of the Opposition that there has been a decline in production towards the last half of the year.

I decided to check with the Central Bank Report. Mr. Speaker, I am using the March, 1989 statistics and I found for 1987 from July onward such indices as 104.6 for manufacturing generally, for August 91.5, September 106.4, October 103.7, November 104.7 and December 94.1. This is for 1987.

I went on to look at July 1988, I found 101.5 for that month, 93.8, September 106.5, October 106.9, November 116 and December 117.

Aside.

Mr. C. A. NEBLETT: I am dealing purely with the last section of the year, because those would have been the months affected by any Budgetary changes. My inference is that if there had been any seasonal changes, they should have come about from seasonal variations.

If you look back through the year, you would notice there is a pattern. The pattern affecting:

1. The build-up of stocks for the winter season. You could see the build-up for stocks around the Crop Over season and the various holiday periods, whether it is Easter or what not.

So I think it is unreasonable when you look at the various elements that make up this group, beverage, wearing apparel, et cetera, that you would not draw the conclusion that these are affected by seasonality.

If you look at for instance petroleum products, (all part of manufacturing); if you look at chemicals, setting

aside beverage and tobacco and food processing, you would recognize that the totals are affected by these seasonal factors.

So I would hope that the Opposition, when they review these matters, when they put it over to the public generally, they explain clearly the elements that affect these figures, and that they themselves are not the end of the story. I do hope that they would cast a glance again at that situation.

I want to deal with another area, Mr. Speaker, and this is one that has had wide discussion, the question of prices as it would relate to the economy, as a result of any changes that we had put before us yesterday.

I heard some discussions involving how these increases of Stamp Duty and Consumption Taxes will affect the general price level. When I look at the whole gamut of items affected by these changes and recognize:

1. Basic items generally not affected, I cannot see how this can have an overall effect of raising prices in the supermarkets or elsewhere. I notice the current Stamp Duty of 10% remains. I can see no Consumption Taxes, so hence that remains the same. The same for rice,....

Asiac

Mr. C. A. NEBLETT:... for wood.

Asides.

Mr. C. A. NEBLETT: Even the construction plywood 10% of Stamp Duty, galvanize sheets 10% as they have been. There is a change in Consumption Taxes for galvanize sheets by 1% point up from 9% to 10%. I cannot see how this can have any disastrous effect on the construction industry.

We have got a situation of vegetables, pigeon peas, black eyes. Now if on these items which can be grown locally but are bought from a CARICOM country, there is no Stamp Duty, no Consumption Tax, but if it is bought from an extra-regional source, you have a situation of 20% Stamp Duty and 23% Consumption Tax, I would expect that our Commission Agents would concentrate their purchases from either regional sources, and they also offer an opportunity for our local farmers to take up the slack, so that we can have our foreign exchange savings where this is concerned.

I am sure the Opposition would join with me in accepting the fact that there is no need for any serious price increase.

Aside.

Mr. C. A. NEBLETT: Mr. Speaker, I am being asked for what? But I have just mentioned.

Even in chocolate and other food preparations, again CARICOM origin, no Stamp Duty, no Consumption Taxes. But if they are brought from extra-regional sources, we are going to have the 10% Stamp Duty and 18% Consumption Taxes.

Similarly with fruit juices. Fruit juices coming from the CARICOM region, again the same applies.

At this point, I want to draw to your attention that this is our contribution to increasing trade within the CARICOM region. If we are buying certain items from CARICOM, obviously, it would "up" the trade, whereby we would offer to them some of our produce. The same goes for toothpaste, soap, washing preparations, et cetera and things like sausages. 8.20p.m.

So you see, Mr. Speaker, the question of price increases especially for basic items. It needs not to rise above a certain level if we patronize our regional sources or if we at home produce more. Now we are given an incentive for machinery and other inputs that are necessary. Also our farmers from the proposals have been given concessions where inputs in farming are concerned. So you will recognize that the Budgetary Proposals are acting as a tool for development which can only come out in the favour of this country.

There is also the question which was raised by the Opposition of Consumption Taxes. There was a suggestion that the country was overtaxed. The out-turn of the figures caused serious points to be made where this was concerned without recognizing that Corporation Tax for instance based on all the year ends after March 15th clearly showed that the main contributors to the Corporation Tax efforts came from such sectors as banking, wholesale and retail, and certain types of manufactures. It is clear to me that in these areas there have never been any serious losses. Hence, it would be unfair to suggest that any of last year's measures had impacted unfavourably on these sectors where the Consumption Tax is concerned. What it has shown to me is that there have been serious upsurge in activities in spite of what the Opposition called onerous measures where taxes were concerned and they all have come out within a reasonable target.

When you look at certain contributions like from the restaurants, hotel industry, road transportation, etcetera, we would recognize clearly that the important sectors as I mentioned before were the main contributors not those companies that would have had difficult times in terms of operations.

Mr. Speaker, I would also like to look very quickly at Tourism. A lot has been said about it. It is our main foreign exchange earner. The Government was expected to put quite a bit in the industry. We are putting quite a bit in the industry recognizing that we have put into the Tourist Board promotion-wise \$20 million. The Ministry of Finance was considered for an extra million and for refurbishment we are seeing a further \$3 million and I am stating that it is a reasonable amount to be reinvested in the tourist industry. We cannot throw it willy-nilly. We are also looking at what is happening in the industry generally and it will be reviewed from time to time. They have been asking for concessions and Government has been reviewing them and, as the industry unfolds, we will see what happens. Take last year 1988, I believe it was the first year where we had a full season moving from winter into the summer and it means that we will be following it closely this year. An investor no matter who he or she might be never ever throws their investment purely on one year's out-turn. They will be looking for trends. As far back as 1979-89 when we had a very good tourist season the administration of the day certainly advocated that because we had a good winter season that we make plans for investing more in the industry and there was an upsurge in investment in the hotel plant. We know that subsequent to that we had spare capacity and only in 1987 and early 1988 that those tourist plants were operating just at about 60% of capacity and some less. So I am saying that you cannot on just the mere citing of one good year decide that you must extend your capacity. You are looking for trends and, when these trends unfold, then you can begin to develop and this is what the private sector is doing. We are offering them every incentive and we hope ultimately to see this improve.

Mr. Speaker, before I take my seat, I must refer to the fishing industry briefly. A lot has been said about the fishing industry problems with Trinidad and discussions, etcetera. Most Barbadians at the moment - I should not say most Barbadians - certain Barbadians at the moment, think that we have a right to move into the territorial waters of a foreign country and fish indiscriminately without any direction whatsoever.

This we will have to resolve by treaties and other arrangements to get that matter sorted out. Mr. Speaker, I think it is really unfair for us to even want to challenge the Trinidadians as to how they should conduct their affairs. We must come up with some proposals which we are doing that would make the relationship between Trinidad and Tobago and Barbados a reasonable one that will redound to the benefit of both Trinidad and Barbados.

I would like, Mr. Speaker, to advise the Opposition that they should not concentrate on opposing for purely opposing sake. They should look at our measures and look at the efficiency of them and, if they feel that they have got a better proposal, we are willing to examine it in full detail. Whatever is the outcome, this is Barbados, our Barbados,

and their Barbados and life should be comfortable for all of us.

Mr. Speaker, I thank you very much.
8.30 p.m.

Hon. W. W. HALL: Mr. Speaker, I should like to begin by taking this opportunity, albeit belatedly, of wishing you a happy birthday, Sir.

Applause.

Hon. W. W. HALL: Last year, Sir, I fully supported the Financial Statement and Budgetary Proposals ably enunciated by the Prime Minister, and this year I am happy to say that he has vindicated all the trust I have reposed in him. I think that people get into a frenzied state of mind whenever budget time comes around. They have a phobia about it. This is quite understandable, because in Third World countries of late the economies have taken a, battering, and therefore it is quite reasonable to expect that the average man in the street would be rather apprehensive around budget time.

It can be confusing too, Sir, because I remember once listening to a budget and the Prime Minister of the day declared that he was going to reduce the tax on shingles. As a man who sprung from the proletariat, Sir, I thought this was a great idea, I thought it was marvelous, because when I grew up with chattel houses all around me I knew that everyone had shingles and I thought that was a great thing for poor people. But I took a drive around Barbados in a matter of four days and I found that shingles were only on houses in Sandy Lane and on hotels, and so it can be rather confusing.

My position is that there is no mystery about a budget, no mystery whatsoever. The Minister of Finance must do some prudent housekeeping, and having done that he expects that the inhabitants of the country will obviously see his point of view. Sometimes they do, sometimes they do not.

I would like to say that Ministers and Officers in the Ministry grapple daily with everyday problems. I manage my Ministry, I do not cope. The Oxford Concise dictionary says that to cope is to contend successfully with a problem. I do not do that, Sir, I am in complete control, and that is the position. So when the Minister of Finance gives the tourist industry some concessions I am very happy. Indeed, in this case, so too will be the hoteliers, but in the final analysis I am on the bridge and I am in control.

I am aware of the fact that when Members of this House wish to criticise, indeed if things are going badly, they will completely annihilate you as Minister. For some strange reason, if things go well they either take the praise

or they throw it elsewhere. Enough said, Sir. I do not think I will waste my time to go further into that.

I wish to say, Sir, that I am not alone in praising the Prime Minister for his budgetary proposals. The Barbados Employers Confederation, all the hoteliers I have spoken to this morning, some of the old age pensioners are grateful for the extra \$3, the people at the BDB, farmers are loud in their praises, people at the Barbados Manufacturers' Association who are like Grynner, they say they want more. The point is, not this time, we will probably look at it later on.

I feel that it is a curious paradox that the average man in the street can fully understand what the Prime Minister has done and yet the intelligentsia in here seem not to be able to cope with it. That is the way I feel.

I think, Sir, that we have a great country. This island is ours. We do not have the problems of Jamaica. Next week the Prime Minister will take great austerity measures in Jamaica. In Trinidad they have just taken off 10% of the civil servants' pay. In Guyana we have seen the Prime Minister having problems with his budget and in Venezuela 22 days after they were elected with an overwhelming majority, with the advent of increases in petrol prices, we saw people rioting and it really brought death to many people in that country.

What I am saying, Sir, is that the Prime Minister in his wisdom has been trying to get us to continue on that path to progress and I believe that he has succeeded somewhat. Even some panelists on the radio stations seem not to understand what is going on. Perhaps if they had put a housewife on the panel, a man in the street, someone with a balanced viewpoint, you would probably get some semblance of understanding, but I think that what happens year after year in these budget debates, you find that you have to be a lecturer, you have to be from the university, you have to be a successful businessman to understand simply what the Prime Minister is doing. What he is trying to make sure is that the small people, the big people, and everyone in this country understands what he is trying to do.

Last year, Sir, the Prime Minister had to raise \$48 million. This was the Current Account deficit. He chose direct taxation. Pandemonium broke loose. Everyone had their say. It was a painful responsibility. That, sometimes, is the responsibility of the Minister of Finance. He has to do things that perhaps he might want not to do, but for the good of the country he has to do them. One year later everyone can read the Economic Report, they can also read the Central Bank Report and judge for themselves.

This time around, Sir, expenditure exceeds revenue by \$79 million and again the Prime Minister has to make a decision. What will it be? Taxation? Or will he borrow?

The Prime Minister chose not to borrow, because to borrow is simply when you are building a central bank, building a highway, schools, gymnasiums, conference halls and things like that. In other words, that is infrastructural development, so he had to borrow, and if you are not going to borrow, will it be direct taxation or will it be indirect taxation? The Prime Minister chose indirect taxation.

I heard this afternoon coming from the Opposition benches that the Prime Minister is a man who does not listen. Sir, I think that is a grievous fault. I do not think that could be true. In fact, everyone in Barbados knows that the Prime Minister consulted many citizens of this country before he came here with the budget. The budget is something that you need to discuss, and he did just that and it was loud and clear that the people of this country spoke with one voice and said they did not wish direct taxation.

I think the Prime Minister said, at page 15 of his address, that the surcharge was not an evil invention created either by himself or Prime Minister Adams, and that it first saw the light of day in 1909 when the Chancellor of the Exchequer in London, Lloyd George, brought about this tax. He said it survived for some 50 years. That is true. But it is also true that taxation is not a modern day phenomenon. I would say that one thousand nine hundred and eighty nine years ago a man called Caesar Augustus imposed a tax on the entire known world. If you doubt me, Sir, check Luke 2 and you will see that on that occasion Mary and Joseph had to travel from Nazareth in Galilee up to Bethlehem. 8.40 p.m

Now one would have thought that Joseph could have paid his taxes where he lived in Nazareth; it was not so; he was of the House of David and he had to travel to the city of David, some 90 miles away, and his wife as you know, Sir, as the Bible said, was nine months pregnant and she had to go on a jackass. What I am saying, Sir, is that only 2000 years ago they went through all of those constraints to pay tax. In Barbados today and throughout the world everyone takes every opportunity they can get, whether you want them to pay it here in St. Lucy or St. James, to try to evade it if they can. I am only saying, Sir, that the Prime Minister had to impose tax and he imposed it and that is that. The people are satisfied and I am satisfied that he did the best in the circumstances. It is as simple as that.

I only just wish to say that the reason why I am pretty happy with the Prime Minister is that he has removed the surcharge. He said he would and he removed that.

We have also seen him exempting machinery and equipment from import duty and consumption taxes in the manufacturing sector; we have seen him revitalising the agricultural sector and also the tourism sector, and I would say to you, Sir, that the Prime Minister has stimulated the

economy in most of the productive sectors and that is rather important in my book.

Sir, there has been a lot of talk about expenditure. I want to make it abundantly clear, Sir, that as far as I am concerned, I want everyone to understand that as a representative of the people of St. Michael West Central around the Black Rock area and the contiguous surroundings, let me say that I will try to agitate with every fibre in my body when it comes to bus services, roads, lights, gas, employment opportunities, basketball courts, netball courts, volleyball courts, pavilions, all of these necessities that I think would provide a better life and a greater path for them I will agitate for, and I think, Sir, that these need money.

When one talks about expenditure we hear everyday that the Democratic Labour Party is spending too much money. We have to repair the bridges in St. Andrew when the inclement weather washes them away. We have to pay the workers at the NCC as they beautify this country; we need new buses and that calls for money. We must pay the subsidies for policemen, for the school children, and the old age pensioners^c they travel on our buses. We have cut that deficit from \$20 million to, I think, \$12.1 million and when the new buses come I am quite sure that that will be completely wiped out. These are things that cannot be postponed and I say quite, clearly that I make no apology in saying that I support the idea of getting these necessities for my constituents and I leave it to the Minister of Finance to do the rest. He does the cutting when he has to cut, Sir, and as far as I am concerned it is my job to agitate for a better way of life for my constituents.

As far as I am concerned, Sir, I would like to have a look in the next fifteen minutes or so at tourism. There has been so much said about that. I would like to inform the Leader of the Opposition that the tourist season does not end in April. Perhaps he has not realised that we are looking and have looked for the past two years to all the year round tourism. The winter season stops there, but not the tourist season. That is just illuminating the dark corners of his mind. I would say to you, Sir, that everyone knows that we had some 451 000 tourists coming to the country last year, an increase of 7 per cent and tourism earned \$918 million.

I am pleased to say, Sir, that the Prime Minister has done a great thing; he has addressed the three main ingredients of a sound tourism policy. That is what he has done. Those three main ingredients, Sir, are marketing accommodation and ground transportation. Let us look at marketing and promotion. It has been said in here today that \$1 million is not enough. Let me remind the Honourable Members in this House and the populace of Barbados that only a month ago the Prime Minister gave the Ministry of Tourism an increase of \$3 million over last year, and now he has come again and given us \$1 million. I do not intend to make blood out of stone and therefore as a consequence I

am satisfied with my lot. Whoever does not like it they can lump it. That is the position.

Sir, as far as I am concerned, we must keep a presence in all of our markets. In the United States of America traditionally we have marketed extensively on the eastern seaboard. What we need to do now, Sir, is to go into the non-traditional areas. I have said this before. Since 1977 we find that the United States of America represents the most single important market with almost 40 per cent of our visitors coming from there. We have had some constraints of late. I think some Honourable Member alluded to the fact that we have seen the demise or partial demise of Eastern Airlines and they have also alluded to the fact that American Airlines have discontinued the direct service to Barbados. As you know all Barbadians coming out of New York do not particularly like overnighing or stopping off at all in San Juan, so this has posed some problem. Suffice it to say, Sir, that we are looking very seriously at this and we will inform the public of Barbados exactly what is happening.

As far as the Canadian market is concerned, the truth is that we have had a very bad experience in the peso based countries; they were beating us on the matter of price. They were cheaper to go to but now I feel that we are seizing the opportunity to recapture the market share that we had in the late seventies. That is the position with Canada.

As far as the United Kingdom is concerned and indeed Europe, we have had those charter programmes coming out every summer and we are looking very seriously now to reinforce our image among the winter market. As you know, Sir, the Concorde is coming out every week-end and we are intensifying our marketing strategy in Europe.

I would not like to turn to ground transportation, because I would say without a shadow of doubt, Sir, that in Barbados we have the most efficient ground transportation in the tourism sector in the Caribbean. I want to say that we know it is pivotal to the on-going success of the tourist industry. The Prime Minister's concessions therefore embracing all taxis whether they are diesel or gasoline must be applauded. We thank him very much for it, Sir. All taxi drivers in Barbados are ecstatic about this. 800 taxi drivers today are very happy.

This is really the Democratic Labour Party's policy of helping the small man, and we are very happy that they have done it. They were disadvantaged before because as you know the "BT" buses were given the opportunity to have tax concessions and now all taxis in Barbados are getting likewise, and I am very happy with that.

Sir, as far as accommodation is concerned, proper hotel accommodation is indispensable to the development of the tourism industry. We have elegant hotels, we have

middle range hotels and we have guest house type hotels. 8.50 p.m.

These small hotels are the ones that we have been interested in getting some measure of upgrading. There are called the intimate hotels of Barbados and they have been the beneficiaries of a programme for consulting services in marketing, financial management and infrastructural design.

I think, Sir, that this is very important when you realize that now they have had this consultancy, the concessions given by the Prime Minister in yesterday's Budget will go a very long way in helping the small hotels in the country as, indeed, it will help the large hotels and the medium-sized hotels. We are forever grateful to him for these concessions, some \$3 million in concessions which means that the hoteliers of this country will at long last be able, through the amendment of the Hotels Aids Act, to be in a position where they can benefit substantially from the concessions given by the Prime Minister.

We would like to see, Sir, a general upgrading in the properties in Barbados and we hope that they will conform with the Board of Tourism regional classification regulations. This is rather important, Sir, because what is the point of upgrading hotels if they are not going to conform to the classification and the regulations.

I would like to say, Sir, that as you are aware, the small hotels in Barbados were in trouble. They were in trouble for a very long time but in the last two years or so they have been able to see the end of the tunnel. We have been able to get them out of trouble and, personally, I would like to see some soft loan arrangement for these hoteliers which would give them the opportunity to continue now to this great upgrading which would give them the opportunity to make some more money.

What I am saying, Sir, is this that even last year in the slower period, between October and November, when there was some measure of bumping going on, there were hotel rooms in Barbados that could not be utilized simply because they were not good enough so it is rather important that we upgrade these facilities. I do not think that people are really aware of this but that is the position as it is.

Mr. Speaker, I would just like to say that my Ministry will, therefore, take every effort in seeing that the board puts its human resources in place and surely we will be able then to carry out the programmes that the board has indicated we would like to have next year.

Mr. Speaker, in addressing the industry, we are doing it in a systematic and professional manner. We are dealing with the diversification of the product. We are trying to enhance our competitiveness. We feel, Sir, that we have to improve our service. This is true. We need to let people

know that we are offering value for money. We are training as much as we can.

There are many people who are responsible for this, the Barbados Hotel Association, the Barbados Board of Tourism, the Barbados Workers' Union and the Extra-Mural Department of the University of the West Indies. We have also embarked on a programme for tourism in schools. We feel that the tourism study that the Prime Minister alluded to yesterday would focus on the kind of attractions that we in the industry would like our tourists to enjoy.

We are looking at sporting facilities. It would be folly to have a fusion of tourism and sport if you did not upgrade your existing facilities so that not only Barbadians will have better facilities to play, but we would be anxious to encourage great teams to come from overseas and play in games here in Barbados. This is rather important.

We are anxious, too, to redesign our E.D. cards to assist us in our planning and in our research programmes.

Sir, I would just like to say that we are looking very seriously at harassment on the beaches, not only from the point of view of jet skis, not only from the point of view of dogs and even horses, we are looking seriously at the entire question of harassment.

I wish to say, Sir, that when the Minister of Transport and Works came face to face with a problem a few weeks ago, he decided straight away no right turning on the highway. He had policemen in place in cars that if you turned right, they would prosecute you. Alas, Sir, there are no policemen in the water that can prosecute people as they steal away in these fast boats.

Our solution to the problem, therefore, will be to re-establish the Harbour Police, to get them fast boats that they can easily apprehend wrongdoers and then we would be in a position to cordon off areas. We would be in a position to make people understand quite clearly that they cannot violate the law and get away with it.

The jet ski operators understand this fully well but we will not be pushed into a situation, Sir, where we are going to completely stop people from working just because there are a few people in the crowd who are doing the wrong thing. Rest assured that this Government is doing everything within its power to get rid of this putrid blight.

Sir, I would just like to say that I am very happy with the way the Budgetary Proposals have gone in relation to tourism. I am cognisant of the fact, Sir, that there are 240 000 experts in tourism in Barbados. I know this full well. Tourism is our business and, perhaps, people have taken that literally and feel that everyone knows a lot about it. That is not a bad thing. We are willing to get the advice but when it is destructive, when people who do not

particularly know anything at all about it proclaim that they are the repository of all tourism knowledge then we have to draw the line, Sir.

I, therefore, would like to say that I am very happy that the Prime Minister has given the concessions to the tourist industry. We feel that it will enable us to continue to bring many tourists to this country. We feel it would give us the chance to upgrade our product. We feel that the hoteliers who have for years been struggling, God knows how long they have been struggling and, today, they are very happy because they have now seen the end of the tunnel. They have now seen quite clearly that they can have a better way.

I think it is ridiculous and regrettable to say that the Prime Minister does not like taking advice. I recall only a year ago when the hoteliers saw the Prime Minister they did not realize at that time you do not go to a Prime Minister and get results two minutes after. He listened to them. He counselled to them. He understood exactly what they were saying but he wanted it in writing. Having done that, it was easy sailing.

I would like to compliment the Prime Minister and I would like to say on behalf of the entire tourist industry that we are very grateful for the concessions given and we are sure that in the coming year we will do all to justify the confidence that he has placed in us.

Sir, it seems to me that my half an hour has expired rather quickly. There are thousands of people who work in the tourist industry because either directly or indirectly the tourist industry employs some 22 000 people in this country. I would have liked to be able to give a complete breakdown.

I would end by saying that it is not enough for us to believe that the tourist industry as solvent as it may be, will be a haven for people who own hotels. We want to make sure that the profits really are permeating right down through the lower echelons of society. We want to make sure that the people who are selling coconuts, we want to make sure that the people who are selling art and craft, the people who are guides, the people who are the tour guiders, all of these people who are working in the tourist industry will have a better life.

So, Sir, with very little time left, I would just like, in conclusion, to congratulate the Prime Minister for his Budgetary Proposals and associate myself very much with them.

Thank you.

Applause. 9.00 p.m.

Mr. SPEAKER: The Honourable Member for St. John.

Mr. D. J. H. THOMPSON: Mr. Speaker, I rise for the second time since I entered Parliament to support the Budgetary Proposals and the Resolution moved by the Right Honourable Prime Minister in this House.

Sir, the first Budget was delivered in this House of Assembly, as I understand it on the 26th June, 1962. At that time, Sir, it could probably be assessed as a broad overview of the performance of the economy by sector and a broad overview of the state of Government finances and then short-term financial measures were proposed. At that time, Sir, no broad statement of the function and purpose or no basic philosophy of the *raison d'être* behind a Budget was given in terms of its impact on the economic life of Barbados. This, Sir, came later by implication.

Yesterday, Sir, I heard a commentator on the radio say that the Budget is now a political high drama. He said 'leaders are made or broken by their performance in a Budget. I suppose, Sir, by implication he would also mean that clowns are exposed as clowns.

Laughter.

Mr. D. J. H. THOMPSON: There are no clowns in here. And therefore, I am just drawing that across the trail.

Sir, the Debate is now televised entirely and I suppose a few people go out and get a nice haircut and buy a new tie and a new suit and come in here and speak in measured tones.

Sir, years ago, there was a saying that there were some people who entered the House of Assembly and the only thing they ever did was ask somebody to close a window to stop the sunlight from shining in their eyes. Sir, there are people, not on this side, would never say anything else for the entire year, but who, as soon as the Budget comes, scramble up a few pieces of paper and launch a vituperative attack on this Government and on the policies of the Democratic Labour Party....

Aside.

Mr. D. J. H. THOMPSON:...persons who, some time ago, would have found it easy to support those policies.

Sir, expectations also run high in the public domain when it comes to a Budget. So, Sir, it is probably like a political Common Entrance Exam. And just as I am opposed to the concept of the Common Entrance Exam, I believe that this high drama should be reduced to reasonable proportions, as an aspect of our economic discussion in this country. So that, Sir, a Budget is simply a Budget. It is an estimate or plan of income and expenditure

that is made annually by the Minister of Finance: That is all it really is.

But I believe that it has never been this all powerful tool in social engineering that we are now being led to believe it is. In recent times, there has been this tremendous pre-occupation with the Budget and this single-minded pursuit by some in playing around with statistics, predicting, forecasting, foretelling, crystal balling and downright obfuscation. Sir, that is what this particular exercise to some extent has degenerated into. I believe, Sir, as I have said before that it has left us as a nation without any useful consensus on economic policy.

Sir, the Honourable Member for St. Peter said and I heartily agree with him, that a Budget is a serious matter that should not be a question of who was right and who was wrong. I am glad that he has now come to that very Christian understanding. Because last year and the year before, he spent his full time in here trying to establish that his predictions were right and that the Democratic Labour Party was wrong. And that was the substance of his Debate for that entire time. So I am glad that he is now shying away from this concept of trying to establish who is right and who is wrong. Because even if we took his predictions last year, not the ones of devastation and deprivation and so on, if we took his predictions from last year, probably about twelve of them, every single one of them is wrong.

Aside.

Mr. D. J. H. THOMPSON: If the Coney Island were here, you could not even get a job as a fortune teller.

Laughter.

Mr. D. J. H. THOMPSON: I have told you that already. But it is true. So he has now helped us to understand that that is not what the Debate is about. I must say that there was a substantial improvement in the quality of his presentation this year.

Sir, the only prediction I ever made last year was that he would lose the Shadow Ministry of Finance to his own colleagues. It was not entirely right. He lost it to the Honourable Member for St. Michael South Central. That was the only prediction I made, that he would have lost it. He has lost it, but not to any of his own colleagues. That is how events go. But I saw it happening in the crystal ball.

Laughter.

Mr. D. J. H. THOMPSON: Sir, there has been a lot of talk in these economic exercises we go through, the Estimates and so on about errors, mistakes, over estimation, under estimation, cut expenditure, reduced taxes, lack of fiscal marksmanship. These are the current fears of people who suddenly have the authority to tell members of the

public how best this economy should be managed, even though when the responsibility was theirs they perhaps ducked too easily the serious challenges that remained in economic transformation. They would not face the public head on and tell them how they honestly felt the future of Barbados should be directed. So that nowadays, Sir, there are a few authoritative individuals upon whom we can rely for this objective, broad and creative response to the question, are we on the right track? And when I say that I mean, persons outside of the Government.

An economic guru recently said you cannot attack a speech for what it does not say. He was speaking with regard to my criticism of some points that his own leader failed to make at a convention of the Opposition. But, Sir, in essence, all that the criticism of the Opposition will be, I am certain, would be to tell us what we should have said that we did not say. Not what the particular political party will do to change these economic relationships. And that, Sir, in my view is a tragedy.

So that quite frankly, I think that we should be very clear about the fact that there is a distinction between Government's finances which is basically what people are carrying on in here in this big debate over, which a Budget seeks to address, which can be separated to some extent from the performance of the economy as a whole for the purposes of analysis. And I am saying, Sir, that once that distinction is made that all Honourable Members must accept as a fact that Government's finances have improved and that there is a semblance of stability and coherence in the Government's pursuit of social justice through the public sector spending on more housing, improved roads, improved health facilities, improved educational facilities, community development facilities and capital works programmes. There can be no doubt about that.

So that, Sir, it is now time for us to look beyond these sterile posturings of the people who are throwing around the statistics as finance spokesmen for the Opposition on matters that are essentially technical.

Let us look at one area, unemployment. All of a sudden we heard from the Honourable Member for St. Michael South Central that the Labour Party is basically to be congratulated for creating full employment in this country. That is basically the message that we were receiving. That was not what I was hearing when I was a young boy sitting down in the Public Gallery in here. But today, the Labour Party is to be congratulated. And the Labour Party is now a model, used as a model, a reference point for telling the public of Barbados that there are solutions to unemployment. That is what the position has now been reduced to; and that over a period of five years, we can create full employment in Barbados.

Sir, I would say, and it is nothing new - I did my first year in Economics - you could create full employment in

Barbados in one year. With tremendous recklessness, any Government could do it. The same kind of recklessness that led the Labour Party to do it in 1981, to spend \$20 million on CARIFESTA and to do all kinds of wickedness to purchase a Government, create full employment. 9.10p.m.

Then for every single year after 1981 unemployment increased by over 2% until the Honourable gentleman who is the former Prime Minister of this country, the former Member for Christ Church East Central, who was on radio last night pompasetting as though all of a sudden his credibility in this country has been restored presided over the largest or highest rate of unemployment in this country which at that time the Honourable Member for St. Michael South Central was saying was about 40%. But yet the Labour Party is now a reference point for the public of Barbados to assess the performance of the economy. In 1981, he was telling the people of Barbados that the Labour Party was telling lies and that unemployment was not 10%, that it was a lot more than that and that the statistics were bad. But today I sat down in here and heard the record of the Barbados Labour Party being used as a reference point for telling the p[^]ple that you could create full employment by the same person. Now not only should we be ashamed here, but you all should even be ashamed about having yourself used as that kind of reference point by him. What we are interested in doing in this country is not doing like the Labour Party and creating that full employment for a year. We have to look at sustainable full employment,' something that must carry over from year to year.

Applause.

Mr. D. J. H. THOMPSON: But this is the kind of piece meal pie in the sky promises that we have to deal with.

Now Sir, the Democratic Labour Party is responsible in the past 3 years for containment of the unemployment >rate and that in itself is a tremendous and significant economic fact. The fact is that under the Labour Party it increased by 2% every year and that any reasonable economist looking at the economy of Barbados in the year 1986 when the same gentleman who was on radio last night was Prime Minister will tell you things were grim. We immediately arrested that unemployment rate and it has been kept at the same level consistently since then. But yet as I say these are the kinds of things that we have to deal with.

Sir, it is true to look beyond the question of who breached the social contract by imposing taxation and place those kinds of things on the back burner as being monumental rubbish. It is time to put the foolishness about truth and credibility, integrity, and morality and so on behind us because nobody in here is any more truthful than they were 2 years ago or 10 years ago when people were

trampling around Barbados telling people that they had the answers. I am no more truthful than I was then. I have the same amount of morality, credibility, and integrity. It has not changed and the public must know that. We must distance ourselves from that kind of opportunism and those kinds of statements being bandied about in the public domain. It is time for us to look at the future and give the economic debate in Barbados some character. So we have to ask ourselves this question, Sir. Why is it that an entire economic debate can take place in this country in here without reference to important questions like Caribbean economic integration, greater sharing and redistribution of wealth in Barbados, the question of land reform not just diversification particularly in the rural sector, the promotion of greater efficiency and public accountability in the Public Service? All we can hear today now, Sir, is that the Constitutional Amendments want repealing and the Minister of the Public Service should be sent home. That is the answer to an important phenomenon in the social policy of Barbados of the role of the Public Service which must be given more than that kind of lip service. I am talking about the Services Commission should be restored to its position of whatever. These things are not issues as far as I am concerned that the public can relate to. This foolishness that is being thrown across the trail. So we must now ask ourselves why it is that 25 years after Errol Barrow said in this Parliament when they were acquiring land to build the Cave Hill Campus that we have inherited a social and economic system whereby the large plantations or 80% of the arable land in Barbados belongs to 360 people. But yet there is little change today. Today in the 1988-93 Agricultural Plan on Page 8 it says this: "The present land ownership pattern is highly skewed in that over 80% of the arable lands in this country are owned by less than 1 per cent of the farming population." You mean 25 years ago that was set on the political agenda and yet it seems that nothing is changed. You had 10 years, the Barbados Labour Party, and you cannot speak to any significant changes and everytime somebody says land reform in here you get up and say the Tenancies Freehold Purchase Act. You put people to live where they were already living for 150 years or more and said that is land reform. I am not saying that that is not important. But I am talking about young people and Barbadians having an opportunity to own land and to be involved in productivity, to be involved in agriculture, to be self-sufficient, and to contribute to the development of this country and to create employment.

So let us take the aims of this Budget seriously and restore the confidence in the agricultural sector by turning the frustration of people into productive experience and that is what this Budget seeks to do. The Labour Party could be so incredulous in their public statements. As for last night, I heard something about tokenism. Three million dollars given to the agricultural sector is tokenism. Let us hear about the Barbados Labour Party on agriculture.

In the 1970's, Sir, the sugar industry was viable in this country. In 1980 the debt was \$1.5 million, between 1980 and 1986 \$139 million, and by 1989 \$188 million. Three million dollars have been redirected to other aspects of the agricultural sector that was never directed before and the Labour Party says that it is tokenism. But they would take up \$20 million or more a year and give it to an industry that is not producing the result at the end of the day. That has to be an issue. People who could not inspire a colony of ants to build an ant's nest in their backyard when they were in office, a Prime Minister that had no public confidence whatsoever, and all of a sudden he can talk about tokenism and the Labour Party saying the people want him back and all kinds of foolishness. Listen, we have not forgotten and I direct those remarks to the Labour Party. I am looking over there too when I say that we have not forgotten because I say things out here have not changed.

We must ask ourselves why after political rights, social justice, and the promotion of democratic social policies in this country the question of distribution or redistribution of wealth remains untouched in a fundamental way. The Barbados Labour Party had 10 years and only now in Opposition we can hear about economic enfranchisement. Fortunately, the Honourable Member for St. Peter to his credit spoke tonight and told us that Barbadians are investing and at the same time they are not even able in basic language to go to the bank and get anything for any productive enterprise. That we are saving money as people and, yet when we go to the banks, nobody is taking us on. That is part of the agenda that needs to be considered. The banks in this country, the majority, are privately owned. But you see that is the problem. You will believe that you can wish away everything with legislation. There is something known as political will. You cannot quantify it and that is why you have difficulties with it. Everybody in here wants to talk about \$2 million here and \$3 million is chicken feed and so on. You cannot quantify political will. If the people of Barbados have the will and the intention to enter into productive enterprises to take the frustration that young people feel when they go into agriculture at first or the fact that they go into agriculture as a result of frustration and turn it to something productive, then we will be making sense. But you are going to look at us and say we are the Government as though I myself could walk into one of the banks and tell them to lend a friend of mine money. 9:20 p.m.

Not even I can do that. Talk about people writing letters and getting jobs? When you are dealing with the private sector those letters do not make any difference, so it is nothing to do with people talking about "you are the Government" as though I can send my constituents down to a bank in Bridgetown and tell them lend them some money to start out in some agricultural enterprise. That is a foolish remark, and it must be exposed.

We own the policies in many of the insurance companies which are owned by the policyholders. It is people like you and me that own them. We own shares in public corporations, in public utilities, so there is ownership. We have already financial and development institutions that the Government has established to help with the development of this country and we must therefore use these tools in a more meaningful way to ensure that economic wealth is spread more adequately in the community among those who are right now deprived and less well off.

Even after all that time and those issues being raised in this country, the economic relationships remain essentially the same and, as I say, it is only now after 50 years of existence that the Barbados Labour Party talks about economic enfranchisement. They said they gave the people political enfranchisement, they gave them this, that and the other, but they say the new agenda is economic enfranchisement.

Aside.

Mr. D. J. H. THOMPSON: Sir, this in my view is something important. I may not have been around, but I am the product of a generation that came to this country and found political rights, social rights. If I want to go to a polyclinic tomorrow I can go. I was entitled to free secondary education and now it is time for us to say that we have these rights and we are searching for greater economic rights. You are not of that generation. I am surprised at the Honourable Member for St. Peter for the position he is taking on it. He is not of that generation, he came and found these rights, and the natural corollary to this is to have an opportunity at greater economic sharing.

Sir, we seem in Barbados now to broaden the economic discussion and consensus, and we established an Economic Consultative Committee. The Honourable Member for St. Michael South Central recently said that he is nothing to do with any cliques, that cliques in economic policy are done away with. He is broadening the economic discussion. I stood up in this House of Assembly and heard the Honourable Member for St. Michael South Central look at Members over here and say "you all were not part of this, the discussion on this took place down at 'Kampala', me and three or four other people." But all of a sudden today, Sir, he is against cliques. That is the position he took, it is part of the public record in this House, and I cannot understand why it is that there is no commitment to establishing as far as I am concerned those important parameters for economic development, the question of broadening that economic discussion and giving more individuals an opportunity to participate in the economy.

I believe *that* tomorrow's agenda therefore has to mean greater control of economic wealth, greater opportunities for ownership of those productive resources,

access to land and capital, and these are the items on the agenda for me, and I believe that this Government is demonstrating that it is more aggressive in tackling these kinds of problems and is demonstrating that aggression as a result of using the budget as a tool to achieve those ends.

Sir, I joined the Democratic Labour Party when I considered it to be in its golden age then, in the 1970's, when democratic socialism as a concept was being discussed and the party was discussing all kinds of options for development. Today we hear about humanism and social justice. Those are just euphemisms for those policies that at that time we thrashed out and discussed, and that is why I am glad to see that there has been some restoration of that direction and that we are avoiding the temptation to follow the reactionary people in this community and the persons who have no interest whatsoever in seeing any change in the economic relationships, and that we are contributing to the development of the economy in that way.

That is why I am saying, Sir, that we cannot agree with the Labour Party that the workers at the National Conservation Commission should be sent home just to save money and cut expenditure. That has been their position. The NDP is now saying that that is their position. I cannot agree with that. Do you know why? I have said it in here before and I say it every time....

Hon. H. deB. FORDE: On a point of order. The Honourable Member is misleading the House. The Labour Party has never enunciated any policy that the workers at the National Conservation should be sent home to save money. That is not what has been said by any Honourable Member.

Mr. D. J. H. THOMPSON: Last year in the Estimates debate or prior to the Estimates debate this Government brought a Resolution for the expenditure of \$10 million to continue the beautification programme to employ workers in the NCC, and the chief finance spokesman for the Opposition then, the Honourable Member for St. Peter, voted against it. The Honourable Member for Christ Church West was out of the island and the Honourable Member for St. Thomas voted for it, because he understood where his bread is buttered, like me.

Laughter.

Mr. D. J. H. THOMPSON: At the end of the day, Sir, let me tell you, when the Labour Party advocates those kinds of policies, it means that women in my constituency who have seven and eight children will have to be on the bread line tomorrow, and I therefore cannot support those kinds of policies that would mean greater deprivation for the people I represent in St. John.

Aside.

Mr. D. J. H. THOMPSON: It was callous, because the Labour Party sent them home, and if they had the opportunity I can tell the workers at the NCC you would be going home. It is as simple as that.

Aside.

Mr. D. J. H. THOMPSON: I am nothing to do with that, I am to do with the people of St. John.

Aside.

Mr. SPEAKER: Order, please. Order!

Mr. D. J. H. THOMPSON: That is why we encourage wide public discussion on economic issues, because that is the bedrock of our philosophy of democratic socialism, that is why we are committed to a tenantry road programme where the people in my constituency will this year receive tenantry roads, water and so on, including the Honourable Member for Christ Church West in the Society area which, as he knows, is on the tenantry road programme. But if the Labour Party was in office they will tell you we gave you the house spots and that is the end of that. We have committed nearly \$60 million towards ensuring that every tenantry in Barbados will receive a tenantry road, water and so on. That is part of our record and therefore I have to be on that side of the debate. I cannot be on the side of the debate that tells me that my constituents should be deprived of the opportunity to improve their surroundings and improve their social well-being for the sake of political expediency and the concept of supply side economics in which they will always end up getting the bad end of the stick.

Sir, that is why we are building a new polyclinic in St. John, because we believe that it is the working class people of this country who are going to be using those kinds of facilities and they must receive the best, like everybody else in this community. That is why we are interested in developing tourism on the east coast and particularly in St. John, so that my constituents can also get a share of the wealth that is circulated and do things to improve their economic well-being.

So that, Sir, I am on that side of the debate, I can tell you, and anybody that comes in here advocating anything that smacks to me of interfering with that agenda, I will resist them to the end, and in this regard, Sir, I give my full support to the budget this year and to the Resolution that has been moved in this Honourable House. 9.30 p.m.

Mrs. M. BARKER-WELCH: Mr. Speaker, I wish first of all to congratulate the Prime Minister and Minister of Finance for his Financial Statement and Budgetary Proposals. I note that very favourable comment across the country has followed his proposals. A cross section of

persons of this country is satisfied; the masses are satisfied and after all, this party and this Government are here to look after the masses.

Our Prime Minister always stresses the need for prudent management of the financial affairs of this country and anyone with a modicum of sense would know that that is the only way to economic stability. We only have to look around the Caribbean and the Latin American countries. Mr. Speaker, as Vice Chairman of the Inter-American Commission of Women, it was my privilege to meet women from all 32 countries of the OAS and I can tell you that we ought to be so grateful in Barbados for our status, for our stability, especially the women of our country, because where we are now, some of them are not even a quarter of the way, and this is due in no small measure to the management of the finances of this country.

In some of the Latin American countries according to the Inter-American Development Bank reports, things have got to such a pass that some countries, Mexico, to be exact, had to have an economic solidarity pact; I am talking about shock measures and it was a pact between labour, the employers and the Government, and it was for wage freeze, price freeze and an exchange rate freeze.

Now we in Barbados do not wish, I am sure, to have to go to extreme measures in order to keep the country afloat. This does not mean that Barbados can be complacent. We can never be complacent, but I would like the people of Barbados to appreciate the fact that Barbados is doing very well when compared with a lot of other countries, some of which are very much bigger than our country.

Recently I had a chat with some business persons in Barbados and contrary to what I am hearing from the other side, they were extremely pleased at the stance taken by our Prime Minister in listening to what the business people had to say. The group of persons who attended meetings with the Prime Minister has mentioned on more than one occasion his willingness to listen and to try to understand where they are coming from, and they appreciate this, and judging from the comments coming from some of them, this budget for them is a good budget.

The Democratic Labour Party Government has not moved away one bit as far as I am concerned from our basic philosophy, that is, of maintaining a certain standard of living for all Barbadians and of maintaining a just society. We have continued on that path and much of the expenditure that seems not to go down well with the other side goes in carrying out our responsibilities to the young, to the old and to the disadvantaged. People are now living to far greater ages and I may say that there are a lot more women than men in that group, and the increase in pensions though not very great is very acceptable to those persons.

We also look after the handicapped and those persons who find it difficult to cope with life at the normal level. That has always been the Democratic Labour Party's stand and its focus, and that has not gone astray.

Mr. Speaker, deficits and bad management of the finances of a country can cause economic instability, can cause disruption of society, can cause business people to lose confidence, and I do not know where the Honourable Members on the other side drive or where they walk along because in this country you just have to go about and you will see for yourself that the people of Barbados are pleased with the Government that they have elected. They understand very well that you cannot have progress, you cannot have services without money to provide them. They understand that these services are necessary for the on-going upliftment of our society.

One of the strong points not mentioned but which is the bedrock of all progress in this country is education; education of the young, education of the old, and this Government is spending great sums of money in educating our educators. I know most of you will remember Erdiston College and when the Democratic Labour Party Government came into power, Erdiston Teachers' Training College was in limbo. Now that institution is an institution that has been recognised by other Teacher Training institutions in Canada, in England and other parts of the world, and that institution was left to rot. Thanks to the Democratic Labour Party that institution is now thriving again, training teachers, having post graduate certification and quite recently there was a seminar for teachers of the pre-school children.

This education is not just by accident. It is because we know that with an educated public social mobility is much more possible. We are also having special training for the handicapped and in many schools, now, there are classes where handicapped children are integrated. Now this, I think, is a very great step for Barbados. Gone are the days when handicapped children were just left to the mercies of their parents who might not understand very much what they should do with them. Nowadays special teachers are trained to help these handicapped persons. There are workshops for childhood education, and I am sure that the people in Barbados understand these things; they understand what we are trying to do. In the senior schools people are trained to help those persons who are slow learners. All of this means expenditure. Where is the Government to get this expenditure from? No one likes to pay too much taxes but we all acknowledge that we have to pay taxes in order to carry out the programmes of this Government. 9.40 p.m.

Mr. Speaker, I was more than happy at the Prime Minister's proposals for agriculture. As you know, my constituency is one of the most fertile ones in this Island

and there is quite a bit of land that has gone out of use, formerly used for sugar cane, and I am sure that the money proposed for the agriculture reform will go towards helping some of those unused lands to get back into production because agriculture is so vital for our country. We cannot do without a thriving agricultural sector.

I am a little put out when people on the media keep on saying we cannot feed ourselves. I think this is a defeatist and a negative attitude. Even if we cannot feed ourselves with anything, we, certainly, can go a long way towards making ourselves self-sufficient and, at the same time, we would be employing people, we would be helping the unemployment problem.

The Prime Minister is putting his money where his mouth is and that is what a lot of people do not do. This shot in the arm for agriculture, I am confident, will go a long way towards helping the farmers who are getting younger and younger. A lot of young people are looking towards farming, the small farmers and the not so small farmers and the reduction of the duty on their equipment is also a very positive step.

Mr. Speaker, we know that the Opposition is to oppose. That is a statement made, but there comes a time when, in the interest of the country as a whole, we have to begin to be committed, all of us, to the betterment and to the progress of this country. We have to put aside petty differences and come together Join together in commitment to the country.

As the Prime Minister stated in his proposals, let all people of goodwill join me and recommit themselves to our motto "Pride and Industry."

We, on this side, have taken the bold step of rectifying some of the problems that faced us in 1987 and last year, in the Budgetary Proposals of the Prime Minister, he tried to correct some of these problems.

Now, it is very strange to me that it would seem as though 1986 to some persons is a magic year. The world began in 1986 with a certain Budget and it was written in stone. It could not be moved but, thank God, we have a Prime Minister who is not afraid to do the right thing for the people of Barbados even though a few persons might not like it but he has the conviction and he has the integrity and the experience, there is no doubt about it, to carry us through on to a proper road of progress.

We have to aim for the stars and in these Budgetary Proposals with the help that is being given to tourism, and that help in tourism is going to go a long way towards making us even more successful than we are now.

In my constituency of St. Joseph in the area of Bathsheba every single day bus loads of tourists and taxis

find their way down there and thanks to the Minister of the Environment, they now have a very beautiful area in which to rest themselves, to take pictures and to enjoy the scenery. Not only that but they have a beach facility which has come under attack from some persons for rather selfish reasons, which I would not go into here now, but the people of the area are happy about it and tourists are even happier and this will go a long way towards the increase of tourism.

I know that this Government has plans, not just for that area, but for all over and there is a surge in tourism and, as some people put it, and as the Minister of Tourism has told us, it is not just a winter tourism. Some people would have us believe that tourism stops this month but I know that it does not. I know all year round tourism is booming.

Mr. Speaker, I am back to expenditure. When you spend money sensibly and wisely, even though it may appear to some to be a little heavy, and you spend it wisely to the benefit of a majority of the masses, you know that you are on the right track and this Government is spending money to make the constituents of the rural parishes - not just my own but St. Andrew and St. Thomas too - who have had to walk through some tenantry roads that I am sure if Honourable Members of this House ever took the time to visit they would wonder how on earth these people have been getting to work, to church and wherever they have to go.

This Government is now repairing tenantry roads and the constituents of St. Joseph can rest assured that their roads are going to be looked after.

Transportation is another serious problem but we know that there are buses coming and areas like St. Andrew, St. Joseph and those areas where the people find it difficult to get buses to get to work on time, they know that in a short time, a few weeks or months maybe, that this situation will be remedied.

The people in St. Joseph, have heard, I have told them, that they are getting a new clinic, thanks to the Minister of Health, and his proposals. These things have been there for years, needing change for many years, and now under a Democratic Labour Party Government, a caring Government, we are being criticised for our expenditure but the expenditure is expenditure in the right things.

' I am very happy that this Government has stuck to its promise of keeping the workers of the National Conservation Commission. Like my colleague in St. John, it has meant the difference between living and just existing for a great number of women in our constituencies. 9.50 p.m.

We have given a promise to those persons, a pledge that they will continue working. Only two weeks ago, I was

approached by one of my constituents, all in a tizzy because someone had told her the Government is cutting back on workers in the National Conservation Commission.

Aside.

Mrs. M. BARKER-WELCH: That was a distinct lie. I have had to assure her that what we told them two years ago still held and they would have their jobs.

Mr. Speaker, from time to time would-be politicians like to mention women. They try to mention women with the hope that the women are going to be voting for them when they come before them at voting time. They have no plans. Mr. Speaker, the Barbados Labour Party Government used that ploy many, many years ago.

Asides.

Mrs. M. BARKER-WELCH: And now the NDP, I saw it, I read it in the news, they too are going to do something about women.

Asides.

Mrs. M. BARKER-WELCH: Without writing it in the newspaper and without getting on a platform and making a song and dance about it, this Government is employing more women than have ever been employed in Barbados.

Aside.

Applause.

Mrs. M. BARKER-WELCH: The female participation rate has gone up. And the Bureau of Women's Affairs is doing its job in a quiet way.

I am amazed at some of the remarks made by some journalists, some females who have never taken the trouble to walk a country road yet to find out what is happening with the women in the country, in the rural districts. They do not know anything about them. A few middle class and aspiring upper class women are making pronouncements about women.

It is true that there are a few other things I should like to see done for women, and I have no doubt they will be done. But I should like the women of Barbados not to be misled by these apostles of, what shall I say, these people who propose sweeping changes and they are going to do this and that for women.

But the women in Barbados are the true economists and they know when a Budget is good or not. My information is that the women think this Budget is good.

And so, I hope that in the future more women will get a chance to be in the decision-making positions. This is a great hope of mine. I am sure that this Government will be doing its part in helping women to aspire to positions of importance and of decision-making.

Mr. Speaker, the philosophy of the Democratic Labour Party will stand the test of time.

Aside.

Mrs. M. BARKER-WELCH: It is no fly-by-night party. We were not a party looking for a philosophy. We had a philosophy from the time we were a party. And I am sure that the people of Barbados who some underestimate, some underestimate the intelligence of the Barbadian people. They gave us a vote of confidence. We will not let them down.

Our Prime Minister, in his Budgetary Statement, explained that we enjoyed real growth, that we reduced our fiscal deficit, we substantially improved our balance of payments. As I mentioned at the beginning, those of us who have the opportunity to travel or to read some of the documents issued by the World Bank and other international agencies will know that we in Barbados are doing quite well.

Mr. Speaker, I conclude by again congratulating our Prime Minister and Minister of Finance for his Budgetary Proposals and for his determination to see that Barbados does not go the way of those other countries where political instability results from a bad management of our financial resources.

I thank you.

Applause.

Mr. SPEAKER: The Honourable Member for Christ Church East.

Mr. E. BOURNE: Mr. Speaker, I rise to make my contribution to this Budget Debate and during my discourse I should be asking some questions and I hope to get some answers. This country, Mr. Speaker, is faced with crippling taxation, chronic unemployment and slow growth.

I would have welcomed the Minister's Budget had it been used as an instrument to create employment and reduce taxation. But instead, I was subjected to eighty minutes of useless rhetoric.

It is high time that the Minister of Finance and Prime Minister of this country seriously addressed the issues confronting us. The tax measures introduced are

burdensome on the poor man, that is the man in the street, and this is the straw that will break the camel's back.

Sir, there is a major crisis affecting all aspects of agriculture in this country, whether it be sugar, cash crops, livestock, markets or fisheries. I propose to deal this evening with agriculture and aquaculture. Agriculture and aquaculture are words which came from the Latin. *Agger*, a field or land, masculine noun. *Aqua*, water, feminine noun. And *cultura* meaning to till. So that is why we always refer to the sea and ships as she and would always think of a farmer as he.

Laughter.

Mr. E. BOURNE: We never think of a farmer as a woman.

Sir, when I look at the functions of this Democratic Labour Party Government, if I may call the goings-on functions, it is quite clear to me that the affairs of the people seem to be a monumental task. I am saying to the other side, if the job is too big for you, give it up.

Laughter.

Mr. E. BOURNE: The people will understand.

Sir, going up in Below Rock, I saw our small businessmen being engaged in agriculture, in fishing and in transport. There were names like Williams, Drayton, Bynoe, Smith, Bourne, Nurse, Legall, Clarke and those people made a good living. Today, under the present Administration, they would have to hold on to dear life and they would be damned lucky if they meet a peaceful death.

Mr. SPEAKER: Not damned, just...

Mr. E. BOURNE: I withdraw that word. They would hold on to dear life and they would be lucky if they meet a * peaceful death, Sir. 10.00p.m.

What this Administration is doing, Sir, is punishing the dairy fanners, killing the cash crop farmers, destroying sugar, and drowning the fishing folk. I will now read, Sir, from the 1988 Economic Report to show what the Democratic Labour Party would call gains in Agriculture, Page 57, Sir:

Export Crops - Sugar, a decrease of 9.6%, Sir. For them that is a gain. Cotton - minus 31%, Onions minus 60%, Peanuts - nought cent, 100% decrease, not a peanut in the country. The Minister of Agriculture will have to tell me why there are no peanuts in this country. Sweet Potatoes - 44% decrease. Beets - 30.8% decrease. Pumpkins - These things grow all in your backyard - 41.1% decrease. Cucumbers - .98% decrease. I am dealing with decreases.

Cabbage - 13.4% decrease. Pork - Everybody I know in my time raised a pig in their backyard and here it is a 9.3% decrease. Beef - 1.9% decrease. Mutton - 10% decrease. Eggs - minus 16.7%. The only increase we had was a little increase in Carrots, marginal in String Beans, and marginal in Tomatoes.

Now Sir, when I think of these decreases, it causes me to wonder whether these decreases were deliberate or whether they were just a fault which would cause licences to be given to certain people for a ride at the expense of our farmers. The Democratic Labour Party believes in import licences to special people especially when it comes to agriculture and aquaculture.

Agriculture, Sir, is really the sick man of the Barbados economy and through no fault of its own. I would ask the Minister why this is so. But I know that if agriculture was a man perhaps it would quote the famous words of Thomas Wolseley, "Having served my God half as faithfully as I have served this country for the past 300 years, they would not have deserted me at this time." The token gift of \$3 million given to bring back 7,000 acres in agriculture is a joke. This could only suffice for 429 acres and a couple of cane holes. I think that the Honourable Prime Minister is thinking about bringing back Groves Agricultural Station or Jerusalem or the Belle. What about the others, Sir? Is the Minister only going to bother with a cane hole here and a hedge row there when it comes to the rest? This is a disgrace and I say that it is just "pretty pretty to fool monkey". Why can the Government not revitalize sugar? The by-products can be processed locally....syrup for pancakes, molasses for animal feed, confectionery. We can even can paupau mixed with molasses, a whole gambit of things can be processed from sugar. But we give away our sugar and buy it back at very high prices. What about the other side of agriculture? What about canning pigeon peas, and okras? The aromatic industry worldwide is estimated at tens of billions of dollars. U.S. dollars I mean, Sir. Right here we could get into khus khus. We are always talking about khus khus. This would help to control erosion and it could be used in the aromatic industry. Aloe was once a cash crop in Barbados. Why can we not try it again? Over 3,000 jobs can be generated in agriculture both directly and indirectly. Are you prepared to build only ghettos of the unemployed? How could the Minister of Agriculture blame the small farmer for inefficiency when the Government Farm at Hope, St. Lucy lost \$200,000 with a herd of over 120 cows and 200 acres of land planted in pangola grass and many small farmers do not have a cane hole to plant anything on. ADC has over 3,000 acres and losing an average of \$5 million a year.

The DLP Manifesto of 1986, Sir, is a long tale of woes. Listen to this classic on Page 10, Stud Service, Sir. I would like to know from the Minister if some of the \$3 million is going into Stud Service. This is 3 years now, Sir. It is one of the simplest things in this world to do, Sir. All it

needs is the male of the species. The -Minister of Agriculture all he would do is to get a horse, a bull, a jackass - Somebody will bring the Jenny-ass. - a ram, a billy goat, a boar, and your farm is never complete without things like frogs and lizards. They help in the ecology. But Sir, you do not even have a bull frog nor a cock lizard. The said Prime Minister, Sir, said in the Estimates Debates that I was a man without integrity. He has asked me to assist him with the Oistins jetty which I proved he was wrong.

But this time, Sir, I am going to give you the advice face to face. There will be no letter. In front of witnesses, I will show you how to catch a cock lizard.

Laughs.

Mr. E. BOURNE: I was appalled yesterday when I heard the Honourable Minister of Finance talk about agriculture, manufacturing, and all of these things. Do you know that he forgot aquaculture? He forgot fishing - not one word. The DLP Manifesto, Sir - let me get it, Sir, Page 12: "Provide tax incentives and financial assistance to promote the processing, packaging, and marketing of fish and the development of fish based products". I want to know, Sir, when this will be done. Three years have gone by - "provide substantially increased assistance to fishermen in relation to the repair and re-equipment of their boats". Since the time of Joy Edwards, those guys got a measly \$300. Today Sir, it is still \$300. A gallon of bottom paint costs \$348.00, Sir. 10.10p.m.

What hurts me, Sir, is to hear the Honourable Member for Christ Church West Central, the Honourable Attorney General, admitting that people fish in our waters as they like, and he is doing nothing about it. But he is saying that the people in Trinidad have a right to protect theirs. This is ridiculous.

I have been reading the Nation of Tuesday, April 26, and I saw a headline "ROBINSON: Fishing under Trinidad terms". I want to hear from the Prime Minister what is he going to do about that. I would want to hear him say "Aeroplane flying under Barbados terms". The ball is in your court, Mr. Prime Minister, show us the medal of your pasture. Show us that you are *primus inter pares*. Do not just sit down and do nothing, get up and do something.

I would like to know from the Minister of Agriculture when the white elephant will be opened, and I am referring to the fishing complex in Bridgetown. Ever so often I hear it will be opened this day in May, another day in June, another day in November, but it remains unopened.

They talk about efficiency, but this is what I got, Sir. No wonder the Ministry of Agriculture is in a mess. I got this letter which I shall make a document of the House and I shall read it to you. Ministry of Agriculture, Food and

Fisheries, Reference A13023/70A, date - and I want you to listen attentively to the date - 1989-04-04. I went to school a long time ago and it was the other way around, but I believe this 04-04 means the 4th day of April, 1989. It is addressed to Mr. Edgar Bourne, Silver Sands, Christ Church, whoever he is.

"Dear Sir,

*Registration and Identification of crews
using the Bridgetown Fisheries Complex*

I am directed to inform you that it is proposed to compile a register of vessels and crews who would be potential users of the Bridgetown Fisheries Complex.

According to the records of the Fisheries Division, you are listed as the owner of the vessel Constructed, Registration No. XI12."

That is true, Sir.

"Identification tags will be given to owners and crew members to facilitate access to the Complex. It will be your responsibility to safeguard these tags and ensure that -

1. crew members understand that access to the Complex will not be guaranteed without it being presented at the gate;
2. in the event of change of crews, the tags are recovered and issued to new crew members by you;
3. if lost or stolen, the management of the Complex is notified. You may be liable to replace the tags at your expense."

But listen to the clincher, Sir. The Honourable Member for St. Philip South tried to laugh at me earlier, saying I want a road from Chancery Lane to Searles, a road which he would use too, but the Honourable Member for St. Philip North is laughing at me too. Listen for the clincher.

"I should be grateful if you would complete the enclosed slip and return it to this office by Friday, 14th March, 1989."

The date of the letter is 1989-04-04 and it was received 17th April, 1989. It was signed by R. A. Hinkson for Permanent Secretary. The master is responsible for the servant. They laugh at me all the time, they make fun at me all the time, so it is no surprise to me. This is the way I have been treated for the two years I have been with you fellows, the Honourable Members on the other side. The Minister of Agriculture should stop behaving like the ostrich and stand up to his responsibilities as a man.

I shall turn, Sir, towards home. This question is to the Honourable Minister of Community Development. The small playing area in Sayes Court is crying out for attention which has been asked for long ago. All it needs is moulding, levelling, removing the road from the centre - just a little road, not even as long as this building - and placing it to the eastern end. The community cut the grass themselves, then they have to beseech the NCC to remove it. It was promised by the Minister of Community Development that this would be done as soon as reasonable progress was made at Silver Sands. I do not know if reasonable progress has been made there yet.

But I want to tell my constituents why I had to leave the other side. Too many broken promises, lies, and I was made to look like the biggest liar in town. I will start dealing with the Minister of Community Development. It has been reported to me that he has said that I cannot go into my constituency, and rightly so, Sir. If these things are being done to any representative, he would have to hide from his constituents.

I was asked to provide the names of ten young ladies to go overseas ;j work. The names were provided, the ladies went down for their interview, they got their passports, they got everything, and that was the end of that. They were never told anything more, I was never told, so that is one of the reasons I cannot go into my constituency.

On another occasion I was given a list with names on it for enumeration. I have many school leavers. I was told you can take all these off and put on who you want. I, feeling smart, went home, got these guys together, took off the names of people who were working, because all these people had jobs already, put on school leavers, only to find that the poor fellows' hopes were dashed to the ground. They hired one.

Aside.

Mr. E. BOURNE: By the Prime Minister himself. Twenty two old people's homes were given to the Minister of National Assistance. To date only two have been repaired.

Aside.

Mr. E. BOURNE: The big sell? I will show you where the big sell is. The Minister himself visited one of these houses with me. To leave home I must pass there, to get back home I must pass there. 10.20p.m.

The Honourable Member visited this house and assisted with the measuring, he and his staff. The Honourable Member for St. Joseph accompanied him that day last year in June, promised the woman that the house would be fixed, and to date nothing has been done, there

has been no call back and not a word. That is bad. I have to answer to these people, and do you expect me to stay on the other side? You are Ministers and you can get things done. I heard the Honourable Member for St. Philip South talking about the roads he is getting in Harlington and in other places. He is a Minister....

Asides.

Mr. E. BOURNE: If I didn't get things when I was over the other side with the Democratic Labour Party, I don't know what will happen now. When the Deputy Prime Minister was Minister of Transport, you promised me in earnest that you would have Kings Corner started by June last year ...

Asides.

Mr. E. BOURNE: So you ducked out. You did not want to honour your obligations with me, so you ducked out. I have confidence in the present Minister of Transport.

Turning to natural gas, Sir, I think the Honourable Prime Minister is responsible for energy. I have been calling for natural gas for some time. I have been given all kinds of promises, and the latest I was told is that they have to carry out a survey. I want the gas for a place like Silver Sands; a million people live in Silver Sands, Chancery Lane, Ealing Park, Goodland Gardens, Goodland Park. You can't say these are poor people who can't pay. I approached these people and most of them offered to pay the money up front. They would give me the money because they want the service; but I hear now that they have to carry out a survey. As I drive around the country I see gas is going into other places. There is a line which runs about 100 yards into Fairview. Can you imagine that the gas line passes through St. Patricks, through Fairview and my people up there do not have natural gas? A gas line terminates 100 yards inside Fairview and that is the end of it. The representative whom I defeated had the foresight to put that line into Fairview and I got rid of him before he had time to finish the job, and here it is now I am stuck and cannot get any gas.

Now I would like to know when the drainage engineer of MTW will start doing some work, as well as the digging contractor in places like Inch Marlowe - the rainy season is coming - Rollins Road, Parish Land, St. Christopher, Green Garden. There are only five places, you know, with five wells. Every time there is rain in October we have to call out the Fire Service to pump the water off from these people. I have been made promises, not by the Minister, by the Engineer in charge that he would look into the matter and he would have the work expedited. I hope that I do not have to come in this Honourable Chamber and lament that these inconveniences are still bothering my people.

Asides.

Mr. E. BOURNE: I don't know the engineer's name; I don't worry about people's names. And now, Sir, I have not forgotten the Honourable Member for St. Michael West Central, the Minister of Sports, another Minister who likes to make sport at me. This is eighteen months since we have been waiting for the lights on the hard court, and the field needs moulding. The lights are being sold in the United States at US\$ 60 a piece.

Asides.

Mr. E. BOURNE: No, no. I know about lights. It was my job at one time to deal with those lights. When will I get them? You can give me an answer right here in public. The last time I got an answer on the playing field, that was eighteen months ago, and that was a joke. I want a real answer now, Sir.

Finally, Sir, one of the reasons why I really could not handle the Democratic Labour Party show was the problem with the diplomatic dope cover up. Now putting all jokes aside, I am a very serious man, and I feel that when somebody does something very serious, they should be punished. I am one of the people who believe in capital punishment. I also believe in an eye for an eye, and I was very shocked to come into this Honourable Chamber and to hear the Honourable Leader of the Opposition at that time telling us that we had a pound of dope coming into the Ministry of Foreign Affairs.

I was rather shocked and I am sure all the Members on the other side with me were shocked as well, but what did I get? A feeble excuse. I know in democratic countries as soon as things less than this happens, the Minister either resigns or is called upon to resign. I remember as a youngster Lord Profumo in England had to resign because he talked to a girl that some Russian diplomat talked to. Lord Carrington had to resign as a result of the war between England and Argentina over the Falkland Islands. He was a decent man, and so the Minister of Foreign Affairs should have chosen to resign or he should have been forced to resign. That was a bitter pill for me to swallow. Francis Scott in Canada was talking to some lady friend and he got into trouble and had to resign. But here it is in this country you will get Members of Parliament, especially Members from the Government side telling you, you are talking about the Westminster principle, it does not work here, it does not work in Barbados; it can't work in the Caribbean. Now I am not for that. I believe in saying it as it is; I believe in standing up and being counted.

Now let me tell you something.

Mr. SPEAKER: The Honourable Member's time is up.

Mr. E. BOURNE: It's up; it was too short. I think I will come back, Sir, and bring a Resolution asking that we

have unlimited time. Anyway* Sir, all I can say is that the Democratic Labour Party is a party with the doctrine of a few people and the hearts of the majority are far from the poor of this country. I am much obliged to you, Sir.

Hon. W. O. FRANKLIN: Mr. Speaker, during the debate today we have had quite rightly so many speakers commenting on the state of agriculture in the country, and in most cases I would think that their concerns are genuine concerns, since the agricultural sector in Barbados is a critical and crucial part of the economy of Barbados.

I would like to start by thanking the Honourable Prime Minister for having reacted to some of the Ministry's requests and having listened to many of the farmers in Barbados, and to have brought some kind of relief to the farmers in Barbados in three substantial ways. I would like very quickly for this House's record to go through some of the things in agriculture and to give the story as it is, as I always do.

It is true that whenever sugar sneezes, as it is said, non-sugar agriculture gets a cold, and that is to show the close relationship between sugar agriculture and non-sugar agriculture. We in the Ministry have always insisted and I have always made it very clear that the policy of this administration is to diversify around sugar and not out of sugar. 1030p.m.

The Honourable Member for St. Peter made a very fundamental statement when he said in his address that the plantation system must be reformed and he made mention of leasehold being introduced into Barbados but I would like to ask the Honourable Member if this is a late realisation or if he was aware of this over the last ten years and was afraid to tackle the problem and now in the Opposition can voice the problem very boldly because he does not have to face the harsh reality of transforming the system.

Aside.

Hon. W.O. FRANKLIN: Mr. Speaker, let us have a look and see what has been happening in sugar. Sugar has been going through a very difficult time, let us admit it and let us look at it. It did not start yesterday. Let us look at the acreage reaped, starting from 1971 and we will see the progressive drop-off in acreage that has been going on ever since. This is on page 56 of the Economic Report:

1971-19.7 (thousand) hectares
1972-17.8
1974 -16.8
1975-16.1
1976-15.9
1980-16.1
1981 -15.8

1983 -14.1
1985-13.9
1987 - 12.8 (thousand) hectares
1988-11.5

Mr. Speaker, this would demonstrate that land going out of sugar did not start in 1986. If you look at it, there was a progressive removal of land from sugar since -1971 and I am certain if I go back beyond 1971 you would notice that you would have the same problem. It will continue if we do not arrest it and I propose to show the views on how we propose to arrest this planned going out of sugar because it is my contention that we have reached the bottom limit and we have to reverse that.

Now, let us look at the sugar industry and see what the position is. The sugar industry up to 1970 was a viable industry. It is the only industry in Barbados that has full complete support services. It is a processing section, it has its own research section, it has its own marketing section, it has its own management section and until the 1980's the Governments of the day kept very far out of the running of sugar as such since it was a very viable private sector industry and - as such the Government of the day, quite rightly, stood out of it.

In 1981 and 1982, we started to slide out of sugar agriculture and it was about that time that the then administration sought, quite rightly, to provide some type of support.

Now, if we look at the comparison, we will see what has been happening. In 1980, you had a situation where the production cost was about \$756 while the export price being received for sugar was about \$914 so that clearly demonstrates that up until 1980 your production cost was below your export price cost most times and, therefore, the industry was very viable.

In 1981 you had the first reversal where the export price dropped to \$965 and the production cost rose from \$756 dramatically in one year to \$1 050 per acre and that was the start of the problem with sugar. You started to get the production cost of sugar being more than the export price.

In 1982 you had the export price dropping to \$776 and the production cost rising to \$1 220. In 1983 you had the export price dropping even further to \$717 and the production cost rising to \$1 223. In 1984 it was \$747 and the production cost was \$1 197. In 1985 the difference continued of nearly \$500, \$755 for the export price per tonne, \$1 251 as the production cost.

In 1986 you hit almost rock bottom of \$628 for the export price and \$1 112 for the production cost. In 1987 there was a slight improvement and the export price rose to

\$1 040 and the production cost \$1 027 and in 1988 the export price \$1 085 and the production cost \$1 360.

Now, those years, Mr. Speaker, from 1981 until 1988 saw the gradual erosion of the sugar prices on the world market and the continual increase in production cost and caused what is now known as the debt crisis in the agriculture industry despite the fact of fairly high subsidies by way of sugar support funds going into it.

What is the present situation of the sugar plantations? They are all stuck in very serious financial problems and it has reached the stage where, quite rightly, the financial institution that provided the funds for these estates, has, like any other institution, to call halt and take time to examine and see where they are.

Now, I am positive that the Leader of the Opposition, the Honourable Member for St. Michael South Central, and the Honourable Member for St. Peter, would be fairly familiar with the scenario as we have been putting it because I know they both had very difficult times and spent long nights looking at the problem in sugar which this Ministry and this Government have to face.

All through the year, up until now, agriculture would look very good because the sugar industry which is crucial to agriculture, because of the rotation crops - they are the big owners of the mass of land in Barbados - and if all is not right with the sugar owners, you are going to have the fall-off in agriculture because the remaining agriculture at small proportional level is marginal when you think about the portions of lands held in the hands of the people under BSIL.

The situation, as I said, is that the banking system, I would say, fairly freely advanced the money requested by the sector up until then. Now the banking system has to look at its own existence and see whether or not it can continue with that line and, as a result, the banking system, I am told, is asking for a lot more accountability in that they are exacting farm plans and as a result of this you have two or three serious things happening.

Those plantations, and they are about 23 considered in good shape, where the owners still have some type of equity in the plantations, have begun to ask themselves the question whether or not they are going to continue to erode their equity base in a situation where the price of sugar on the world market is far below the cost of production.

We have just had a study completed which is a very fundamental study to the sugar industry. 10.40p.m.

One of the things being advocated is that if at that time in the marketing policy, a risk management programme was put in place that would have tied the price

of sugar at one time to a high price, by a certain policy in procedure in the risk management, as was done in the Philippines. You would have had a fairly sustainable price of sugar coming in all the time and you would not have had the run on the plantation system that you have now.

So the plantations are in problems and the results of the plantations being in problems is that it has affected directly the non-sugar crops. And it has affected the non-sugar crops in a way that has interfered with the diversification programme of this country. The ADC - this corporation farms about 3 000 acres of land - in a list of 120 plantations and you take the debt to acreage arable acres ratio, ADC is at number 20. In other words, the same ADC that is being cried down by so many people out of ignorance has a lower debt to arable acreage ratio than some 100 plantations in private ownership. And the ADC has been called on to almost carry single-handedly the diversification programme in this country.

Of all the large farming acreage in the Scotland District, every single one has gone out, except those lands being worked by the ADC. And you have to understand that by the ADC working those lands in the Scotland District that you are doing two things. You are keeping those lands in some type of cultivation and at the same time, you are doing a conservation job on the lands. If the ADC were not operating those lands, the mere cost alone of the conservation effort to retain those lands would be much higher than any subsidies that have been given to the ADC.

The Honourable Member for Christ Church East talked about the Hope. The Hope now is one of the best dairies in this country. I am sorry I do not have the figures. The Hope now has been turning in an average of 31 pounds per cow and has made a profit over the last six months. The profit for the month of April was something like \$16 000.1 was given the figures, but I do not have them. So the Hope Dairy has been

- in St. Lucy -

Hon. W. O. FRANKLIN:
performing excellently.

Laughter.

Hon. W. O. FRANKLIN: And right now, every single acre of land available to the Hope is under proper cultivation in the way that it should be done and I want to spend a little time on the Hope to deal with the dairymen.

The Hope at the moment has some 500 tonnes of silage put away,....

Aside.

Hon. W. O. FRANKLIN:... one hundred and twenty thousand bales of hay put away and they are also reaping another 120 000 bales of hay that we would make available to the fanners.

Aside.

Laughter.

Hon. W. O. FRANKLIN: Now within the last couple of weeks, we have had a big hue and cry by the dairymen of this country. They have gone on the radio and they have made some of the most alarming statements. But the Ministry has not responded because the Ministry is a responsible Ministry. They have presented a case to the Ministry which we have examined in minute detail. I would not go into their case nor the Ministry's case. Suffice it to say that the Ministry has gone through it in minute detail and we are preparing a paper to take to the Cabinet with certain recommendations for the dairy industry.

But one can easily be very popular in this country. And the way to be very popular in this country is to give the people of this country every single thing they ask for. So if the dairy men ask for \$2 increase, give it to the dairy men and you would be popular. If the sugar industry needs an additional \$50 million, give it to the sugar industry and you would be popular. But in the interest of efficiency in this country, in the interest of the people of this country, and in the interest of developing a community where people are a lot more dependent on themselves, where they turn to their innermost man for their own reliance to develop people that would help this community and themselves, if you have to say anything to them, you are the worst enemy. The easiest thing they can do is to jump on the call-in programme and make their case out. But this Minister has a wider responsibility.

Applause.

Hon. W. O. FRANKLIN: I have a responsibility to the farmers. I have a responsibility to the taxpayers of this country, I have a responsibility to the consumers of this country and I have a responsibility to the people of St. Philip North who have sent me here. Mine is a very straightforward, simple case, that I would do the job to the best of my ability and when the people of St. Philip North are ready, they would tell me when they are ready. That would take all the interests into consideration.

Now there are one or two things I want to say. It is not true that the Ministry was not listening or was not sympathetic towards the dairymen's plight. There is a situation in Barbados where there are two different Associations representing dairymen. The Association that has been most vocal within recent times represents 10 out of 39 dairy farmers in this country. That Association is responsible for about 24.4% of the milk produced last year

- 119 689 kilos and they are responsible for 10 farmers.

The other Association that has acted extremely responsibly that sat down with the Minister and discussed their problems, that respects the confidentiality of the discussions represents 76% of the farmers and they have sent in 370 115 kilos of milk or 76% of the milk last year. I am talking to all of them.

But let me say what are the problems. Unfortunately, in that one Association that has been so vocal, there are two or three of the farmers, only two or three of them that at the moment are very short of land or are without land. And it so happens that the spokesman for that group happens to be one of those people. And the spokesman for that group has very little land. He has no improved pastures.

When we examine the list of people in dairy, in the model that we prepared, we have been saying that a dairy farmer with 50 head, in order to be sufficient should have at least 15 acres of land, since we are advocating the improved pastures and a cut and carry method for hay instead of buying hay in this country.

When the dairymen presented their case to the Ministry, one of the things that the Ministry queried was the fact that in a 50 head dairy, they put, as part of their case, that they have been buying and spending some \$42 000 a year in hay. And if I take it that there are approximately 40 dairies, it would mean that the people in this country have sold last year about \$1.6 million in hay. Either the people who are making the money out of farming are not reporting their income or somebody is not levelling with the Ministry. We have said that we would want to research that and we did not believe that that was the case. They do buy some hay in times of hardship.

We have recommended a model in which they should produce their own hay on the acreage. And the discussion held with the General Manager of the BAS and the ^x President of the two Associations hinged around the fact of the increase that the Ministry is recommending. This Minister, because I believe in consultation, before I took anything even to the Cabinet of this country, I called them in because they presented the case and I discussed with them the findings of the Ministry and the shortcomings and told them what our proposals were.

I then went on further to identify what the problem was and the problem was that there were a few dairy farmers who did not have the wherewithal to provide the hay. 10.50p.m.

My discussion with them was as to how the Government of Barbados could provide means and ways of helping those dairy farmers. They left in the afternoon on the fact that they were supposed to report back to the

Ministry in 7 days time with a programme that we had given them and to come back to see if the programme was agreeable. The next day I heard on the radio all the things that I had been talking about.

Let me tell you the things that the Ministry provides by way of incentives to them. We will provide them with a cadre of systems. We provide them with everything. But quickly, sugar cane agriculture is a problem and we have to solve it. There has to be a system introduced in this country very shortly where some means of financing or refinancing or a move between ownership has to come about by some method that the Government will have to look at. Obviously, for those plantations that are now in a very bad financial state where their debt equity ratio is so high that the farmers are finding it difficult to continue the financing that some mechanism has to be found in order to get back those plantations into cultivation. The amount of money that has been voted in the Estimates is not intended to provide the complete cost of rehabilitating the land. It is only an incentive.

We are providing only a cost of bringing back land into cultivation. The rest has to be done by credit by the people and we are hoping that by providing a policy where we offer them a fixed price for certain commodities that they will understand. We will discuss with them very shortly the commodities for which we are offering the fixed cost. The commodities that we are thinking of would be yams, potatoes, hot peppers, pumpkins and cherries, and some fruit and others would be listed. The policy, quite quickly, will be that the Ministry after consultation with them will agree on a base price which will represent their production cost and a markup on their production cost. They would be guaranteed that price for any produce of exportable quality and the Ministry will pay them for that one. So that is how that one is supposed to work.

The Cotton Programme. Now let me quickly answer the questions that I have been asked by the Member for Christ Church East. The dairy farmers I have dealt with. The sugar industry - I have just demonstrated to you the situation with the sugar industry that the study has just been completed and we are looking at it.

The fishermen in Tobago - the consultation is going on and I am certain that you would not expect this Government or this Ministry to act irresponsibly and encourage our fishermen to go down to Tobago, because we cannot do that. The discussions are going on and I expect very shortly in the month of June that we will continue those discussions.

The licensing system - the situation, as you know, with regards to the vegetables is that we had a shortfall which developed last year because of the weather conditions and as a result the BMC was allowed for a short time to bring some vegetables into the country. Now it has

been brought to my attention that some things have been coming in. When I checked, the things that are coming in are mostly pineapples and some eschalots with which people are making seasoning. These are most of the things that are coming in and BMC has not been giving any licences to bring any vegetables into this country since December. We do not have any reason to do so because the vegetables are coming on stream.

This year, we have just produced 699,000 pounds of onions in this year's crop and that is information for the Member for Christ Church East. Six hundred and ninety-nine thousand pounds we have just produced in this year's crop and he well knows that the onion is completely tied up or very closely connected with a blast disease. For some reason there are years that the blast attacks the onions a lot more than in others. We have been doing a research project on it. We have identified certain packagings that we believe are the reasons for the blast and we hope very shortly to find the solution for the blast. As soon as we have licked the blast, we will be able to produce large quantities of onions. This year, as I have said, the crop is much better and there have been 699,000 pounds from this year's crop.

On the Hope Dairy - I have dealt with the Hope Dairy.

Asides.

Hon. W. O. FRANKLIN: The suggestion about canning pigeon peas, the Member for Christ Church East will welcome the fact that the ADC is about to award the tender for the construction of the building for the aqua processing in which we are going to look in the first instance at juices and pickles, and these will come later as we reactivate the situation.

The Prime Minister and the Prime Minister of Tobago - my Prime Minister is very responsible and at the appropriate time the negotiations will be going on. The letter - what can I do about the letter? The letter is from a technocrat and I cannot do anything with the letter unfortunately.

So in summary, Mr. Speaker, the project is very much on schedule and it is one of the things that we have to look at. Because of the situation in sugar, the BSIL has done very little to assist us in expanding our acreage in cotton and there again the ADC had to carry the brunt of the cotton production. ADC last year had to carry nearly 900 acres out of 1500 acres. The programme that we are introducing is that I have as a fixed price a special method to offer the producers of cotton in order to extend the acreage because we need the acreage in order to keep the project which is very much on schedule and very shortly we should be seeing the continuation of the process of the knitting situation and the finalization of the mill for spinning.

On the point for the Member of Christ Church East I agree with. We have the Korean boats. We have been complaining for a little time for their coming in here. But how are we going to arrest them? How are we going to arrest the boats that are coming and fishing in our waters? As a result, we cannot

Asides.

Mr. SPEAKER: Order please.

Hon. W. O. FRANKLIN: I have already said...

Asides.

Mr. SPEAKER: May I have order?

Hon. W. O. FRANKLIN: Barbados is not going to act irresponsibly in our harming the tourist industry by talking about BWIA coming into this country. BWIA has been doing an excellent job in assisting the tourist industry in this country, and we would not...

Asides.

Mr. SPEAKER: I am not accepting any interruptions.

Hon. W. O. FRANKLIN: ...we would not add any further problems. We have a problem with fishing as you will admit. We do not have a problem with tourism now. The tourism industry is doing very well and I am certain that you would not like anything to happen to interfere with the tourism industry that has been leading the growth in this country.

Mr. Speaker, Horticulture. The Barbados Horticultural Society has just gotten an excellent grant and it is part of our programme. We have a consultancy going on in which we have a consultant identifying the varieties and types of flowers that we can grow here commercially and the acreage. We expect that by the end of the 5-year planned programme we will have somewhere in the vicinity of 800 acres in varying types of horticulture which we believe is a way. Fruit is also an area we have been concentrating on and additional grass land because our dairy industry is going on. BMC is about to introduce a marketing policy to assist all farmers with their beef and sheep where BMC will be taking the beef and sheep and would be preparing them for their wholesale market and the dealers have already agreed with us through the Ministry of Trade. We have worked out a programme where the importers of beef would take a percentage of the local beef and pass it on to the market. The same thing is going to happen with the percentage of lamb. So we will solve the marketing for beef and lamb. The situation as you know with this year is that all the pigs that are available are being marketed through the processors. The poultry industry is continuing to show growth for the farmers once again and I am certain that with

the removal of all duties that will reduce the cost of agricultural input. Further, I have asked the Minister of Trade to have a look at the marking up of all agricultural input because I am not satisfied that the mark-up is as reasonable as it should be and, if we find that the mark-ups are higher than reasonable between the Ministry of Trade and ourselves, we will do something further to reduce the input to the farmers of this country.

So I believe the incentives are excellent incentives. The Prime Minister saw that this Government had a commitment to agriculture. We have to take the bold initiative. We are coming at the time when agriculture has its problems from the accumulation of all the years coming through. It did not come about yesterday. The problem is the accumulation of all the years and we are tackling the problems with bold and imaginative steps. I am certain that the next time that I have to report to this House we will be able to see some positive growth in agriculture once again in this country.

Applause.

11:00 p.m.

SUSPENSION OF SITTING

Hon. P. M. GREAVES: Mr. Speaker, at this very late hour I think it is time that Honourable Members are due a rest. I am therefore moving that this sitting be suspended until 11.00 a.m. tomorrow, the 28th April, 1989.

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

Hon. H. deB. FORDE: Before the question is put, Sir, I have had a look at the tentative list in which the order of speeches is going to be organised, and with the Leader of the Opposition I have had a conversation with the Leader of the House. The best parliamentary tradition and custom which is followed, and which has been followed in this House and elsewhere, is usually that there is a winding up speech on behalf of the Opposition and there is one on behalf of the Government. I am going to say that the proposed list of speakers is not following that tradition.

I do not want to waste any of my speech tomorrow on this subject, but I would say to the Government that the Government should be prepared to honour the best traditions of Parliament, particularly in the 350th year, and permit those persons speaking on the Opposition benches to at least have a winding up speech before the principal spokesman for the Government winds up.

Aside.

Hon. H. deB. FORDE: Sir, I do not in this House quarrel, as you know, on matters such as this, but I believe that it is proper that if we are following these traditions they should be followed. Otherwise...

Aside.

Hon. H. deB. FORDE: The Prime Minister must not bother about who wants to get close to him, Sir, that is not the issue. I hope that I still have remained a close friend of the Prime Minister, despite our political divide. That has never prevented that, but I am concerned if we are not going to follow that position, because what we will have is a departure and if that is going to be introduced at this time I am afraid that some of us are going to have to bring a resolution in this House about the whole position of the debate of the Financial Statement and budgetary measures in the future.

Mr. SPEAKER: I would just like to...

Hon. B. M. TAITT: Mr. Speaker, before you respond to the Honourable Member, the Honourable Member for Christ Church West is seeking to give the impression that there is some tradition in this House which is about to be trampled. We do not have two Leaders of the Opposition in here. The Honourable Member is now an ordinary member like any other ordinary member. There was a time when there was a special Resolution that was brought in here when the Leader of the Opposition was not the principal spokesman in finance, and therefore the then Government of which the Honourable Member was a member had an hour for one of their members to speak and as a sop gave the Leader of the Opposition at that time an hour as well, and so their second person who spoke had an hour.

I have been in here for a fairly long time now, Sir, and I will not have any Honourable Member give the public the impression that somehow the Government is doing something. There is nothing the Government is doing. The Government is saying that the Opposition is entitled to the same time that it has always had, a half hour. If the Honourable Member wants to wind up, how can they have a wind up speech by the Opposition? He has to become the Government if he wants to wind up. He cannot wind up for the Opposition. They came in here and they interfered with the rules, Sir, they interfered with the Standing Order by passing a special Resolution. Up until then there was no wind up by any Opposition. You can go back and check the record and see there had never been any winding up by any Opposition, and he wants to give the impression to the public that the Opposition had some special privilege. The Opposition's special privilege was exercised to the fullest by the Leader of the Opposition today, because he went beyond the broadcast time and thereby insisted that he was following the rules, and if we are going to follow the rules, we follow the rules. I was in here, Sir, when Speaker Hinds determined in a situation where half of the people in the Opposition did not get to speak because of a conspiracy on the part of the Government of the day. I was in here when the former Leader of the Opposition, Mr. "Sleepy" Smith, was put on television above and beyond his knowledge and the knowledge of all of us in here. Do not let the

Honourable Member now, because he is sitting in a position over there where he is not Leader of the Opposition, come to give people any impression that there is a tradition.

The only tradition we have had in here with the Barbados Labour Party is one of trickery, Sir. I withdraw that, Sir. They have tried with obfuscation and by the television to put other people in a difficult position. I have been in here and I have suffered at their hands. I suffered at their hands when they were the Government and I am not going to suffer at their hands now they are in the Opposition. If he wants to be the Leader of the Opposition and get all of the privileges of Leader of the Opposition, then he must become Leader of the Opposition and he can work out with the Honourable Member for St. Michael South Central which of them will be Leader of the Opposition. We cannot have two Leaders of the Opposition, Sir, so do not try to give the public the impression that something is about to happen. Nothing is happening, he is an ordinary member.

Mr. D. A. C. SIMMONS: Mr. Speaker, last year the person who spoke last on the side of the Opposition before the Prime Minister wound up the debate and replied on behalf of the Government was the Honourable Member for Christ Church West. The Opposition has a first speech, the person speaking first on behalf of the Opposition, and the rules say the person speaking first on behalf of the Opposition. They do not speak of any Leader of the Opposition.

Hon. B. M. TAITT: Sir, on a point of order. The Honourable Member is misleading the House.

Mr. SPEAKER: I am not going to allow much more debate on this item. I think I understood the points raised and I carefully tried to assess the situation, but if you would recollect this morning you would have got clear indications that this debate would have been conducted under the relevant Standing Orders, and I do not want to quote them all, but certainly Standing Order 28(12) is very relevant to this debate in respect of the authority of the Chair. No matter what kind of indication I may get from either side of the House, the final authority of recognising speakers rests with the Chair. Therefore, it may only be a matter of courtesy between the Opposition and the Government in arriving at a reasonable and a sensible conclusion in a debate like this, in order to make sure that the Standing Order, which I think is 31(2), which determines the length of this debate for two days, and if every member should speak within that two day period, it is clear that there ought to be some understanding between both sides before I myself can accept any kind of decision as a guide, so anything I normally would get in relation to the Standing Order is only a guide, and as a matter of courtesy I will

accommodate whatever arrangements members have. So as far as the Chair is concerned, what used to go on before outside the Standing Orders is not relevant to this debate today. 11.10p.m.

This debate functions on the Standing Orders, and I think the relevant one should be No. 5(7); where the Standing Orders are silent and no provision has been made, evidently the Chair will make the decision. I would expect that tomorrow Honourable Members would have got together and give me some guide, but they are not tying my hands in that sense. I will use it as a guide.

The question that this sitting be now suspended until Friday, 28th April, 1989 at 11 a.m. was put and was resolved in the affirmative without division, and Mr. SPEAKER suspended the sitting accordingly. 11.12p.m.

RESUMPTION OF SITTING

Mr. SPEAKER: This sitting is resumed.

Mr. L. L. BRATHWAITE: Mr. Speaker, I would like to give very solid support to this Resolution and to the Financial Statement and Budgetary Proposals as presented by the Honourable Minister of Finance and Prime Minister.

I am happy today, Sir, that I can express a great measure of happiness in being able, as I did last year, to look into the mirror and to see my myself and to feel proud that I have assisted by that measure of support in bringing to the people of this country some measure of success as presented in the proposals of the 1988 Financial Statement and Budgetary Proposals.

Again, this year, Sir, the Honourable Minister of Finance has demonstrated a capacity to understand the problems which we face as a country and to present a package on which this country can feel confident in going along the path of remedial measures to prevent that kind of catastrophe that has befallen a number of our neighbours.

In this country we must feel proud, although not complacent, that short of all of the massive resources that lie within the neighbours of ours within the Caribbean, and in some of the more developed countries, we are able to steer our ship over passage of time away from the dangerous rocks. We are able to do this because, I believe, that from time to time, whatever our political differences may have been, there have been responsible actions taken by those who have been in charge of our economic affairs.

Last year the Opposition benches made a very scathing attack on the proposals which were put forward by the Honourable Minister of Finance. There were those who numbered in the membership of the Democratic Labour

Party parliamentary team who found reason to oppose those proposals. I am sure, Sir, that on reflection an honest assessment would say that out of those proposals at least three Honourable Members on that side, the constituencies that they represent, have found significant progress for their constituencies because at that time all of us were talking about the conditions of the roads in our constituencies.

We were wondering how with the transfer of the Transport Levy to the Consolidated Fund, what aspect of failure it would have presented for the Minister of Transport and Works to provide the services which he had been providing since the last Budgetary Proposals and when I look into the City of Bridgetown, Sir, I believe that the Honourable Member for Bridgetown can be proud of the roads that his constituents now have to walk on.

I have travelled, Sir, through the constituency of St. Michael South Central because that is the way between my home and the headquarters of the Democratic Labour Party and, sometimes, between my place of work and where I have to see some of my customers, and I have seen a similar picture there,

I have been into St. George South and I have seen considerable developmental work going on and if the Honourable Member would wish me to specify it is in the area of the Bulkeley District.

It is therefore, Sir, my view that if we would ask for these improvements in our constituencies, we must understand that the bill must be met from some source and I continue to say that since there are no money trees that I know, that the funding and the sources which Government has at its disposal to meet these measures is from a measure of taxation.

As I said last year, I am just going to repeat very briefly, that taxation is nothing new and, therefore, if we know that the things which we have over the years provided for the benefit and the improvement of our people in this country, then we know that we also have to maintain them and any cost that we will institute at this time for maintenance purposes must also be looked at by way of maintenance. So this thing about taxes, and taxes, and taxes, I do not care what administration comes into power in this country, they cannot avoid taxation if they intend to improve the lot of the people whom we say we represent.

Mr. Speaker, life as I know it has to do with what has happened, what is happening, and what we perceive will happen. In that context I think of the past, the present and the future - the past in that it gives us the opportunity to reflect on what we have done whether it is right or wrong, whether it is as successful as we had planned, or whether it was not as successful as it was planned so that we can effectively take the present and take the remedial action that when we look down the road in the future we are able to

understand what our planning needs to be and so, I believe, that the measures as delivered by the Honourable Minister of Finance have, to some extent, shown us the path that we would have to go in the future.

I believe that in the anxiety to discredit or to oppose the proposals, there are some who would miss the intricate parts of that presentation, some who would miss the significant parts of that presentation, but I distinctly recall that the Minister of Finance took a position where he would want to review the system of taxation so that you could equitably distribute the load of carrying the cost of goods and services in this country.

One of the things that we must appreciate at the very outset, Sir, is that management is something that needs managers and anybody can be called a manager but you need to demonstrate the ability to manage and manage effectively.

All the information that has come to our attention over the period 1988-1989 will tell us that the action with the Honourable Minister of Finance has demonstrated his ability to manage. 11:10 a.m.

Because if you pitch the success of his Proposals in 1988-89 against the predictions that we have had, in the debate that followed those Proposals, Sir, I believe that you must conclude either that the persons who have made those predictions were misguided or they do not understand what the business of managing the country really is. Because in the final analysis, our responsibility is the people who we represent, not only as constituency representatives, but as a nation as a whole.

One has to accept that when one goes to the polls, there are persons who will vote for you and there are persons who will not vote for you. When once you have become a Parliamentary Representative, Sir, when once you have become a Government, you become a Government for the people.

I hear the Honourable Member for Christ Church East complaining about things not happening in his constituency and then you realize, as from knowledge that the other three members of that Party, the National Democratic Party and members of the Barbados Labour Party, like members of the Democratic Labour Party are sharing in the national cake, insofar as the provision of the goods and services is concerned.

Mr. Speaker, the impressionists would find a haven in predictions. They would find a haven, Sir, in scathing criticisms. There are some times that people accept their

responsibility and their duty to criticize for the sake of criticizing.

Now I want to make the point, Sir, that the people of this country deserve better than that because we, as Parliamentarians say that we are members of Parliament, Sir. And Parliament is intended in its widest sense and even in its narrowest sense to take care of the needs of the people. Therefore, I believe that those persons who accept the responsibility as Members of Parliament must accept the responsibility for the good of the people. Whatever contributions they make must take into consideration the end result, the good of the people.

There is therefore, Sir, the necessity for the responsibility for serious application in the premise of our commitment, as we make it, whether we call it by Manifesto, whether we call it, Sir, by your promises and your commitment that you make to the people as you go from house to house in your constituency, they will all have to fall in a national programme, a national plan. But certainly, Sir, we have to understand that there is one criteria by which we can operate, and that is the availability of funds to provide the services. And I have always taken a personal position, Sir, that I am not going to promise any person in my political life anything which I honestly believe I cannot provide.

In that regard, I would have to reflect that last year I felt a little bit uneasy about the unavailability of services in my constituency. But I was assured by no less a person than the Honourable Minister of Transport and Works that you would have no fear my brother, we have a plan, we have a programme that will provide for the entire country of Barbados, not only my constituency, but the entire country of Barbados, the quality of roads that the people will not have to complain for a very long time. I feel happy about that because I am seeing evidence of it in my constituency. I have seen evidence of it in the City of Bridgetown. I have seen evidence of it in St. Michael South Central. I have seen evidence of that in Christ Church West, Sir. I have seen evidence of it in areas of St. Peter.

Aside.

Mr. L. L. BRATHWAITE: I cannot speak of Christ Church East because that is not a normal area of passage for me. So I will take the Honourable Member for Christ Church East at his word. But just caution him that everything that has to happen cannot happen like yesterday. He could take heart that this Democratic Labour Party of which he was a member and a very committed member will continue on its path of providing for the people of this country the services which they promised them by way of their Manifesto and their Election pledges.

So that when we look at the National Democratic Party, as it presents to us a picture of wanting to present everything new, it may well be, Sir, that the newness of their programme may not be understood or you may not be in a position to appreciate the newness of that programme because they have said to us, Sir, that they perceive the Democratic Labour Party to have departed from the Manifesto pledges to the people of this country. That is what they say to us. But I have not seen that. Because even what they say that we say about the 1986 Budgetary Proposals, and I am yet to hear any member of the Democratic Labour Party critical of the 1986 Budgetary Proposals in terms of their being different from what the rest of us supported. To the man, Sir, we supported the 1986 Budgetary Proposals.

However, there is need from time to time in our domestic lives, in our national lives to make adjustments. I suspect, Sir, that if those adjustments are to be made that people must shoulder the responsibility to make those adjustments because in the final analysis, Sir, you have a responsibility to deliver the goods to the people of this country and not to leave them in a worse position than they were when you took them up. Therefore, the matter of improvement of the conditions for the people of this country is paramount in the thinking of my colleagues on this side of the House, Sir.

I want to say, Sir, that one has to look at their responsibility as a Member of Parliament and a Parliamentary Representative, as one which they must be able, whenever they are finished to live with themselves. That is what informs me, as a Member of Parliament.

I am therefore very concerned, Sir, when we take whimsical positions on very fundamental issues where the interests of the people of this country are concerned. I want to admit that as a member of the Democratic Labour Party, as a Member of this Honourable House, when I assisted in the campaign for Election in 1986, although I was aware that there were numerous problems which we had to address, and as said to me by members of that side of the Table, Sir, who are now in their places, that there were many more problems and much greater problems than we thought there were.

So when I understand today that there has been a departure from the Democratic Labour Party's position on the economy of this country, insofar as the members of the NDP are concerned, I want to know, Sir, the truth of the matter. I want to know the very reasons, and they would have to show me chapter and verse where there has been a departure from the basic principles of the Manifesto of the Democratic Labour Party which could cause them, at this stage, Sir, to tell me that the 1988 Budgetary Proposals were the root cause of the formation of the NDP.

I want to say, Sir, that one of the things that must inform us, as political leaders in this country is our commitment, our sense of honesty when we come to making those promises a reality. 11.20a.m.

I want to say, Sir, that we must never be seen by the people who have elected us as parliamentary representatives as persons who are prepared to sell them on the altar of sacrifice, on the altar of personal aggrandisement, or anything like that, Sir. Therefore, I would wish to be on the side of those persons who can systematically sit down and programme the way forward, who can systematically sit down and say to people in an honest way that these are the problems which we have and these are the solutions which we perceive are necessary for us to retrieve the situation.

In this respect, Sir, full marks go to the Honourable Minister of Finance and Prime Minister of this country because in spite of the scathing criticism that was levied at him in 1988, Sir, he stuck to his task manfully and today we as a people not just as a party, not just as a Government, Sir, but we as a people can feel proud. Yet over that period of time the economies of our neighbours have gone down the drain. We can feel proud that we have not gone there even though we are sympathetic of the plight in which our partners in the Caribbean have found themselves. Therefore, Sir, my support for the Budgetary Proposals of 1988-89 will find even greater support of the Budgetary Proposals of 1989-90. As I can see it, Sir, it is a continuation of development of the process of improvement for the people of our country and, therefore, I would wish to give it my wholehearted support.

There is a baffling situation, Sir, which I have and want to find out why. Sir, if I were a Member of the Cabinet, the Cabinet of any country but since I am a Barbadian the Cabinet of Barbados, and I elected to lead that Cabinet, Sir, I would understand that that Cabinet no longer enjoys my thinking and, therefore, I would never wish subsequent to that to put the burden, Sir, of carrying the proposals that I make outside of that Cabinet as matters for the progress in the country.

I would wish to say, Sir, that sometimes I get the feeling that there are people who feel better and more comfortable attacking from in the Opposition than sitting down in Government and making a forward thrust in the interest of the people of this country. That is the feeling I get sometimes, Sir. We all know that in our system of Government no Opposition can spend money. They can be critical. They have a right to be critical. But if we really want to produce in the interest of our people we would all wish as early as possible to help to make those decisions which only a Government can implement. So we are running a battle that the people of this country have become somewhat confused. As I am hearing it, Sir, they are saying

to me that the business of Parliament is not only that of representing people but of seeking to feather one's own nest. I would hate, Sir, today or at anytime of my life to be so recognized as a person or a group of persons who only seek to feather our own nest. I am aware, Sir, that Members of Parliament who have offered themselves to the people of this country as far as I know all of them are at some disadvantage in making that kind of sacrifice and that is why I hate to believe, Sir, that there are people out there who can feel that that is the only reason why we are in Parliament, that of feathering our own nest. I believe it is a responsibility of ours to display in no uncertain terms that the business of being in here, Sir, is that of serving the people of our country and serving them honestly and sincerely so they can feel proud of the decisions that they have made.

One has to accept that there is going to be criticism. One accepts, Sir, that there is going to be persons out there who will not support anything you do, but then that is the cut and thrust of politics. But I believe, Sir, that when you come to the exercise of considering the Budgetary Proposals and the Financial Statement in a small economy like ours that we have to understand what our goals are and we have to accept that those goals can only be if we are honest to ourselves and to the people who have voted in this country to provide and produce the best for the people for what they pay. While we are here, Sir, as persons who have been voted for, the funds by which we provide services come from the hard sweat and toil of the people who work in our community and we have to always realize that and appreciate that.

Sir, I am making the point that whenever we come to sit down and look at proposals for further propelling the improvement of the people of our country we must always bear in mind that we have a very serious task and a very serious responsibility to perform. I have to say, Sir, that over the last couple of months a number of persons who have visited this country and whom I have had as friends over a long period and who are making numerous visits to the country from time to time have had some very encouraging things to say, Sir, and among other things they have been talking about the tremendous improvement in the condition of our highways and roads. They consider the work that is being done by the National Conservation Commission as being very complimentary to the process of development in our country. In that regards, Sir, I would like to pay a special word of tribute to the workers of the National Conservation Commission, the Ministry and the Minister responsible for...

Mr. SPEAKER: The Honourable Member's time is one minute more.

Mr. L. L. BRATHWAITE: Sir, to wrap up very quickly on that particular point, I would like to echo the thanks of the people in the St. Michael North East

constituency and particularly in the Bush Hall area for the provision of the community centre and the children's play park and recreational park outside of it that has been provided because they have made that plea to me and on their behalf I now know that I have successfully asked the Minister to make sure that this is a reality. I am sorry, Sir, that I have not more time but I know what the constraints are. But there is a lot for me to be proud of and to seriously associate myself with the presentation of the 1989 Financial Statement and Budgetary Proposals and the Resolution which we now debate, Sir.

I thank you, Sir.

Applause.

Mr. SPEAKER: The Honourable Member for St. James North.

Mr. J. J. PAYNE: Mr. Speaker, I would also like in making my contribution to this debate which is now before this Chamber to give my support to the Proposals which were made by the Right Honourable Prime Minister and Minister of Finance. Before going into the serious issues which were raised in the Budget, I would just like to make a few preliminary comments, because one cannot help but notice over the past 2 days the overwhelming support which has come from the public of Barbados to the measures which were introduced by the Right Honourable Prime Minister and Minister of Finance. 11.30a.m.

In fact, I think both the Advocate and the Nation newspapers carried out a survey, and in both papers those persons interviewed gave their full support to the measures and expressed confidence in the measures which were introduced in this Chamber. The overwhelming support of those persons who call on the call-in programmes on the radio was in the direction of the Government, and this is very significant, because this year the Prime Minister had to contend with two Opposition parties - Opposition 1 and Opposition 2 - and I think that both Opposition parties have been left battered.

I think that if we reflect on the contributions that have been made by both parties - in fact we have had spokesmen from both parties so far - neither party has presented an issue with any confidence or certainty. In every case they are covered with speculation and prophesy, and trying to determine who is right and who is wrong. I think that in a debate of this kind one cannot try to identify who is right and who is wrong, one has to look at the bottom line, the interest of the country and the people of the country, and I think that this is the direction in which the budget focussed its attention, and for that reason it needs support and needs to be complimented.

In addition to that, Mr. Speaker, the budget has clear and precisely defined objectives. If we analyse the budget, we will see that it is an instrument through which Government raises revenue for spending on its projects and programmes. It is designed to adjust any imbalances within the public finances, it seeks to take corrective action in respect of problems in the economy, and above all, it seeks to impart direction and economic efficiency and cohesion in Government's policy as it relates to the economy of this country. These are clearly defined objectives.

We are always told, Mr. Speaker, that any time you are setting off on a journey you have to devise a plan. This is exactly what the Prime Minister has done and I think he has achieved that objective and we have to give him the praises and compliments due on this occasion.

But a brief look at the economy over the past year will show that there are some areas of the economy which have shown positive growth, and there are other areas of the economy which need help and assistance. Tourism, manufacturing, construction, these are areas that have shown improvement over the past year. In tourism, we see that tourist arrivals increased during the period to a record number of 451 485. This reflects a 7% increase over the previous year. Tourism remains the leading sector of the economy in terms of its economic contribution to the growth of the economy, in terms of the provision of foreign exchange which is badly needed in this country, and also in terms of the generation of employment opportunities. So there is obvious reason for any Government to give tourism some encouragement, and for that reason the Honourable Prime Minister has provided additional assistance for this sector of the economy.

He has granted concessions under the Hotel Aids Act, which is to be amended, whereby refurbishing and major improvements to the hotel plant will be treated in the same way as any extension of the capacity in the hotels. This is a measure which has been welcomed by the tourist industry and the hoteliers as a whole, but we have had a response to it.

I believe that in every tourist industry a Government, or any concerned party, must pay utmost regard to the condition of the plant. Tourists visiting this country will not feel happy with rooms which are shabby or in disrepair. We have to recognise that it is of utmost importance to provide a service which is of a high standard and therefore the refurbishing and improvement of the hotel plant is of utmost significance.

What is also very significant, Mr. Speaker, is that many of our hotels are situated on the sea coast, and as a result of that the sea spray damages much of the equipment. The plant is exposed to the elements of the weather, and for that reason deterioration in that aspect of the industry takes place very fast. I think that this measure of improvements

and refurbishing will help tremendously in the hotel industry.

He has also granted an additional million dollars in the promotion and marketing aspect of the tourist industry. This also, Mr. Speaker, will go some way in improving our tourist arrivals. It is my firm belief that we could not have achieved the records in tourism if we were not focussing direction on marketing and promotion to the extent that we have been doing over the past, and I suggest that we continue to use our embassies in some of these countries to assist in the direction of promoting and improving our tourist industry. In this regard I think the Honourable Minister of Tourism should be complimented for his dedication over the past year and hard work in bringing such success to this aspect of our economy which has played a vital part for the year under review.

I said earlier that tourism is the leading sector in creating job opportunities, and as employment is vital in any economy, I want to spend also a few minutes on the question of employment. Any analysis of the budget will cause any analyst to ask a few questions. What successes have we achieved in unemployment or employment since 1986? What is the nature of the problem now as compared with the past? What plans does the Government have for creating future employment and employment opportunities for our people? Is full - employment possible in a small country like ours? These are all vital questions that we must look at and analyse very carefully.

The situation is this, that if we look at the record, if we look at the work which the Government has been doing in this respect, there are certain facts that cannot be denied. 11.40a.m.

I believe that the two sides will differ on how programmes should be approached, but the statistics will show that Government has been approaching the matter in a way where we are able to contain the unemployment problem.

Mr. Speaker, if we look at Economic and Financial Statistics, a document issued in March, 1989, by the Central Bank of Barbados, at Table 15 on page 87 we will see some very interesting revelations. This document shows that the total labour force at the end of 1986 was 118 220 and at that time there were 95 800 persons employed in this country. When compared to the end of the third quarter of 1988, we see that the total labour force increased from 118 220 to 123 800, approximately 5 000 increase, and the number of persons employed increased from 95 800 to 100 700 at the end of the third quarter for 1988. This has shown that we have created something in the region of just over 5 000 jobs in that two year period, in fact, in less than two years, but this has been counter-balanced by the fact that a number of persons has come on to the labour market during the same period, and this has balanced off the question of

unemployment. So we have been able to contain the question of unemployment in this country.

What is very significant, Mr. Speaker, is that an analysis of the index shows that some 61.4 per cent of females participated in employment in this country during the period under review, and this is the highest number in the history of our country. It also shows that 77.2 per cent of males participated in employment, and this too reflects the highest number. So we have been achieving record numbers of employment, but what is happening is that the number of persons coming on to the job market is something that has to be tackled. I believe that we have to look at programmes and devise ways to deal with these various matters.

I have drawn these matters to your attention, Mr. Speaker, because in planning any course we first have to look back at where we have come from in order to decide what plans we will make and what direction we will take for the future. We are not boasting about any achievements in employment. We still see unemployment as a problem and it will continue to be a problem until we can reduce the level of unemployment to something in the region of 5 per cent to ten per cent. We face this major task and we have to bring more persons on to the job market, particularly the youths of this country. We cannot continue to have young people leaving school and remaining idle in this country for long periods of time. This is a matter that has to be tackled.

Sir, the youths of this country are one of our greatest resources, and we cannot allow such an important resource to be wasted. We have to generate opportunities for self-help projects. We have to introduce new skills and we have to prepare them for the commercial environment in which they will be placed, and in this regard I think that the Barbados Development Bank as a financial institution will have a significant role to play in the creation of employment opportunities in this country both in terms of expanding businesses and creating finance for businesses in this regard.

We have to pay special attention to female unemployment; special consideration has to be given to women in this society who are becoming more and more independent, and as a social objective we have got to seek new ways of creating jobs for the women of this community. We have to provide better working conditions for women who work and better wages. It is unsatisfactory that today there are many women in this society with three and four children who work for less than \$100 a week, and I believe that any programme directed towards employment opportunities must tackle this problem of employment for women.

I believe, Mr. Speaker, that in tackling the problem of unemployment we have to look towards agriculture. I would suggest that there is much scope for employment

opportunities in the agricultural sector. This sector provides 8.4 per cent of the total employment in this country, and I would take a few moments to say a few words on agriculture, because there are many people who speak on this subject of agriculture who achieve most of their knowledge from textbooks. This cannot be said of our present Minister of Agriculture, the Honourable Member for St. Philip North, who brings a lot of experience to his Ministry and is one of the hard-working Ministers in this Government. I think that we have to recognise it as a fact.

I have been able to obtain some information from him and I have been looking at the obstacles which face agriculture and agricultural development in this country. There are a number of obstacles which are currently constraining the development of the agricultural sector. These obstacles tend to frustrate any initiatives which may be taken by producers to increase output or to improve productivity. The most important of these obstacles which have been highlighted are, and these are notes which I have made from information supplied by the Minister: (1) the persistence of pests and diseases proving difficult to control; this is a matter which the Ministry of Agriculture has to tackle. (2) Low farm gate prices for key commodities. (3) The high cost of basic inputs. This is a matter which the Prime Minister has approached in his budgetary proposals. (4) Difficulty in accessing land cultivation and production services. (5) The unavailability of water for irrigation. (6) Difficulty in accessing credit. I believe that our farmers in this community are experiencing a problem in getting credit for their operations and this is a matter which will no doubt have to be tackled head on. (7) Difficulty in obtaining access to arable land under suitable terms. (8) Unreliable markets for some commodities. (9) Indifference on the part of many farmers concerning the importance of keeping proper records and accounts. (10) Application of inappropriate technology to the production process. (11) Timely availability of planting material. (12) Praedial larceny. This is a problem which we have discussed over and over and it will continue to be a problem for the agricultural farmers of this country, and it is something which the Ministry of Agriculture no doubt is taking action to prevent. (13) Damage caused to crops by monkeys. (14) Damage caused to crops by straying livestock.

There is a list of obstacles and the Ministry of Agriculture has been able to identify these obstacles and I believe that in due process of time we will see the programme which they are enunciating to remove these obstacles and create a better environment for the agricultural sector of this country.

The situation in regard to agriculture is, in my view, one where I suggest we should discuss this subject some more. I believe that there are too many people in this country who do not get the opportunity to see agriculture at work. I think it is something that has to be introduced into

our schools; just as we have industrial arts and those subjects in our school curriculum, agriculture has to be brought to the young people of this country at an early age, and I believe that the Ministry of Agriculture is looking at this particular aspect of the problem with a view to creating improvements in this particular regard. 11.50a.m.

Government will have to deal effectively with these obstacles and the Prime Minister in his Budget has committed the Government to revitalising this sector of the economy by working closer with the farming community of this country and he has also introduced a package of incentives which will assist the farmers of this country.

Now, these incentives are listed at page 25 of the Budget and there is no need for me to repeat them but this has shown that Government has a concern for what is happening in the agricultural sector and we in this Government, no doubt, will have to approach the problem with a view to getting early action and early results in this particular area.

One of the obstacles which remain high on the agenda is the difficulty of farmers in obtaining access to arable land under suitable terms. Now, it must be recognized, Mr. Speaker, that proper land tenure arrangements are very vital to this industry.

We have to recognise that farmers are hesitant to invest on these lands where they are not the owners of the land. People who have rented land find that they operate in fear of repossession of their landlords and this is a matter that has to be looked at very carefully. The present law gives them something like six months expiring at May 21 or something like that. This is a matter that has to be dealt with, the question of land tenure and land redistribution.

In addition to that, we find that many landlords limit the erection of permanent structures on many of these agricultural lots so that the farmer is at that great disadvantage in that he cannot expand his plant, he cannot build as he wants because he is not the owner of the land and farmers find great difficulty in obtaining loans for investment. If they are not the owners of the land, there is also that additional problem of obtaining security for loans from the commercial sector so this whole question of land distribution and the land use policy is one that has to be accorded high priority in dealing with the problems facing agriculture in this country.

It must also be recognised, Mr. Speaker, that both large and small farmers in this country have a role to play. We cannot believe that we can exclude the large or the small farmers if we are to go forward. The two groups have different problems and the Government has to devise different strategies to deal with these two different groups and to deal with the problems facing these two different

groups. Cooperation between the two groups is, therefore, very vital if we are to increase our output in the agricultural sector.

Non-sugar agriculture has an increasing role to play in the development of agriculture in this country and the government's policy of diversification of programmes is one that has to be encouraged. We have to ensure that commercial banks provide the necessary credit for farmers who want to expand, and improve their plant. All of these are areas that have to be given particular attention.

At the present, the arable land under cultivation is estimated at 22 258 hectares. In excess of 70% of this land is devoted to sugar and in the light of the problems facing the sugar industry, it may become necessary to release additional land to non-sugar agriculture which, as I said earlier, has an important role to play in this particular industry.

Greater efforts must be made to bring unused land under commercial production and we cannot use punitive measures. We have to persuade persons who own land to use it for productive purposes but all of these areas have to be dealt with and dealt with in an effective manner if we are to achieve the results which we seek in this particular regard. Employment opportunities will be generated. Foreign exchange will result and the growth of the economy as a whole will be the outcome so that is the position as it is today, Mr. Speaker.

The Government has a responsibility to find money to spend on all of these projects. It has 27 constituencies to service. In St. James North alone the Government has a few plans for that area. This is the first in the history of this country that there are certain districts in St. James North that are being provided with natural gas, something that has been a novelty to many persons in that area. Government needs the money for that extension and in this regard we have to compliment the National Petroleum Corporation, under its Chairman, Mr. J.C. King, for the work he is doing in that regard.

The Government has to look for playing fields for the constituencies around this island for the young people to enjoy sport and other amenities. At the present moment we have identified a playing field at Hoyte's Village which we are in the process of acquiring and for which a Resolution will be coming to this House very shortly in respect of. The playing field at Sion Hill needs to be levelled and all of this takes money. We have to recognise that.

Government has plans of erecting a Magistrates Court in Holatown and a Police Station. This cannot be done without the necessary finance. Government has plans for erecting a new school at St. Boniface in Sion Hill. This will cost money. How are we going to achieve these objectives without the necessary finance?

The Government has a tenantry roads programme and the Honourable Minister of Transport and Works has to be complimented for his work in this regard because for the very first time in the history of this Island we are seeing districts where people were settled for the last 150 years provided with roads. Those people who have made a contribution to this country are now, for the very first time, able to walk on decently paved roads, something that squares with a view that I have expressed.

Aside.

Mr. J. J. PAYNE: I am talking about districts like Rock Dundo, Sion Hill and Mt. Standfast. All of these are districts where people have been settled for over 150 years. We have a lot of new districts which have merged and they have better facilities. I believe that those areas of our country in which people have been settled for those long periods must be provided with proper roads and proper street lights.

We have to move away from this concept that street lights are only available to people who live in urban areas. The people in the country also need street lights, the people in St. Lucy, St. James, St. Peter and St. Andrew. We cannot give all to the City, or Christ Church East, or St. Michael South Central, or St George South.

Aside. (

Mr. J. J. PAYNE: We have to develop the country and recognise, Jylr. Speaker, that these are people who have made a contribution. The people from these districts have made a contribution to the development of this country and the Government in its programmes have to give them back something for the effort that they have made in those areas.

The Ministry of Transport and Works is now bringing in buses to improve the transport system for these people. How are we going to get the money unless we raise it by one means or the next. As the Honourable Minister of Tourism has indicated, you either have to get taxes or you have to borrow and this is something that we have to recognise. The money must come.

Government has a housing programme for this country. They have a housing plan for St. James North. The project will not get off the ground unless they have the necessary finance and I am, no doubt, awaiting anxiously to hear how soon this programme may be starting. 12.00 noon.

Because it is important that even if it comes to 1992, the people will have to exercise some patience because most of these projects take time.

I recognise that my time is now beginning to run out. I should like to conclude, Mr. Speaker, by saying that the

Proposals which are before this Chamber today have been presented with such eloquence that the Opposition has been left confounded. The Opposition has provided no response. If I did not take the opportunity to read the *Advocate* and *The Nation* this morning, I would not have remembered anything that they had said yesterday.

We have to recognise that we must show appreciation where appreciation is due. I think that the period under review is one in which the Government has performed well and I want to compliment the Government, the Minister of Finance and Honourable Prime Minister and indeed, the whole Cabinet

Mr. SPEAKER: The Right Honourable.

Mr. J. J. PAYNE: - The Right Honourable. Thank you, Sir. - the whole Government, the Backbench included for the work that they have done in achieving success over the past year.

Thank you.

Applause.

Mr. SPEAKER: The Honourable Member for St. George South.

Mr. R. P. BYER: Mr. Speaker, I am informed that the electricity in the constituency of St. George South is not on and my

Aside.

Mr. R. P. BYER: and my constituents have been denied the benefit of seeing me in the flesh today....

Asides.

Mr. R. P. BYER: ... and I am operating under that constraint. There would only have the benefit of assessing my speech by way of radio.

Before I get into the meat of my speech, I should like to say happy birthday to the member for St. Thomas. I believe today is his birthday. And I wish him well.

Let me also say, Sir, that the report I got was about half an hour ago and the conditions could have been changed since then. But that is the report I got half an hour ago.

Aside.

Mr. R. P. BYER: I doubt that. Mr. Speaker,....

Aside.

Mr. R. P. BYER: ... the William Shakespeare written work, Macbeth is one of my favourite pieces of literature and I particularly like that passage where he refers to life, I think it was life he was referring to, as a tale told by an idiot full of sound and fury and signifying nothing. And, Sir, I should like at the same time, while deleting the word * idiot', to borrow this passage to describe the Prime Minister's Financial Statement and Budgetary Proposals.

In my opinion, Sir, the Prime Minister of this country may be indecisive and ineffectual in leadership, but he is no idiot. He may be inept in the administration of this country's affairs, but he is no idiot. He may be obstinate as the proverbial mule, but he is no idiot. He may be a Right Honourable Member who does not listen, but he is no idiot. And lastly, the Prime Minister might not have an adequate and complete grasp of the complex workings of the economy, but he is no idiot. This is why, Sir, all the more reason that I am shocked at the Prime Minister's recent mouthings about who is or who is not an enemy of the people.

He is reported as saying, Sir, and I quote, "Anyone who goes and forms an organization in opposition to the Democratic Labour Party is an enemy of the Democratic Labour Party and the masses of the people." Speaking for myself, Sir, I find this language particularly disgusting and sickening and offensive in the extreme. And it casts one's mind back to a statement which he is reported as having made which he subsequently denied about removing and depressurising persons in opposition to the Democratic Laoour Party.

Aside.

Mr. R. P. BYER: No, no. In opposition to the Democratic Labour Party. I believe, Sir, at that time, he was referring to, as was reported in The Nation newspaper of today, he was referring to the Barbados Labour Party....

Aside.

Mr. R. P. BYER: ... and their supporters. He has since the last Budget Debate made some other statements which show up a number of things, Sir. For example, he is reported as saying, "Lord, help me to know my friends, my enemies I can take care of." Then he said that he forgave us all. And then last Sunday, Sir, he is reported as saying that if it were left for him and a person with the alias, Keith Simmons, he would have kicked us out of the Democratic Labour Party.

Asides.

Mr. SPEAKER: Now,....

Mr. R. P. BYER: Sir, okay, if....

Mr. SPEAKER: ... my position is this, very clear. If you are making reference to any Honourable Member in here, it must be in a way as not to be offensive.

Mr. R. P. BYER: Sir, I do not take it as offensive. All I am trying to say is....

Mr. SPEAKER: You did not say the Honourable Keith Simmons. You said Keith Simmons. So I am warning....

Mr. R. P. BYER: Sir, okay, I believe that he was referring to the Honourable Member for St. James South. But I was referring to a quotation, Sir.

Mr. SPEAKER: Which I am not privy to.

Mr. R. P. BYER: Very well, Sir. I stand by your ruling. Now, Sir, all of this from a Right Honourable Member who in a speech set the parameters for debate in this House and in the conducting of the political business of this country. He said, Sir, that we need not use the language of warfare or repulsive or reprehensible language when going about our politics. Sir, Barbados is very divided politically and such talk will only serve to deepen and widen that divide.

The National Democratic Party has set its own parameters for conducting political business and we intend to operate within those parameters. If Barbados is to survive politically, free of anarchy and chaos then, the healing process must begin.

There is the danger that we might develop into three tribes and tribal warfare, Sir, is especially brutal. In my judgment, the only reason why we have not reached that level is because family and strong bonds of friendship cut across that political divide.

Speaking, Sir, for myself, I will not sacrifice friendship on the altar of political expediency. There are some friendships, Sir, which I have with Honourable Members in this Chamber, which given the present nature of our politics, I hope survive our respective political careers. Sir, while not attempting to be exhaustive, I will refer to some of those friendships. 12.10p.m.

The Honourable Member for Christ Church East Central and the Honourable Member for St. Peter - we studied at the university of the West Indies together. We conducted many a lively debate of what was then called the forum and the strong friendships that I enjoy at this stage, Sir, or I enjoy with both of those Members were formed then back in 1980 and no politics in Barbados, I do not care what side of the fence I am on, could ever interfere with those 2 friendships, also with all the other Honourable Members on this side, Sir. Politics -1 have my own opinion

about matters and I will state those opinions and politics will not transcend those friendships. Also Sir, I would like to mention in particular the Honourable Member for St. Thomas who was a former, as I have said in here before, teacher of mine and I hope for that reason, Sir, I respect him and I hope that my performance as an aspiring politician pleases him more than the quality of the scripts I served him when he taught me the Law of Civil Obligations at the university.

Mr. Speaker, Barbados is too small to be sacrificed on the altar of political expediency and political careers. Let those persons who sow the seeds of political discord in this society retire peacefully. Let them equate resignation with retirement and, Sir, for now that is all I would have to say on this matter. Time, Sir, is against me but it is a question that I will be addressing in another forum.

Sir, I want to turn to the question of breach of a social contract and the repudiation of the Manifesto of 1986. This matter, Sir, was raised in this Honourable Chamber by the Member for St. John yesterday and he said that continued repetition and debate on these matters is foolishness, that they should be put on the back burner of politics in Barbados. Last Budget, Sir, I spoke to the repudiation of the 1986 Manifesto of the Democratic Labour Party. On that occasion, I said that the Democratic Labour Party had in my opinion committed a fundamental breach of the social contract or in the least it had committed a breach of a fundamental term of that contract, Sir. I am still of that opinion and since that time nothing has been done to revise my thinking on this matter. Recently, the Prime Minister repudiated the whole notion of a social contract. In this Chamber, Sir, I heard him say "what social contract - what". In other words, according to him a political party has the right to go to the people with one set of promises, get their support on the basis of those promises, and then throw them through the window. This is not the kind of behaviour, Sir, that I wanted to be associated with and it formed one of the reasons why I left the Democratic Labour Party. To me, Sir, that was hypocritical and I said that. I made a pledge in the Democratic Labour Party Manifesto, a pledge which was signed then by my agent at the time the late, great, and revered former Leader of the Democratic Labour Party. He signed that pledge, Sir, on my behalf. He was my agent in doing so and anyone who knows about the implications of a contract with an agency would know the principal in that contract is just as liable or the agent in that contract is just as liable as the principal and vice-versa, Sir.

But you see, Sir, these questions of the breach of a social contract and the repudiation of that contract, Sir, are burning issues for they relate to truth, credibility, and integrity of politics in Barbados. One would want to ask the question whether this is the kind of behaviour we as politicians want to perpetuate and then expect higher standards of behaviour from the populace. These matters are important matters and, Sir, for the first time yesterday

we had someone from the other side, the Honourable Member for Christ Church West Central, publicly admitting that the surcharge in last year's Budget was a derogation from the 1986 Manifesto. He is to be applauded for repeating it in the face, Sir, of not concealed opposition or objection from the Prime Minister. He then spoke of Consumption Taxes in the 1987 Budget and I would like to say, Sir, that in my opinion the 1987 Budget could not be a reversal because the taxes imposed roughly equal the pay-outs in refunds. This is crystal clear since there was no significant rise in the tax settlement. Furthermore, Sir, in this connection, the tax effort was not increased in 1987 but substantially increased in 1988 from 25.3% to over 28% which is substantially higher than what the 1986 Manifesto did. In my opinion, Sir, this is final proof of repudiation. On the expenditure side, the Manifesto permitted the policy of control of expensive growth. The Government has increased expenditure from 31.8% of GDP to 36.4%, Sir, or by \$301 million on Current Account and \$53 million on Capital Account.

So that we have, Sir, a fiscal policy which instead of being centered on tax restraint and expenditure restraint as touted, there is now a fiscal policy resulting in an expenditure driven Budget and over-taxation. Who does not like that can put it in his pipe and smoke it.

Sir, these are matters which will be gone into particular detail on another occasion. A half hour is hardly the amount of time one would want to deal with these matters. I believe, Sir, it will take me more time than the Prime Minister and also the Leader of the Opposition combined to deal with these matters as I would want to deal with them. But such are the Rules of the House and such is the nature of the game.

Sir, I want now to turn to the Ministry of Housing and Lands for this, Sir, is a Ministry that I have shadow responsibility for being a Member of the National Democratic Party. The Minister, Sir, has promised a full debate on Housing and I would look forward to that debate. I believe, Sir, he prefers to say nothing at all about Housing because in his opinion all is well. But one can only arrive at such a position from a peripheral reading of the statistics that we have laid before us in the Economic Report. If one looks below those statistics, one will see that there is plenty that needs to be done to correct the housing deficiencies in Barbados. If the Democratic Labour Party had committed itself as it pledged to do to the implementation of the proposals relating to housing in its Manifesto of 1986, I am sure that the housing situation in Barbados would be significantly dealt with up to this point.

Now Sir, I would want before I get into our policy, the NDP Policy on Housing, to make certain references and to deal with this question of whether or not all is well in housing given of course that fact, Sir, that I do not have a lot of time to give a detailed analysis of my perceptions

about housing in Barbados and also the performance of this sector of the economy.

Sir, I want to refer to Page 17 of the Economic Report of 1988. It has been said in here on both sides of this Opposition that this document is a condemnation of the Government's economic performance in this year 1988 and I would like to join, Sir, in echoing that condemnation. 12:20 p.m.

Sir, the statistics in this Table deal with the new mortgages that were extended to housing from 1985 to 1988, and I should like just to give an across the board reading of them. If we look at 1985 we will notice that, combined, the financial houses in Barbados - let us say the commercial banks, trust companies, insurance companies inclusive, and also the Barbados Mortgage Finance Company - lent \$21.3 million for housing in 1985.

Now in 1986, given the stimulus of that budget, and the fact that the then composed Cabinet had decided to implement certain measures relative to taxation and so on, putting more disposable incomes in the hands of the consumer, that we had in 1986 more than 100% increase in lending by these institutions for the purpose of mortgages. From 21.3 in 1985 it went to 46.6, which is about \$25.3 million increase, over 100% increase.

Before I go on, Sir, the reason is pretty obvious why there was this. That reason is contained at page 53 of the Economic Report for 1987. There it is said that the increase in disposable income resulting from the 1986 budgetary measures along with the introduction of lower mortgage interest rates, continued to stimulate the demand for housing in 1987. A steady injection of funds into the mortgage market during the year supported the upsurge in house building activity. Housing starts and completions rose as both public and private sector housing projects expanded. Approximately 2 340 housing units were completed during 1987, about 390 units or 20% more than in 1986. Starts of stone houses rose 12% from 1986 levels to 1 006.

That, Sir, must be contrasted with the 1988 Economic Report at page 16 on Housing. This shows you beyond doubt why those measures I voted for when I was a member of the Democratic Labour Party helped significantly in accelerating housing development in Barbados. Today the Report says that housing starts slowed, so you do not have as many starts as before, Sir. Activity has slowed down in that regard, and this is because of the implementation of the surcharge, stamp duties and consumption taxes, thus removing a significant amount of money, disposable incomes, from the hands of people who would want to enter into mortgage arrangements with financial houses. Sir, even though in 1987 and 1988 you had increases in the amount of money lent, in no way did those increases match the percentage increases of 1986 over 1985. If you look at

1987, you see there was \$50.9 million lent, 1988 \$65.5 million lent, but a significant amount of that has to be put down against the increased cost of building materials and things like that.

As a practitioner of the law, conveyancing is one of the mainstays of my practice. I do a lot of conveyancing and I know that when the surcharge was implemented and the consumption taxes were increased in 1987 and in 1988, people who had committed themselves to borrowing money had now to go back to those financial institutions and borrow more money. Sometimes, for example, on a house costing at the time \$100 000, I think it meant that they would have to borrow an additional five to seven thousand dollars to allow for that increase in consumption taxes and so on, and that can be multiplied.

Sir, I was very disappointed that after four decades of political power in the hands of the masses, the black people in Barbados, housing is still in such an appalling state. This is why I am extremely disappointed that the Minister did not spend his time telling this nation about housing policy. Rather, he chose to attack the Honourable Leader of the Opposition on the basis of a false report. He could have spent his time telling this nation how he intends to deal with difficulties in housing, what was the housing policy of the Democratic Labour Party, is it still the same as enunciated in the Manifesto? Because of the 22 promises made there, only two have been kept, and I will come back to that.

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Now, Sir, an NDP Government will place housing along with employment as top priorities. The Leader of the Opposition spoke very eloquently about employment creation and what we intend to do in terms of employment. We were decried by the Democratic Labour Party, saying we cannot create full employment in five years, but that is the nature of politics. Even the Minister of Employment, when it was first raised in here, said that it cannot happen, and he is the Minister of Employment. He said it was a joke, it could not happen, and he had to be told by the Honourable Member for St. Philip South that he was Minister of Employment and could not say that.

Sir, these are the main planks of our policy on housing. (1) We intend to keep interest rates low; (2) keep mortgage rates as low as possible; (3) decrease heavy consumption taxes on building materials. Almost every item for building a house is subject to consumption tax. The lumber, the blocks, the cement put into that, trowel plastic, even sand. Sand is a component of cement, of trowel plastic, and all of that is subject to consumption tax. It is appalling that over the last 12 months these taxes have been raised by 66 and 1/3 percent. Stamp duties also went up by 33 and 1/3 percent of Wednesday on all items except those on which the stamp duty was reduced.

Sir, may I ask how much more time I have?

Mr. SPEAKER: Approximately four minutes more.

Mr. R. P. BYER: Right, Sir. Stamp duty went up by 33 and 1/3 percent on Wednesday on all items except those on which stamp duty was reduced from 12% to 10% by the former Minister of Finance, the member for St. Michael South Central. (4) And this is no joke, Sir, the National Democratic Party will implement a programme of 100% mortgages. We already have our programme, we know how it will be done, and I will tell this Honourable House something about it without revealing all the details. It can be done. Anybody who knows anything about the way mortgages function and so on will know that this thing can happen.

The National Democratic Party has specific proposals of a financial framework out of existing resources to get the project of 100% financing for mortgages going, and this will be put in place within months of forming the Government. For example, Sir, we will capitalise an institution of at least \$60 million, and this will not involve one cent of taxpayers' money. If they do not know how to do it, that is a matter for them. This same institution will also give effect to our commitment of a secondary mortgage market, thereby releasing funds for housing throughout the system.

A lot of promises in this document, Sir, have not been fulfilled, and I would like the Minister to tell me something whenever the debate comes around about the 25 promises that they made in relation to housing. I cannot read them out, because I want to spend some time on my constituency. They are all here. Page 20, numbers 1 to 25.

Sir, let me move to my constituency.
12.30 p.m.

Now, Sir, I want to refer to a matter raised in last year's budget when the now Deputy Prime Minister promised me as early as April 1987 that Farm Road, Crawford Road, Lowes Road, Toronto Road and Blenman Road in St. George would be repaired as soon as possible. Two years have passed, Sir. I tabled the question in October 1986, and two years have gone by and nothing has happened at all, and to tell the truth, you can't wait until the present Minister of Transport and Works' programme spreads out into the country. These roads are bad, and they can't wait until that programme pushes out into the countryside, and I would really appeal to the Minister to do something about these roads. Farm Road is overgrown with grass and the people can hardly pass. It is a disgraceful thing and I would like the problem corrected not only for me, but for the people of that area of St. George. I would really like to see something done. One road has been started, Crawford Road, over eight months now, and all

they have done is to build a slipper drain on one side and some blocks have been installed on the other side, but nothing more has been done.

The water problem at Drax Hall, Sir, is on the verge of solution and I would like to say that before this Honourable House. I tabled a question and a promise was made to me by the former Minister of Transport and Works and that promise is only now being implemented. He had suggested a solution which did not work - I will soon finish, Sir, I think I have another minute

Mr. SPEAKER: The clock hands move forward.

Mr. R. P. BYER: I know for a fact that the problem will be corrected and workmen from the Barbados Water Authority are now laying a main from Greens where I live to connect with the main that goes into Drax Hall so that the pressure can be built up. Work has started on that.

I have told the Minister of Housing and Lands about the problems at Dash Valley and South District. Those problems are urgent problems because Dash Valley for example is located in a zone one water area and I have been saying that from 1986 until now and the Minister has not even consented to visit the constituency.

With regard to sites and services for St. George, I would also like to say that the Minister of Employment and Community Relations did some work at Ellerton Housing Area Park. I made a contribution to the effort, Sir. I also made a contribution to the effort at Greens where the youth group there is now starting their own house. I committed some of my own resources, real property, Sir, land, to them to set up a club house there.

Sir, there is another matter I would like to deal with but I can't deal with it.

Sir, in conclusion I cannot support the Financial Statement and Budgetary Proposals laid in this Honourable House. Thank you very much for your indulgence.

Dr. E. A. SIMMONS: Mr. Speaker, I rise to support wholeheartedly the Financial Statement and Budgetary Proposals made in this Honourable Chamber by the Rt. Honourable Prime Minister and Minister of Finance. I also want to convey to the Rt. Honourable Prime Minister the thanks of many of my constituents of St. Michael South East and indeed some of the constituents of St. Michael South Central. I happen to be a resident of St. Michael South Central and many of the people in that area have asked me to convey to the Rt. Honourable Prime Minister their thanks for an excellent budget.

I was looking at the newspapers and it is said that a picture is worth a thousand words. On Wednesday on the front page of one of the local newspapers there was the

cartoon of the Prime Minister before the Budget supposedly dragging a heavy box which was supposed to have been laden with a lot of taxation supposedly up the steps of Parliament. This of course was the description of the kind of propaganda that was sent abroad in this country about the heavy taxation that was supposed to be inflicted on this country. Interestingly enough the day after the Budget there was another cartoon and the cartoon showed a knock out punch of the Leader of the Opposition and his struggling to recover from the knock out punch dealt by the Rt Honourable Prime Minister.

I sat here yesterday and I listened to the criticisms of the major spokesmen of both political parties about the damage that would have been done to this country, and if I can recall, the spokesman for the Barbados Labour Party referred to the Budget as an anti-people's budget. I took the opportunity like the Honourable Member for St. James North to go through the newspapers and look at the comments that were made from all sections of the community, and I say this because when you hear people making certain statements about anti-people's budget and that this is the final blow, you realise that we have people in this Honourable Chamber who are not in contact with the people of this country, and who are not in contact with reality. When you listen to the farmers in this country, they applauded the Budget. The hotel sector applauded the Budget; the Barbados Manufacturers' Association said that they felt there was a little disappointment, that they did not get enough of the goodies, but they felt that the Prime Minister was moving in the correct direction. The Barbados Employers' Confederation applauded the Budget and then in both local newspapers there was a census taken of the ordinary citizen ranging from the aged to the very young, from the employed to the unemployed, and every single person, 100 per cent of the people polled gave credit to the Prime Minister for the Budget. Now a Budget can only operate in a climate where people have confidence that it will work, and what that analysis shows is that the people of this country, the business sector, the employer and the employee and the unemployed are all happy with the Budget. That is basically what it is saying, and we know in this country that if the newspapers could find anybody at all who had to say anything against the Prime Minister it would have been published in that poll. We know that that is the standard, but that is the nature of the situation.

We can go further than that. Only a few weeks ago a survey was carried out in this country and the people said precisely what the pictures and the interviews showed, that the people of this country are happy with the Prime Minister and his management and with the Democratic Labour Party. The people are content with what is going on; so when Honourable Members from that side try to get up and create the impression that there is chaos in this country, the people have already formed their opinion.

One of the things that I find very important with the Rt. Honourable Prime Minister is this: the Prime Minister has not shied away from problems; he has identified the problems in this country, he has identified the problems in agriculture, etcetera, he did not do like the Barbados Labour Party when tourism was sliding down the drain, when the then Prime Minister said that the then Minister of Tourism was worse than if a hurricane had hit it; he did not do like that and bury his head in the sand and pretend there was no problem. What he has done is precisely what the Japanese have identified as their target for success, and it is this: it is the identification of a problem and the implementation of solutions to the problem, and that is the first step to the improvement of any problem. The fact that you can identify a problem, you can then implement measures to improve the problem.

I know what I have to say is painful and I have a lot more to say.

Asides.

Dr. E. A. SIMMONS: I am going to get to that too.

Mr. SPEAKER: Order, please! No interruptions.
12.40 p.m.

Dr. E. A. SIMMONS: The last speaker, the Honourable Member for St. George South, spent some time talking about the kind of language that was being used etc. and he made an attack again on the Honourable Prime Minister saying that he was not a fool, or idiot, or some nonsense like that, but I too want to make a comment about what the Honourable Leader of the Opposition talks about the philosophy of the National Democratic Party.

He started by saying yesterday that the National Democratic Party is a party of love but not hate, a party of togetherness and all of that, but then, in his very language, he goes on to use the very most abrasive language and coming from a member of the medical fraternity and an individual who is desirous of being the leader of this country I consider the language most unfit when he says that yesterday's Budget is nothing more than the after-birth of last year's Budget, a Budget which he himself described as a back street abortion.

We understand what he means by the after-birth of a back street abortion. That is what he is saying and I am saying that that kind of language is not fit for politicians, for leaders or potential leaders of this country. Those ideas should not be injected into the minds of the people who are listening to us in an Honourable debate. I make that point because we have to be careful what we say and how we say it but you know it is said that the Honourable Members over there speak when it is allowed for them to speak, when the master says they can speak.

I think the Honourable Leader of the Opposition understands what I mean. The Latins used to say - make a distinction between *constat inter omnes* and *decunctur*.

Aside.

Dr. E. A. SIMMONS: You learnt that. You know what I am saying. That is how it is written. I am not arguing with you anyhow.

You might disagree with the *constat inter omnes*. Coming from this side we might say "*decunctur*" and coming from that side you will probably say *constat inter omnes*.

The point I am getting to is this. There has been a systematic attempt to attack the Honourable Minister of Health in this country and that is what I want to get on to. I read in the newspaper where a spokesman for the NDP in the Other Place criticised the recycling of gloves and I wondered how that could happen when the leader of the party happens to be a medical physician like myself and then I read later that the Honourable Leader of the Opposition himself criticised the recycling of gloves and I want to get on to this because it is a very serious issue and I have spoken to some of the doctors and surgeons at the Hospital and they are very concerned about it because, let me set up the scenario.

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You have a situation where the Medical Association of which both of us are members, a trade union that was formed because the Medical Association feared their own annihilation by the Barbados Labour Party and, therefore, they were forced to form a trade union for their existence. DAMP, the trade union to which we belong, in association with the Hospital Director, in association with the Matron and in association with the surgeons came to this country and said that there was nothing wrong with the recycling of gloves and it is a fact that when the Honourable Leader of the Opposition was Chairman of the Staff Committee at the Queen Elizabeth Hospital, gloves were recycled so I cannot understand how all of a sudden the practice which he condoned as Chief of the Medical Staff has now become a big issue.

I was concerned when I heard citizens in this country call 'into "Guttaperk" about the recycling of gloves. The recycling of gloves is a very technical issue. The ordinary citizen does not understand and cannot comprehend the concept of airceptics and sterilisation, just as the ordinary citizen cannot differentiate between whether a doctor is going to operate on your kidney or whether he should go through the abdomen or whether he should take out your twelfth rib in order to reach the kidney.

It is a very technical area where ordinary citizens normally do not have the expertise to make comment. You are talking about a specific area where people have to be

trained to make the decision but when I hear a doctor, against all the established principles within the country making such a statement, I wonder where the objective is and it can be only one thing in my estimation and it is a direct attempt to discredit the Minister of Health and I say that that is unhealthy.

A couple days later, there is an article in the newspaper about a doctor not being assigned to some Geriatric Hospital in St. Philip. That may be true but let me ask you a question. Why should there be a resident doctor living in a Geriatric Hospital on a full-time basis?

The repudiation coming from the Health Department says that the doctors at the Polyclinic takes care of the patients in that institution so there is a constant reaping up, manufacturing of ideas to discredit the Honourable Minister of Health and I say that is unhealthy because what we are doing is we are confusing the minds of the people in this country who cannot make decisions for themselves and we must act as more responsible people and the NDP has been identified as the group which has been trying to sow the seeds of discord within this country and that has to be said. I am not surprised.

Mr. SPEAKER: Order, please.

Dr. E. A. SIMMONS: I am not surprised because that is the kind of schizophrenic behaviour, the Dr. Jekyll and Mr. Hyde behaviour that we find going on in this country.

Mr. R. P. B YER: On a point of order, Mr. Speaker.

Sir, the juxtaposition of NDP members sowing the seed of discord and Dr. Jekyll and Mr. Hyde behaviour and schizophrenic behaviour is casting aspersions on members of this side including me. Those are remarks not in accordance with these rules and I want the Honourable Member to withdraw them instantly and apologise to this Honourable Hopse because, Sir....

Mr. SPEAKER: What rule is the breach?

Mr. R. P. BYER: I will tell you what rule, Sir. Order 28, Rule 7-1 was a Chairman of Committees, Sir. "No member may impute improper motives to another member". That is the one on which my submission is based and he has to withdraw them, Sir.

Mr. SPEAKER: He has not imputed any improper motives to any Honourable Member in this Chamber. It was a general statement, in my view, on a particular party which could be anybody except Honourable Members as well.

Proceed.

Dr. E. A. SIMMONS: Mr. Speaker, I have said in this Honourable Chamber before - We talk about integrity. We

talk about credibility. The Honourable Member for St. George South on January 4 this year on the "Point At Issue Programme"¹,...

Mr. SPEAKER: If the Honourable Member would give way. I think further clarification on my ruling must be heard.

Members are elected to this House according to the Westminster system by constituents and not by party. This Chamber acknowledges parties primarily for convenience but each member is *in* here as a representative solely of his constituents and because of that parties cannot be construed generally to mean Honourable Members. It can mean anybody. 12.50p.m.

Dr. E. A. SIMMONS: Thank you, Mr. Speaker. The point I am making, Mr. Speaker, is this, that I cannot understand the kind of behaviour as expressed by that particular party. That is the point I am making.

And I was going on to say that we have heard time and time again and especially in this debate about integrity and all of that. The Honourable Member for St. George South, on the 1st of January this year was on a Point-At-Issue programme, a discussion programme and he said that he was committed to the philosophy and principles of the Democratic Labour Party. He said that he would not leave this political party on the 1st of this year, unless he was put out. He went on to say that he urged the Honourable Leader of the Opposition to start speaking to the Prime Minister again. So up to the 1st of January this year, the philosophy and the principles of the Democratic Labour Party were intact. I want the Honourable Member to tell me what has happened to the Democratic Labour Party between January 1 this year and February 1 this year when all of a sudden the NDP found propriety, honesty and all the good virtues. We have to be honest with the people in this country. If we are going to talk in those kinds of terms, we must be very explicit. That is the point I am making. And that is the kind of schizophrenia I am talking about. If you are here, everybody is good. But once you leave, everybody is bad. You have to make up your minds.

But, Mr. Speaker, I just want to say something about the gloves again. I am told that a pair of operating gloves cost about BDS\$60. Let us assume a surgeon has to take out an appendix, an operation that will probably take 10 to 15 minutes. Are you going to say to me that you are going to take a pair of gloves that cost \$60 and just throw them away because somebody calls in on a programme and says the gloves should not be used again? Are we just going to pelt them away?

We have situations in this country where people go into rum shops and use glasses over and over again and nobody sterilizes them. As a matter of fact, sometimes you

see the lipstick and everything on the glasses. So we have to be rational within this country.

Asides.

Dr. E. A. SIMMONS: The point I want to make

Asides.

Mr. SPEAKER: Order, please. Order, please.

Dr. E. A. SIMMONS: is that the medical committee has made it absolutely clear to this country that when the gloves are recycled, they are not used in the Operating Theatre again. They are used on the wards.

But there was a time in this country - and the Honourable Member for St. Michael South Central knows this - when the recycled gloves used to be used again in the Operating Theatre because of the financial constraints. And when I lived in America, when I was trained in the United States, they used to use recycled gloves. So let us be realistic and let us not try to confuse the minds of people in this country.

Mr. Speaker, I want for a few minutes to turn to my own constituency. And I want to thank on behalf of my own constituents the Minister of Transport and Works for the fantastic work that he has done in the Haggatt Hall and Mount Friendship area and in the Clapham and Ragstaff area where the resurfacing of road is concerned.

I also want to thank the Minister of Employment and Community Development for the repair of the houses of the old people within that constituency that have been neglected for years. And I am pleased to say that those old people within those areas are very happy with the work that is being carried on.

Last night I had the opportunity to slip out of this Parliament and go to the Errol Barrow Memorial Park. You asked me to talk about it, I am talking about it. It is a development that was started when the Honourable Minister of Housing was in charge of the environment.

I know that the Members of the Barbados Labour Party and the NDP have been on the call-in programmes day after day criticizing the development in that area. That is what I call an anti people position. Because it is my firm conviction that the problem is that there are Honourable Members in this House who do not think that such a beautiful facility should exist in an area like the Pine and Wilkey. That is an anti people position.

But last night I had the opportunity to go there and spend a few minutes where we had the Police Band, we had the Pinelands Creative Workshop, we had Sing Out Barbados and several other members of the Barbadian

community in a concert in the park. And why I make this point is that the people of that area have been much maligned in this country. The young people growing up in that area used to have some very negative opinions of themselves. One of the things that we as the Democratic Labour Party set out to do is to give the young people in that area a new image of themselves, a place of which they can be proud.

Today we have a situation where people come from all parts of Barbados and beyond Barbados into the Pine to spend an afternoon with the residents of the Pine. We are starting a new focus so that the young people in that area can have some pride in themselves.

And the Pinelands Creative Workshop - we talk about the problem of drugs et cetera - has been able to attract over the past year or so over 100 young people, children between the ages of 8 to 10 and up and has been able to rope them in to their cultural development within the area.

One of the things we hope to see is that the Ministry of Tourism will put on the agenda a programme where tourists when they come to Barbados will come into the villages because we hope that that group will be a model for the development of cultural groups throughout the country. And we hope that tourism will be able to use that to bring the tourists into the villages to meet the people in their homes to see that we in Barbados are a cultural people and that we have a lot to offer. That is very important.

The Honourable Member for St Peter keeps asking how much the Park cost. That, too, is an anti people position because you cannot measure the development of people, particularly poor people in terms of how much it cost.

I heard the Honourable Member, the Leader of the Barbados Labour Party some time ago say that we have to get away from thinking that we can just build houses for people and put them in. We have to provide facilities. It takes the Barbados Labour Party when the time comes to take that kind of philosophical approach. But when the other point comes where you have to talk about the development that the Democratic Labour Party has introduced within this country, you want to know how much money it cost.

It does not cost the \$20 million that you constantly put into the sugar industry to prop it up. It does not cost that much. But we are interested in the development of people because every individual in this country must feel that he has a place in this country. And it did not cost the \$25 million that you put into CARIFESTA.

Asides.

Dr. E. A. SIMMONS: But, Mr. Speaker, I am surprised that the finance spokesman for the Barbados Labour Party could get up in here and really criticize the Democratic Labour Party. Because what we have seen taking place in this country over the last couple years is the correction of a problem which they themselves created when under the Barbados Labour Party you had companies going into receivership week after week. And you had unemployment rising.

But under the Democratic Labour Party, we have been able to put a stop to that. 1.00p.m.

We have been able to inject new confidence of the people in Barbados into the Government of Barbados and, wherever you read the newspapers, you were able to see that The honourable Member for St. Peter from the Budget of 1986 was predicting the collapse of the economy of this country and he is still sitting there waiting for the collapse of the economy.

So Mr. Speaker, I just want to compliment the Right Honourable Prime Minister and the Democratic Labour Party for presenting this year a Budget that has met the congratulations of all cross sectors of the people of this country and despite all the pre-Budget predictions made by the Honourable Members on that side the people of Barbados are happy. I must say again that unless a Budget is introduced in a climate in which the people of that country are happy there are little chances of that Budget succeeding. We know that the people of Barbados feel confident in what is taking place in this country and we must congratulate the Prime Minister.

I thank you very much.

Applause.

SUSPENSION OF SITTING

Hon. P. M. GREAVES: Mr. Speaker, I move that this Sitting be now suspended until 2 o'clock today, Sir.

Hon. B. M. TAITT: I second that, Sir.

The question that the sitting be now suspended until 2 o'clock the same day was put and resolved in the affirmative without division, and Mr. SPEAKER suspended the sitting accordingly. 1:00 p.m.

RESUMPTION

Mr. SPEAKER: This sitting is resumed. Two honourable Members are on their feet. The honourable Member for St James South.

Hon. N. K. SIMMONS: Mr. Speaker, like all other Members who spoke on this side already, I too want to compliment and congratulate the Right Honourable Prime Minister and Minister of Finance on the presentation of the very good Financial Statement and Budgetary Proposals. It was well delivered with the dignity, humility, and honesty to which the honourable Member has become known not only in Barbados but throughout the region and further afield. The fact that all sections of the Barbadian public have praised his efforts is something about which all of us in this Party and Government should feel proud. The Minister of Finance obviously, as he does with every other matter, gave serious and very long thought to the measures he had to introduce and although he has had to raise taxes to run the affairs of this country, yet everybody was given something although in some cases more than others. The old age pensioners, women, merchants, taximen, many of whom have already gone to their garages to see if any cars are available, the agricultural sector, small businessmen, manufacturers, hotel industry, and those who might have doubted him a year ago got their wish when he removed the surcharge - a tax which in the final analysis did not do the damage as was predicted by Members of the opposite side. I guess that the Opposition is disappointed because only a few weeks ago they were preparing the good people of this country aided and abetted, of course, by some elements of the Press to the massive doses of taxation that has turned out to be nothing but false propaganda.

Before looking at some of the points made by Members of the opposite side who have spoken so far, I also want to congratulate the Minister of Finance on the handling of the financial affairs of this country over the last financial year. At least one cannot say that I am less than impartial because I share the views and sentiments of the economists of this country who at their roundtable in my opinion gave him full marks. They expressed the view as well that the surcharge did not have devastating effects as was predicted or projected and, if I may say so, some people even came around to the view that he should not have removed the surcharge at all. However, the statesman and gentleman he is, he gave his word and he kept it.

Now 4 Members of the opposite side have spoken so far and I would like to deal with some of the points of their contributions briefly. The first was the honourable Leader of what I prefer to call the Official Opposition, seeing that we have the people's Opposition here as well, and to be quite frank it was a very poor contribution. This is the consensus of everybody. I guess even his Members are disappointed. He did not develop any one point, rambling all over the place, and I guess in the words of a famous calypsonian Poonka - "All over the place, neither here nor there". But I still want to take issue with him, on one or two matters which I think are of importance. 2:05 p.m.

I believe he said that his party is a caring party, or they intend to care *for* the people, and I want to take this first and foremost.

The Honourable Leader of the Opposition's record in caring for people is a very bad one. During the last elections I had occasion to talk with a number of people, as politicians do, and we tried to convince people that they should vote our way. I spoke to a number of nurses, doctors, maintenance men at the QEH, administrative staff, general workers, casual workers, and all had one major complaint about our party at the time. Their concern and complaint was that they wanted to support the Democratic Labour Party, but they feared that there could be a possibility that the Leader of the Opposition might become the Prime Minister. Their view was that while he worked there he treated them so badly, that they were worried about the Democratic Labour Party.

I always like to stop and give people lifts, talk to them, find out what is happening, because sometimes if we are not careful we can become removed from the people, so one of my hobbies is to stop, give people lifts and chat with them whether I know them or not. Sometimes I take chances. I picked up a fellow last Sunday morning going townside and in talking to him I realised he was a worker at the hospital, and we started talking about politics. Again, he, too, was critical of the Leader of the Opposition. He said in those days when he worked at the hospital he used to walk through the hospital - let me get the quotation correctly - head high in the air, not even speaking to a soul. And the question he asked, does he now expect to lead the people of this country?

The member *for* St Michael South East and the member for St. Thomas can attest to what I am saying now.

Mr. D.A.C. SIMMONS: On a point of order, Sir. I do not know what he is saying.

Hon. N. K. SIMMONS: Wait! What I am going to say.

Mr. D. A. C. SIMMONS: What are you going to say? Mr.

SPEAKER: So the Honourable Member just rose.

Mr. D. A. C. SIMMONS: He just called my name and said I could attest to something.

Hon. N. K. SIMMONS: To what I am going to say. He is not one to back down in these matters. In 1971 or 1972 the member for St. Michael South East left the hospital and went to work at St. Joseph. Right or wrong?

Aside.

Hon. N. K. SIMMONS: Because, as he told you, he could not stand the treatment of the poor people and nurses by the member for St. Michael South Central. Right or wrong?

Aside.

Hon. N. K. SIMMONS: Okay, good. He might even tell you later at some time why he did not run for the Democratic Labour Party in 1976 and 1981. I put a hold on him in 1986. He had to run then, but that is for later.

I toured St. Michael South Central, as I do with most representatives, looking at house repairs in this country, and when we were finished the tour one of the staff said to me, "Mr. Minister, did you notice something?" I knew where he was coming from. I said, "I do not know, what did you notice?" He said "the Member for St. Michael South Central did not even enter one of the homes." I did not comment, I stopped there.

Dr. R. C. HAYNES: Mr. Speaker, on a point of order. I believe that one of the features of these budget debates is that one tries not to interrupt Honourable Members in the usual pattern of ordinary debates where you would normally do so. But the Honourable Member has gone on for a long time and has certainly made several statements that have been totally misleading to this Honourable House.

I wish, Sir, to point out -

- (1) that I have never had any form of complaint, dispute with any category of staff at the Queen Elizabeth Hospital during the nine years I was there, on the first hand.
- (2) On the second hand, the Honourable Member is telling a distinct untruth to this Honourable House.
- (3) The Honourable Member and I went into the house of Gwennie, the fisherman, in Bannister Land; we went into the house of another person in Arthur's Gap; we went through the front door, we went into the shedroof of the house.

To come in this Honourable House and tell a distinct untruth is so blatant, so incredible. I have never heard such a recitation of untruths on the floor of this House in my entire life since I have been inside here.

Hon. N. K. SIMMONS: As I was saying, Mr. Speaker, you either accept my word or his word. That is all I say. Let it rest there. As far as I am concerned, it is no big thing, but it is the truth as far as I know. But I am glad and happy that he is there now and not here. I will tell you

something further. If the late Prime Minister had lived two weeks longer, he would have been there quicker than he got there. But, Mr. Speaker, there is a time and place for everything. There is a season for everything under the sun. The season is not ripe yet, but it will come as sure as day follows the night. An eighth of the story has not been told. It will be told, but this is not the right time. It will be told and the people of this country will know.

I want to address some of the remarks of my constituent, the Honourable Member for St. Peter. He lives in the constituency of St. James South. I shall leave it at that. He is usually a very methodical person and usually makes a very scholarly presentation, but I would caution him to read sometimes what he said before and then make his statements after.

I made note of some of his remarks. In brief, he said the Prime Minister's presentation was far from content.

Aside.

Hon. N. K. SIMMONS: Oh, vapid! I thought he said famine. Of a confused mind, it was an anti-people budget. He said the last election was fought on over taxation, he asked the question how can he explain the increase in expenditure, and he even said that there were no street lights installed last year in any area.

The first point. If I understand the member correctly, he thought the Minister of Finance should have read the Economic Report, among other things, in the introduction to the budget. This is my understanding. I understood him to say that the presentation was too short. This contrasts with what he had to say last year. 2.15p.m.

This is what he said last year at page 2448 of the House of Assembly Debates. There is a word in here that is incorrect, I must admit.

Mr. D. A. C. SIMMONS: On a point of order, I think the Rules provide that a Member cannot quote from speeches made in the same Session. You have ruled on that, Sir.

Mr. SPEAKER: Quite correct.

Hon. N. K. SIMMONS: Last year, my recollection is that the Honourable Member said that it could have been compressed in one hour, but it was expanded to three or four hours. This year he is saying that it was too short.

Mr. O. S. ARTHUR: On a point of order ...

Mr. SPEAKER: I am not going to permit so many interruptions and I am saying this on the basis that this

debate has a time limit, and the fewer interruptions we have ...I am going to be very sharp on them. The interruptions in my view must be straight to the point without any extension into speeches.

Mr. O.S. ARTHUR: Mr. Speaker, on a point of order, the Honourable Member is misleading the House. Nowhere in my presentation yesterday did I say that the Prime Minister's speech was too short, and therefore to criticise me now for saying something that I did not say is to mislead this House and I am asking that those remarks be withdrawn.

Hon. N. K. SIMMONS: If you did not say so, I would withdraw those remarks. Last year the one good thing you said about the Prime Minister was that the only service he did was to uplift the standard of truth in the public. Deny that.

As far as a confused mind is concerned, if one were to understand what is happening out there among the people who are praising what took place, then the only person who would be confused would be the Honourable Member for St. Peter. The people understood it very clearly as to what the Prime Minister was doing; so the only person who could be confused in their mind, if anybody is confused at all, is the Honourable Member for St. Peter.

I do not want to comment on the question of the elections. The elections were fought, lost and won in 1986 and the people know whether over taxation or your handling of affairs were the issues. I do not want to go into that.

I want to look at the question of the increase in expenditure and try to explain what we were trying to do. Now let me take for example the Child Care Board to show you what was happening or has happened to us. The Child Care Board when we came into office had properties all of which were in a dilapidated state. Even the new one at Sayes Court had its roof leaking and the Minister for Tourism and Sports would agree to that. We spent so far \$600 000 in trying to repair them and the estimate is that at last year's prices it will cost at least another \$750 000 to bring them up to standard.

At the present moment the Ministry is carrying out a survey on the Community Centres, and I have said already that the Community Centre at Grazettes is going to cost \$149 000 to repair; the one in Speightstown is going to cost over \$40 000 to repair. There is no Community Centre at this present time except the ones that were built lately that would not cost over \$40 000 to repair.

We have just opened a Community Centre at Bush Hall which should have been completed in 1986, and my information is that the contractor had all the money up front and ran. It has just cost us \$75 000 to complete that job.

The one at Waterford/Station Hill areas is the same thing. We were fortunate in that one because the Prison Officers want to use it and we have asked them to give us some work to complete it, otherwise that would have been another \$40 000. That is where the money is going; so I understand and I hope the Honourable Member for St. Peter understands.

The National Employment Bureau. We are now carrying out another survey. In my constituency money has to be spent on roads in Fitts Village, gas, Crusher Site; the Minister for Tourism and Sports is putting in hard courts at Holders Hill. The Honourable Member for St. Peter lives in West Terrace and he must know that lights were installed in West Terrace Gardens in February of this year. I understood you to say that no lights were installed in the last year.

Hon. Dr. D. G. BLACKMAN: On a point of order, I much regret having to interrupt despite your ruling, but what I said in the Estimates Debate is that for a whole financial year there were no street lights applied to the Ministry of Transport and Works by the Barbados Light and Power. I did not as was asserted yesterday state that not a single street light was installed in Barbados for two years. That is an unvarnished egregious untruth. I will let the Honourable Member for St. James give the lie to the rest of the misstatement of the Honourable Member.

Hon. N. K. SIMMONS: Mr. Speaker, all I am trying to say is that it is not true to say that no lights were installed in the last financial year, because in Husbands Heights in the constituency of St. James South lights were installed, I think 25; we did not get enough but we got sufficient. What can I say about the Honourable Member for Christ Church East? He is hilarious. The reason why he could not get work done or more houses repaired in Christ Church East is simple. The Minister of Finance at that time did not give us what we required. As a matter of fact, he cut back a lot and therefore as many houses as we would have liked could not be repaired. I am not quarrelling about that, but he got some repaired.

I would just like to say this as well. We are taking about expenditure and to address the Honourable Member on expenditure as well, one of the reasons why our expenditure was so high last year was that in 1986 December all Ministries were told not to pay any money after that date, so three months had to be rolled over into the following year.

The lady about whom the Honourable Member for Christ Church East complained and to whose house we went, rather than wanting her house repaired wanted it enlarged because, as she said, she had her family to bring in.

Mr. Speaker, I was looking at some of the items under my Ministry and I would just like to thank all members of

staff, headquarters, departments and the various Boards for all the help, assistance, cooperation and hard work which they gave during the last year, and it was indeed a joy to work with them. We have achieved a lot and I look forward to this year where more can be achieved. A lot of Members have spoken to the employment, National Conservation Commission, and National Assistance Board and therefore I do not need to explain or elaborate on those. I believe my time is up, Mr. Speaker, and I want to thank you very much. 2.25 p.m.

Mr. C. L. TROTMAN: Mr. Speaker, I believe that negative criticisms to the Budget presentation have come primarily from those persons who delivered their replies before the Budget Speech was made. For my part I would wish to rise to support the Budget but I, however, have some areas of concern, some of which are parochial and some are national.

The Budget, Sir, speaks to unemployment, agriculture and tourism, among other areas, but these are matters of special concern to me today and I would wish, first of all, to look at the matter of unemployment.

It is my view, Sir, that unemployment is unsatisfactorily high at the 18% or so that is quoted and I would wish to make the point that in St. Michael Central that figure is even higher and that unemployment among the young people is a source of very grave concern to me.

There are daily demands which are made from my constituents for jobs, numerous letters which I have been called upon to write, the telephone calls I have had to make and I would wish, therefore, to take this opportunity to express thanks where help has come from employers, including in the public sector, especially over the Christmas scheme which I had set up some time ago.

Since the Honourable Member for St. James South has mentioned the Conservation Commission, I would not be averse whatsoever to seeing a few more jobs for the St. Michael Central constituents coming out of that scheme, particularly, given the close proximity and, furthermore, given the fact that in that particular area a number of persons now unemployed had some work in that Commission albeit six weeks' jobs at the Election period of 1986. The matter of employment and/or unemployment, Mr. Speaker, is a matter that touches all of us and earlier today I had the privilege to be at a meeting of the Economic Society and noted with interest that a representative of the Barbados Employers' Confederation sitting on the panel there committed the employers to working with the other social partners in working out a scheme to provide more jobs as part of the industrial relations exercise.

In essence, what that representative at the directorate level was saying was that he was interested in seeing the employers and the trade unions as the social partners enjoin

discussions, endeavouring to sit down, perhaps, at the beginning of the year, to map out a strategy which would relate to negotiations and progress as well as the areas in which they could work together to make sure that we bring down the level of unemployment to more acceptable levels and, eventually, to remove unemployment altogether from its position of scourge in our society.

This, Mr. Speaker, is a clear recognition that job creation is everybody's business. Concessions granted in the past have, in my view, been counter productive. The additional cash which has been realised has appeared to have had the result in bringing about more machinery, or if you would like, greater machinery efficiency at the workplace with a resultant loss in jobs.

I do not say, Sir, that this is a matter for which I wish to blame anyone because it is only natural that if an employer is able to make his establishment more efficient, he will endeavour to do so, but I do make the point that there is a certain contradiction because the concessions were intended to provide jobs but they had the very opposite effect. I am therefore, especially grateful and satisfied to recognise that the employers at the highest level within their organisations seem ready to find a positive avenue for increasing jobs. I am sure that all like-minded Barbadians would want to express some satisfaction in that area and we shall be able, working together, to fight the scourge of unemployment.

In that area of our struggle I believe we shall have to address the cadre of self-employed persons, endeavour to make that number greater, especially the numbers of craftsmen who can work for themselves and be able to provide some opportunity for themselves as craftsmen and, possibly, for sales outlets for persons who might work with them but I imagine that the Minister of Transport and Works might wish to speak to that a little later, especially as it relates to the Swan Street vendors.

I am concerned, too, Mr. Speaker, with the matter of agriculture. I am concerned about it structurally. I am concerned about it as it is a means of providing employment and saving foreign exchange.

In the 1940's and in the 1950's Honourable Members in this Chamber, not the least among whom would have been the late Sir Grantley Adams, had as their goal to stimulate support for the principle that our country's natural resources and means of production, be developed primarily for the satisfaction of human needs rather than for private profit. That was what socialists in that period were saying as carried in the rules of the Barbados Workers' Union, at page 2, and being very much the underlying concern and interest of Honourable Members emerging to become the Government of the day in the 1950's.

The aim to satisfy human needs rather than to work for providing a profit would make several matters spring immediately to mind. One of these matters, Sir, that I would wish to draw to your attention would be a parochial matter and the other one national.

In the parochial matter, we have in the area of Waterford the tenantry, Belleview Gap, where it is established that this is a tenantry where only chattel houses can properly be established. It is very near the water zone, as I understand it, and yet we have a problem that persons living there now, some of whom have been living there for 50 years or so, are finding themselves adversely affected by a change of ownership and immediately there comes to my mind the question which I shall address more fully later on, the question as to why has there been a change of ownership of land which would adversely affect persons living in a tenantry well in excess of 20 houses and who had been living there for several years?

The persons who pen the idea of working for the satisfaction of human needs, rather than for private profit, would have a similar concern, Mr. Speaker, and we have to be concerned about not just this piece of land. We have to be concerned about the pieces of land all over the country and repeat the need that there is the concern that there should be for the goal of human satisfaction.

But, Mr. Speaker, regrettably, when one expresses this opinion, one very often runs the risk of being accused of being a communist or some other similar accusation. Indeed, it was the hallmark of the criticism which I suffered in 1981 and it is very closely associated to the fact that I did not manage to win the confidence of my constituents who now do not see it the same way although they feel as I do that there is still a concern for reaching to satisfy the human needs rather than allowing the natural resources of our country to be developed for private profit. 2.35 p.m.

I am not suggesting, Sir, that profit is a bad word, although there were the days when it was so considered. But I am suggesting that where private profit is reached at the exclusion of or the resulting suffering of the human personality, then there has to be a concern. We therefore have to work towards ensuring that our resources are protected against the form of exploitation, Mr. Speaker, which brings about private profit but results in human suffering.

At the level of our resources at the beach and the sea, I believe that we have generally succeeded. At the level of our resources being the land, we are working at it, Sir, but we still have a dire need for land for housing and a dire need for land for the entire community. I am not going to suggest that it follows that we are going all of us to go out there, Sir, and become plantation operators or farmers. But I am suggesting that exercising caution we need to recognize

that the public welfare is going to be better served and very greatly served when we look again more fully at this question of land usage, in much the same way as we took the bull by the horns in another of the use of our beaches and our sea making sure that that was used for the satisfaction of the human, rather than for private profit.

I think that when one looks, Mr. Speaker, at the Budget where it addresses this matter of land, one should take care not to believe, as the impression was given that some believed that the \$3 million set aside by the Minister of Finance and the Prime Minister, that that \$3 million was going to address the entire issue of the land usage problems that we have. I do not believe that that \$3 million is intended to purchase the land that is idle or the caneholes that might be provided by that land.

I believe it will permit for assistance and the Budget very clearly indicates that the details of that assistance programme is to be worked out between Government officials and officials of the agricultural industry.

The question in any event still stands, Sir - the question of ownership of the land and the question of the usage of the land for the good of Barbados. And it is not untimely for us to reflect on the fact that with this tremendous need that there is for land for housing and land for agriculture, and with a recognition that the owners of the properties are committed in debt to agencies which the Government is supportive of, that there can be an arrangement worked out by which more of that land can become the property of the people of Barbados, under the custodianship of the Government of Barbados. I cannot see why this cannot be so, Mr. Speaker. And it is time for us to move in that direction so that the people of Barbados begin to own this particular commodity. If we do not move urgently to do so, the possibility may exist that when the Government of the day wants to move in that direction, we may not have the land.

In order, Mr. Speaker, for us to achieve that objective, we have to be concerned about efficiency. Efficiency must be at the very centre of our effort to revive the natural resources of our people. Government has to ensure that the programmes which it works on in that direction are realistic, are achievable and are methodical. And where the sugar industry comes along and gives a programme, I am sure that the Minister responsible will want to take especial care that he is satisfied and his Ministry is satisfied with efficiency that is being protected as a means of being able to exploit the resources being made available by the Budget this week.

Government itself, Sir, needs to find efficiency, even as it stretches further in the very Public Service. The concern is a real concern that speaks to the subject of cost centrally as well as cost at the level of statutory boards. The temptation is always there, Mr. Speaker, for persons in

addressing this matter of efficiency to say that the workers are at fault or to say that the workers are lazy. My concern, Sir, is that that is much too simplistic an approach and does not address the fact that workers by and large are not lazy. They are anxious to work and are prepared to work.

One has merely to take the example of the private sector and put it in contradistinction and one recognizes that the case is made. I am therefore concerned, Sir, that an overhaul, a complete overhaul within the Public Service is required.

And I would suggest, Mr. Speaker, that in this matter of efficiency, we start at the level of the Permanent Secretary. It may be necessary for us to bring experience from larger communities where persons have got a special training in Public Administration. It would make much more sense then to train the PSs locally. Bring them all together, take them from the office for a week. I am sure that though they all are efficient, the office will continue to be run. And then train the Deputies, Sir, and the Executive Officers, and over the entire system then, down to the maids. Thereafter, Mr. Speaker, let the social partners map out job designs which will enrich the job, which will enlarge the job and which will ensure that there is a form of participation in the decision-making process at the enterprise.

I am satisfied that if we were able to work in this direction, much of the alienation which now exists in the corridors of the Public Service will be removed and people will begin to recognize that the Public Service belongs to all of us, and that we all pay for that Service and that we have to work towards making it as efficient as possible.

There is presently an experiment going on at the Ministry of Transport and Works. In that very direction, a participation in management. I am very close to it and I am satisfied that it is beginning to work. I see no reason why we cannot, starting with models elsewhere, work towards having people feel that they are not merely signing a notation in a file without having any relationship with what the file contains or what the matter is under discussion.

It seems to me that we have to recognize that where jobs are repetitive in nature, whether it is within the Public Service, the private sector, the trade unions or anywhere else, that where those jobs are repetitive in nature, routine in design and over simplified, that they have the effect of making people non-productive and appearing as though they do not wish to contribute.

In a matter too of efficiency, Sir, I should like just to examine the situation as it appears within the hotel industry, since the hotel and the tourist industry are vital to our continued development. It seems to me, Sir, that as the Government moves towards harnessing the resources within that industry, it needs as well to look at those areas where

there appear to be loopholes. My concern, Sir, is that in the matter of foreign exchange with the tourism sector being such an important foreign exchange earner that greater efficiency has to be taken to ensure that the foreign exchange is channeled through the system. That is to say that the foreign exchange reaches the banks, reaches the centre of the Government and thereafter works out again, as the case may be, thereby removing the reports and the rumours which may not be true, that much of the foreign exchange coming into the industry finds its way directly to Miami or to some other spot in the United States to buy real estate outside of the country. We have to be concerned, Sir, because if we are doing better in terms of the number of tourists and if we are doing better in terms of the length of time that tourists are remaining on the Island, but if we are not doing well in terms of maintaining the resources for a long enough period within our country, then all we may be having is a number of persons passing through the port, as it were, and not spending any money. 2.45 p.m.

I wish in the limited time remaining to me, Sir, to touch on a couple of items in the actual package with which I have some concern. The Budget endeavours to deal with a number of issues and its objectives generally could not be faulted. I, Sir, have the problem - the concern, it is not a problem, - that I have a large number of pensioners and a large number of welfare cases and very frankly, Sir, it is difficult to offer anybody less than \$5.00. I should have liked to have seen the old age pensioners receive an increase of the level not less than \$5.00. I think, Sir, that what is necessary for us to do is to recognize that at that level of pension we are looking at the same time the increases at the bottom of the scale of public servants. It would be desirable and my suggestion would be that we do one of two things at the level of the old age pensioners. Either, Mr. Speaker, we index the pension which would result in an automatic increase being applied to the pension whenever the cost of living rises beyond a certain level of percentage points or we make a decision to put the pension at the same percentage level figure as the Category 9 within the key scale of the Public Service. If it is a split increase as it was this last occasion of 8% in two, we put the full figure up front of 10% and not bother about a second year and in this way removing the special problems which result from having to come back each year or so to look at the question. If both parties were able to see that, then old age pensioners might not see themselves as being "footballed" around at election time and becoming the butt of cheap politics to get votes.

Furthermore, Sir, there is the question of welfare beneficiaries. Perhaps these were inadvertently omitted and so the figure remains at \$16.00. I made the point a year ago and I wish to repeat it now that there is the need to review this group of persons. We need to find a base, Mr. Speaker, for whatever figure we determine that benefit should be and thereafter we have to determine how that figure will be

adjusted from time to time. If we have arrived at a figure of \$16.00 and that was sometime ago, it must have been arrived at after due consideration of certain criteria. The question would arise - have not those criteria undergone some level of change to make it mandatory that the quantum determined should now be reviewed? I would suggest, Sir, that it needs to be looked at.

Finally, Mr. Speaker, I wish on a parochial level to express appreciation for the work which has been started in St. Michael Central and for the work which has been promised. It is not wise to mention the work that has been promised because there is distance sometimes between the cup and the lip. But nonetheless, Sir, I wish to express appreciation for the work in road surfacing, in natural gas, house repairs for the elderly and indigent, and for National Housing that has been given to persons who have applied and who may have sought my assistance. I look forward, Sir, to continued support in this area as we endeavour to make the country better and to make St. Michael Central better especially given the difficulties that constituency has had over the years. I look forward too, Mr. Speaker, with very great satisfaction to the official opening of the people's sports pavilion at Station Hill and I need to make the point that the expression is given to some and is taken by some that it belongs to a group other than the people living in Station Hill and wanting to play in Station Hill. It is the people's pavilion as I understand it and I look forward with satisfaction that at last that pavilion will be opened on May 6th. I want especially to thank the Minister responsible for Community Development for working towards finishing it and for the Sports Minister for his commitment to put down lights on the basketball court for the players in that area.

Mr. Speaker, I wish to thank you for your indulgence and I have honour though I have expressed some concern in supporting the generality of this particular Budget.

MR. SPEAKER: The honourable Member for St. Thomas.

MR. D. A. C. SIMMONS: Mr. Speaker, Sir, as I understand it, we are debating a Resolution moved by the Prime Minister the day before yesterday. I think it is instructive that I read it. It says:

WHEREAS the Government's fiscal policies for the 1988/89 Financial year were successful,

AND WHEREAS in order to consolidate the achievements of the past year, the Government considers that the Financial Statement and Budgetary Proposals for the current Financial Year should be devoted to the following objectives, namely:

- (1) Stability of the balance of payments and the maintenance of our international reserves which

will require a further reduction of the fiscal deficit to around 4 per cent of Gross Domestic Product;

- (2) restoration of confidence in the agricultural sector;
- (3) further support for the manufacturing sector with special emphasis on export marketing;
- (4) continued support for the tourism industry through increased funding for promotion and through concessions for refurbishing and upgrading its plant and facilities;
- (5) strengthening of Barbados' competitive position as a centre for international business services.

AND WHEREAS the measures announced in the 1989 Financial Statement and Budgetary Proposals by the Prime Minister and Minister of Finance and Economic Affairs are directed towards the attainment of the foregoing objectives;

BE IT RESOLVED that this Honourable House take note of the 1989 Financial Statement and Budgetary Proposals and approve the measures therein.

Now there are 2 significant aspects of this Resolution, Mr. Speaker. In the first place the Government's front bench is asking us to congratulate it on its fiscal policies for 1988-89. In the second place Government is seeking our support for its 5 Budgetary Objectives as set out. The Honourable Member who last spoke said that he could not fault the objectives. I wish very early on, Mr. Speaker, to say that I cannot support this Resolution if only for the reason that in the 5 stated objectives Government has given a clear signal to the country that it does not intend to have as an objective the relief of unemployment in this country. 2.55 p.m.

There are five objectives set out, which I just read. Not one of them refers to the relief of unemployment, to which we all pay service, on that side lip service, and which is a serious, pressing, social and economic problem in this country. It is a singularly outstanding omission from Government's objectives for the year 1989-90.

I cannot join with a Trade Union leader and say that I find the objectives of this Resolution and of Government's budgetary policy satisfactory when no effort is made to tackle the problem of unemployment. So what Government has done is to tell the young people of this country that it is satisfied with a rate of 18.6% of unemployment, and we cannot do anything about it. Somebody said last night "if you do not like it, lump it." That is the attitude of this Government to unemployment.

Callous and indifferent. But more than that, it reveals a total, complete and thorough bankruptcy of ideas and bankruptcy of policy. So much for the Resolution.

Let us come to the actual budgetary statement and let me extract the highlights of the budgetary statement, Sir. The first signal highlight was the Prime Minister's reversal of his own principles of public financing. In the 1988 budget at page 13, these are the principles that the Prime Minister set for himself, and these are the principles which we, the whole of Barbados, were led to believe informed his conception of public financing. I quote, Sir, from page 13. It says this:

Aside.

Mr. SPEAKER: He is reading the financial statement.

Mr. D. A. C. SIMMONS: I am refreshing my memory from the Prime Minister's financial statement for last year. If I am not allowed to read what he said last year, only a short paragraph, I will summarise it, Sir.

Mr. SPEAKER: I have no objection.

Mr. D. A. C. SIMMONS: I am obliged to you, Sir. He said this:

"I subscribe to the principle that in developing countries, current...." - not capital - "...expenditures should normally be met from current revenues, and that if the current revenues are inadequate to meet current expenditures, then the revenues should be stimulated. I also subscribe to the principle that capital expenditures should substantially be met from loans.. In other words, current expenditures and revenues should balance, with something left over as a contribution to capital expenditure,..."

Last year he closed the gap between current revenue and current expenditure fully. This year there is a gap of \$79 million. What does he do? He levies only \$40 million in taxation, so that he has abandoned his principles of last year which called for a complete closure of the gap, which he did and established a principle and has now resiled this year from that principle.

The second highlight of the budgetary proposals relates to the Government's continued policy of over taxation. Prior to the general elections of 1986 all of Barbados was led to believe that under the Democratic Labour Party as a Government, tax rates and the burden of taxation would be reduced and the incidence of taxation would not bear so harshly on taxpayers of this country. In this year's budget the Prime Minister, quite shamelessly, has said....

Mr. SPEAKER: Now.

Mr. D. A. C. SIMMONS: Is something wrong with that word, Sir?

Mr. SPEAKER: I am not going to ask you to withdraw it, I am asking you to temper your language.

Mr. D. A. C. SIMMONS: All right, Sir. I still will withdraw it, because you seem to think that it might be intemperate and I would wish to give no offence to Your Honour. The Prime Minister this year was bold enough and sanguine enough to read into the record....

Mr. SPEAKER: Now.

Mr. D. A. C. SIMMONS: Is something wrong with that too? Does anybody want to explain what "sanguine" means?

Mr. SPEAKER: I do not want you to explain it.

Mr. D. A. C. SIMMONS: Sir, let me just put it nicer. You do not want it dressed up with any adjectives. The Prime Minister read into the records of this House of Assembly that the burden of taxation on the people of Barbados under the Democratic Labour Party is now running at 31.1%, whereas under the Barbados Labour Party it never reached even 28%, it was at levels of 24%. To those, including those who write in the newspapers by way of letter, and who say, as recently as last weekend, that the Barbados Labour Party had been overtaking the people of this country, I ask them now how would they describe the confession of the Prime Minister that taxation, principally since he has become Minister of Finance, under the Democratic Labour Party is now at the level of 31.1% of GDP, as compared with 24% when we formed the Government? If that is not overtaking, then I would wish one of the members who speaks after me to describe in language that is intelligible what indeed it is.

To him, taking 31 cents out of every dollar of every taxpayer of this country is of no significance, but in 1986 when the effort of the Labour Party was to take 24 cents out of the dollar, we were the worst people in the world, wicked, inhumane.

The third highlight of the budgetary proposals, Sir, is the decided trend to indirect taxes. 3.05 p.m.

I have no difficulty in erring with the International lending agencies, the IMF, the World Bank who have characterised the trend under the Democratic Labour Party as being regressive. I have no problem with that. Do you know what the trend to indirect taxes is doing? It is bearing most heavily on the middle classes and those worse off in this society. Let me give an example, Sir, that was given to me two days ago by a lawyer. He said his income is about \$6 000 a month. He pays his maid \$150 a week; his maid

wanted to buy a pair of Clarke shoes from some store in Swan Street, good shoes, to outfit a daughter for school. Out of that \$150 the maid was earning, she had to pay \$120 for the Clarke shoes. Admittedly as Honourable Members are suggesting, Clarke shoes are apparently very good shoes and expensive, but I think we also know that those in our society who can probably least afford it want the best for themselves and their children and that is nothing to be denied. But that is the impact of the consumption taxes and indirect taxes, that even though the employer might be able from his salary since he is so well off to pay the \$120 for his own child, his maid from \$150 a week will lose in that week \$120 and just have \$30 left to do the necessary out of the wage.

Now there has been suggestions in here this year and in previous years that the Barbados Labour Party introduced consumption tax. In 1975 the Democratic Labour Party introduced into the Laws of Barbados a separate volume on them before we became the Government in 1976. Mr. Barrow was the first, like he was the first to introduce the sales tax which is a slightly different form of consumption tax. But the point of departure between the Barbados Labour Party and the Democratic Labour Party on the question of consumption taxes is best illustrated if I just recite what happened between 1977 and 1985. In 1977 the Barbados Labour Party in indirect taxes and levies raised \$7.8 million in the budget but gave back by way of income tax concessions \$3.3 million. In 1978 they levied \$3.1 million and gave back in income tax concessions \$600 000. In 1979 indirect taxes and levies \$2.4 million and gave back, not election year, \$11.4 million. In 1980 it balanced out, levied \$24 million and gave back \$24 million. In 1981 indirect taxes and levies \$2.8 million and gave back \$18.7 million to the people. In 1982 they raised \$22 million and gave back \$2 million; 1984 raised \$30.2 million and gave back \$14 million; in 1985 raised \$28.4 million and gave back by way of income tax concessions \$8 million.

Now the clear inference to be drawn from those two sets of figures can be found in an article written by Dr. Michael Howard as a contribution to an international journal, and is that when we were levying indirect taxes, consumption taxes, whatever and levies, we never took all and did not ease the taxpayers. Every year they got back something. The difference with the Democratic Labour Party is that last year they levied \$110 million direct and indirect and did not give back a cent to the taxpayers. This year they have levied \$40 million plus and have not given back one cent. What am I to claim? How does the budget make any provision for income tax concessions this year? They don't even understand.

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

Mr. D. A. C. SIMMONS: What I am saying, Sir, is that through the budgetary process this Government takes,

particularly since the new and only Minister of Finance as he describes himself is adorning that seat, by way of indirect taxes, and does not give back anything by way of direct taxes.

Now the fourth highlight of this year's budget and the economic review and all of these documents, the Central Bank Report which forms the core of documentation for this debate, is the discrepancies in Government's published statistical information, and I say, Sir, that these discrepancies lead to the conclusion that the Democratic Labour Party has been practising deception, lies and propaganda. I say the Democratic Labour Party - otherwise known as a form of "Tudoritis".

Let us look at the rate of growth. The rate of growth they say is 3.5 per cent according to the Prime Minister. I have a Central Bank publication here, April 1989, Barbados a Unique Business Centre, which I can make a document of the House, at page 38, which says: "GDP percentage of real growth 3 per cent", not 3.5 per cent; but there is a document in the Central Bank which estimates growth at 2.7 per cent

Secondly, Sir, I want to deal with tourist receipts and Government receipts from tourism, because you will see again discrepancies which make your hair stand on end. In 1986 in the Central Bank Report at page 9, third paragraph from the bottom, listen to this: "The stronger performance of the hotel sector in 1986 resulted in a 43.7 per cent (\$63 million) rise in hotel and restaurant taxes." The Central Bank Report for 1988 at page 10 tells us that "Receipts from the hotel and restaurant tax remained constant at \$15.4 million." Now what the Government has also published in its economic report is that tourism receipts increased from 1987 to 1988 by \$161 million, and yet the hotel and restaurant contribution has remained constant at \$15.4 million for the calendar year. Look at Table 31 A of the Economic Report on page 61.

3.15p.m.

So that the validity of Government's Statistics is in doubt and I have grave difficulty in accepting as the truth - that is me subjectively - the proper statistical information coming from that side, Sir. I must remember that the Minister of Labour and Community Development only today told us something else that cast a shadow over the financial integrity of the Democratic Labour Party Government.

Now, Sir, in the Budget of 1987 the Honourable Member for St. Peter asserted that the Government had been holding back its Accounts Payable for 1986. He was told that he was talking foolishness, that he was lying. Today, the Minister of Labour and Community Development in this House in all of our presence admitted that that was done. Now, that is a serious breach of one's public responsibility.

A Government cannot lie or purport to lie to the country. We have to set examples for the rest of the society. We are expected to be leaders and if we are fed a diet of misinformation, we distort for the community, we distort for the researchers who rely on Government publications as source materials, all the statistics on which a proper and informed decision can be made, Sir. Now, enough of that.

I want to turn to something else, Sir. The second aspect of the Resolution asks us to congratulate the Government. Last night the Honourable Member for St. Joseph said these words "The people in Barbados are pleased with the Government they have elected", self-serving, subjective value judgement but, nevertheless, I use it as a point of reference and I want to look at the Government I have to start at the top.

The Prime Minister and Minister of Finance, why should we congratulate him? These are matters over which he has presided. He has presided over over-taxation in his own words, 31.1 per cent of GDP now. He has presided over losses at CBC running at the level, in his own reply to my question, at over \$460 000 a month, that is what he is presiding over. Should we congratulate him for that? If he were in the private sector he would have been fired.

He has presided over the insolvency of the Barbados Development Bank and has had to come in here the day before yesterday and admit it and not offered any immediate solution. We are looking at this and we are thinking about that. It is time for decisive action. That Bank used to lend to the small business people in this country on an ongoing basis and kept them in business and helped with the relief of unemployment. Under him it has virtually collapsed.

He has presided, Sir, over the legislation of salaries for civil servants after his own party swore that they would not do it. I do not mean to use bad language - testify.

He presided over a breakfast meeting at Ilaro Court on Monday morning, April 24, with six people from CBC and after that meeting, the invitations that had been offered to former Prime Minister St. John and Senator McClean were withdrawn to participate on CBC during the Budgetary Presentation the other evening. Most of all, he has presided over the split in the Democratic Labour Party.

To the Honourable Member for St. Joseph, I ask her, can the people of Barbados be satisfied with that kind of behaviour from the Prime Minister?

The Deputy Prime Minister, Sir, he has presided also over the loss of container transshipment from about 8 000 containers to 460. He has presided over the Governor of the Central Bank getting a work permit to bring a maid from Guyana when we have thousands of young women in this country who would have been able and would have

been glad and are ready and willing to offer domestic services to the Governor of the Central Bank. Many in the parish of St. Thomas would have been vying for that job. No, he brings one from Guyana.

Next in line is the Minister of Health. Well, he is not in his seat and during the Estimates I have dealt with him fully and what I did not have time for then I dealt with a couple of Sunday nights ago in Wotton but he will go down as the member of that Government who publicly asked, do you think that I am on the take? He who likes to talk too much, fed into the public domain seeds of suspicion about corruption; nobody from the Opposition benches, he himself.

I leave him to the nurses at the District Hospital in St. Philip and I hope that in due course he will explain to me how a man about my age recently went into the QEH for an operation for piles and came out minus one eye, his left eye. He lost his left eye in the QEH. They told the man that he picked up an infection in there and 24 hours before his eye was taken out was the first time that a doctor saw him.

The Attorney General must be....

Mr. SPEAKER: The Honourable Member has two more minutes.

Mr. D. A. C. SIMMONS: Two more minutes, Sir? I cannot finish the whole front bench but I will finish with the Honourable Attorney General and then go to the back bench.

Can the people of Barbados be satisfied with the Attorney General who supported a DLP Manifesto and pledged as a solemn pledge, page 22 of the DLP Manifesto, to rid this country of the scourge of drugs and what have we seen? A steady increase, particularly, in serious crimes and in crimes connected to drugs.

He has presided over the kind of instability in the Police Force that we have never witnessed in the history of Barbados. He has presided over a break-out at the prison even though, as recently as last Sunday, the Prison Officers' Association let us know that they had warned him two weeks before the break-out happened that it was going to happen. Nothing was done to prevent it. Anywhere else he would resign for that.

We want him to produce the Agard Report. I have an interest in that. I was Attorney General at the time and I set up that Commission of Enquiry because I was not satisfied that a human being should lose his life in Prison and that the Coroner should comment unfavourably on the behaviour of the Prison Officers who gave evidence. I set it up. Three or four years ago I was Attorney General. It is about time that we have the Agard Report before "The Investigator" or somebody leaks it. Let it be done properly.

I am not going to deal with the Honourable Member for St. Lucy. He had promised a break-through in jobs by December 1986. It has not come but what has happened is that he is presiding over an imbalance in trade with Trinidad. 3.25 p.m.

In 1988, we imported \$100 million in goods from Trinidad and sold them \$20 million. And we are still having great difficulty with a fishing agreement.

Now I wish, Sir, just to finish with the backbench. Some would say that youth is wasted on the young. I do not subscribe to that at all, as a general principle. But I was deeply hurt last night with the presentation of the Honourable Member for St. John because it is his style; he does not seem able to change it, but he dealt purely in *ad hominem* attacks. It does not become him. Where he tried to deal with matters of substance, he used a very interesting tactic only to reveal his emptiness. He put a number of questions. We should be looking at agrarian reform. We should be looking at this. We should be looking at that. He never offered one solution. But he picked up everything that people out there are talking about in academia and he set them without more. That is not good enough.

Mr. SPEAKER: I think the Honourable Member....

Mr. D. A. C. SIMMONS: I offered solutions when I was on the backbench. Read the Debates.

Mr. SPEAKER: The Honourable Member has exhausted his time.

Mr. D. A. C. SIMMONS: I am not even exhausted, Sir. All I would say, Sir, since I have no more time. I am obliged to you, Sir. But I must leave with the words of Chalkdust, the new Minister of Finance cannot drive.

Thank you very much, Sir.

Applause.

Mr. SPEAKER: The Honourable Member for St. Lucy.

Hon. E. E. GREAVES: Mr. Speaker, the Honourable Member for St. Thomas who has just taken his seat, when he began referred to the Resolution which we are considering here which seeks to congratulate the Government on its fiscal policies for the 1988-89 Financial Year and the fiscal policies for this year which seek to consolidate what gains were made in 1989.

In referring to the Resolution, he stated that none of the principles which are enunciated here have anything to do with employment. That the Resolution does not seek to deal with what has been considered and what is considered

as one of the major problems confronting this country. That is the question of unemployment.

I should like to suggest respectfully, Mr. Speaker, that if one were to read carefully and one does not even have to read carefully the objectives which are set out in this Resolution, one would see very clearly that these objectives, number 2 for example the restoration of confidence in the agricultural sector, that that is designed to create more employment in that particular sector.

Aside.

Hon. E. E. GREAVES: Further support for the manufacturing sector with special emphasis on export manufacturing - that is designed to create more employment. Continued support for the tourism industry through increased funding for promotion and through concessions for refurbishing and upgrading its plant and strengthening of Barbados' competitive position, as a centre for international business services, that is also designed to create more employment.

So that, even although it may not have been specifically stated, it is very clear that the objectives which are set out in this Resolution and which objectives are dealt with in the Budgetary Proposals are designed to further create employment in this country, bearing in mind, Sir, that over the last year, the evidence is very clear that we have been able to create 2 300 additional jobs. We are satisfied that with these measures, we will be able to do just as good this year, or even better.

Let me, Sir, in making an input into this debate, just go back a bit as Honourable Members have been wont to do, that is to set the stage for the presentation which I would want to make on this matter. And to state that in 1986, as the Honourable Member for St. Michael South Central would know quite well when the Democratic Labour Party took office, the manufacturing sector was in a state of decline. It was also in a state of shock. Indeed manufacturers generally speaking were on their knees and begging for help. CARICOM had reached the crossroads and there was a tit for tat kind of arrangement between countries of this trading group. Our major foreign exchange earners and employers in the private we are talking about, and particularly those which are foreign investors, Intel and Playtex had signalled to the then Government that they would be pulling up their stocks and moving out from this country. This was the background against which the Democratic Labour Party came into office. The people of this country charged this Administration with the responsibility of reversing that kind of adverse situation in the manufacturing sector.

The Democratic Labour Party set about with dispatch to deal with this particular problem and in a businesslike manner. Our proposals are contained in the fiscal measures which have been put in place over the years since the Democratic Labour Party came into office. We

reduced the Corporation Tax. Notice I say the Democratic Labour Party reduced the Corporation Tax which is still in force. We implemented a regime for garment manufacturing which is still in place. We also implemented a preferential tax for goods which are produced in the CARICOM market as against goods coming from outside of the region. That is still very much the case. Of course last year we removed the Stamp Duty on raw materials and packaging materials. This year the Prime Minister has removed the Consumption Tax and Import Duties on machinery and equipment used in the manufacturing sector.

Sir, one could see a definite thrust in trying to create the kind of environment for manufacturing to breathe a new life. It is clear from the performance of the manufacturing sector ever since the Democratic Labour Party came into office that they are breathing a new life. Indeed this can be said for the business community when one looks around and one looks at the profit margins which have been realized over the years. One looks at the way in which they have been investing in malls and other shopping centres, refurbishing their operations. When one looks at the kind of construction which is going on in this country, one would see that the kind of energizing which the Democratic Labour Party has put in place ever since it came into office is the kind of medicine that was needed in this country. And even although there have been criticisms about the surcharge, nevertheless the confidence which the Honourable Member for St. Michael South Central and other Members of the Opposition tried to make the people in this country believe that the business community had lost in the Government certainly did not take place. The evidence is not there because business activity continued. Indeed, businessmen have said that they saw nothing particularly wrong with the surcharge.

The fact of the matter is that the Prime Minister made a commitment that that would be on for one year and at the end of the last Financial Year, the 31st March, 1989, that was removed. He is a man to his words.

The point, Sir, is that the Democratic Labour Party has used all of its energies in order to create, both at the domestic level and also at the regional level, employment for business to take place and particularly for the manufacturing sector to be energized.

At the level of CARICOM, we first started off with a bilateral arrangement with Trinidad and Tobago to get the whole CARICOM trading arrangements back on stream. I think that the whole world knows what was happening pre 1986. And then at the regional level, we used our energies in order to ensure that a decision which was eventually taken in 1987, that by the 1st October, 1988 that we would return to the whole concept of free trade within the region. And to a large extent, this has been achieved, except of course, for the OECS countries which have been able to

gain some derogation for 18 or so items but which will be reviewed on an annual basis. 3.35 p.m.

I think that it is very clear, Sir, that the claim which the Opposition and which the Member for St. Michael South Central made about the Budget in 1989 and again in this year's Budget that this will have an adverse and harmful effect on the business community - that as far as I am concerned is without any foundation. Indeed, the figures which I will draw to your attention very shortly will give the lie to that particular position.

The Honourable Member for St. Michael South Central, the Leader of the Opposition, and I think the Member for St. Peter yesterday referred to the index of Industrial Production and used it as their basis for showing that manufacturing was declining. If one were to look at the March 1989 Central Bank's Statistics at Table 13, one would see that for the index for Industrial Production for 1988, and I think they made a comparison between the latter half of 1988 with the first half of 1988, that for total manufacturing if you look at the figures you will see that it has been fluctuating. It does not run steady for any particular month and even in the first half of 1988 one saw that the figures fluctuated. In January 1988 it was 87.1, February 104.8, March 106.4, April 99.1, May 99.3, June 109.9, July 101.5, and I could go down to September 106.5, October 106.9, November 116 and December provisional 111.7.

The point is, Sir, that the figures for Industrial Production fluctuate from month to month. Indeed, if you look at these figures closely, you will see that the comparison which the Honourable Member made between the first half of 1988 and the second half of 1988 shows a completely different picture from what he was trying to project.

Now Sir, I go further. The Honourable Member for St. Thomas talked about the fact of CARICOM and exports to CARICOM and exports to Trinidad and Tobago. The fact of the matter is that exports in Barbados were on a decline from 1984. In 1984 total exports were on the decline and also exports to the markets in the region were on the decline. When the Democratic Labour Party came into office, we were able to a large extent to steady that decline. What has happened in 1988 is that the final figures coming out of the Statistical Department have shown that our exports grew in 1988 by 15.6% on the 1987 figures. Admittedly, the figures are not what they were in 1984 or 1985 and this can be explained by a number of reasons. When you take out the contribution from Intel and Playtex, one would see the kind of problem which developed in this country as far as the earning of foreign exchange is concerned and this has made considerable impact on our exports. But the fact of the matter is that our exports grew in 1988 in spite of the fact that they claim that the measures which the Democratic Labour Party had taken and which

which the Democratic Labour Party had taken and which the Right Honourable Prime Minister had taken would have had an adverse effect on our exports. Our exports in 1988 grew by 15.6% on 1987. If one were to turn to the regional level, again one would see that our exports to Trinidad and Tobago were falling from 1984. In 1984 they fell by 16.4% on the 1983 figure. In 1985 they fell by 47.2% on the year before which was in 1984, and 1986 by 40% on the 1985 level, 1987 level 23.8% on the 1986 level. Even although the decline continued, you will notice that it was a decrease in decline and in 1988 the figure grew by 33.5% on the 1987 figure. So that we could see an outward trend in our exports. The same thing goes for Jamaica where the exports were falling from 1984 and even before that. In 1988 our exports to Jamaica grew by 15.4% on the 1987 figure. Guyana which is not a particularly good market at this point in time, but the fact of the matter is that our exports to Guyana grew by 120.6% on the 1987 exports. To St. Lucia, our exports grew by 40.5% on the 1987 figure. To St. Vincent, our exports grew by 24.8% on the 1987 figure. To Antigua, our exports grew by 50.8% on the 1987 figure. To Grenada, our exports grew by 29.3% on the 1987 figure. To Dominica, our exports grew by 50.6% on the 1987 figure. Montserrat - our exports grew by 19.3% on the 1987 figure. St. Kitts-Nevis - our exports grew by 24.1% on the 1987 figure. Well Belize, there was a decrease. The problem with Belize is the whole question of shipping.

The point I am trying to make, and I think it was necessary for me to go through this detail, is that whereas before we were in a declining situation in CARICOM and in other parts of the world where we export one sees that the figures are beginning to look upwards. I think it is important that we recognize that the stage is now set for an even better performance in my opinion in not only CARICOM but also extra-regionally. It is clear, Sir, that there is renewed interest on the part of the manufacturing sector in exports. The fact that they are prepared to go on missions and sell. This I think is vitally important because, as I have always said, the Government can only create an environment. The Government is not a salesman. The Government cannot go out and sell on behalf of people.

We have been, for example, trying to impress upon the manufacturers of this country that they should try to get into Jamaica because we had detected that there was growth in the Jamaica economy, and that the opportunity existed for them to do well there, and at the urging and plodding of the Ministry of Trade the Manufacturers Association eventually decided to go. They were surprised at the reception and the possibilities which exist in the Jamaica market. The same thing happened in Antigua. They felt that they had no chance in Antigua. They went up to Antigua and they got a very good reception there and things are beginning to move in that particular area. But what was happening, Sir, was that the manufacturers took a long time I would say to recover from their very heavy blows and their very serious difficulties which they found themselves

in under the past Administration. So that we have to work with them and we have to give them all the encouragement and provide the kind of incentives which will further spur them on. This is what we are doing in this Administration. But they are not only concentrating on the CARICOM market. We believe that our efforts have to be doubled in North America, Canada, and in Europe. We are working quite naturally with other regional Governments to make sure that the CBI which for a large extent has been unilaterally put in place by the American Government that there is some negotiations which would create the kind of climate and environment for us in the Caribbean to get a better foothold in the American market. The same thing goes for Canada, CARIBCAN, which was unilaterally put in place by the Canadian Government. 3.45 p.m.

We are discussing in collaboration with other Governments in the Caribbean an arrangement which would see a better possibility existing for exports from the Caribbean into the Canadian market. At the moment discussions are going on with the EEC and the ACP to revise the existing Lome' Convention and the rules of origin to make it easier to provide for easier access for goods and services from the Caribbean, including Barbados into these markets. It is very important that one understands this.

I would want to say that when one, for example, sees the performance of the rum industry in Barbados, almost \$11 million which they were able to earn in foreign exchange this year, it demonstrates very clearly that that industry is well organised and is prepared to go out and do the marketing which is necessary, and I would want to offer my congratulations to them. I know that they are working feverishly in order to even improve on what they have already done.

You will recall, Sir, the fight which this administration put up in terms of getting the definition of rum firmly established in Europe. This is very, very important, and to a large extent we have won that battle. These are things which, when one asks what it is the Government is doing, this is what this Democratic Labour Party administration is doing.

But that is not all, Sir. At my insistence, I asked the governmental agencies - the Central Bank, the Industrial Development Corporation, the Export Promotion Corporation and the Barbados Development Bank - to sit down and work with manufacturers in developing a strategy and certainly identifying manufacturers whom they consider have export potential and with whom they could work. They have identified 20 companies in Barbados which they feel they could work with and which have that kind of potential. I am sure the Honourable Member for the City would know this, because his company is one of those companies with which they are working, and consultants

will be working in developing, in sharpening these companies in their export thrust. The Central Bank is also examining the possibility of extending the export guarantee scheme and we are using our embassies abroad not only to identify investment possibilities, but also to identify markets for goods and services.

I would like to say, Sir, that we also recognise that training is a very important component in all of this. Last year again I was able to get the governmental agencies which are involved in the whole question of training to sit down, and BIMAP has been commissioned to put all the findings together and to really develop the kind of training strategy that would provide the kind of skills that would be necessary and that are needed for our manufacturing process, and, generally speaking, our whole industrial thrust.

In this particular regard, let me say two things. The Industrial Development Corporation worked last year with three private sector companies relating to the whole question of training, training of data processors. They were able to train over 300 of these persons to meet a demand which existed in this country, so much so that Barbados has a good reputation in the investment market in the whole area of data processing. I am sure you would have heard quite recently that Caribbean Data Services announced they will be needing an additional 300 persons trained in this particular area, because they have been able to win a contract from an American insurance claims company and those claims will be processed in Barbados with Barbadian labour.

I think it is important that one recognises the efficiency which they claim that the Barbadian worker has. As a matter of fact, they say that he is even more efficient than the worker in the State in which they do most of their work in the United States of America, and the same thing can be said in a number of other manufacturing entities. But we are not satisfied only with that, we do not want to rest on our laurels, we believe that we have to train people in this country for the future, train people to be able to participate in the kind of manufacturing and economic activity which will be taking place in this country.

I think one of the major stumbling blocks which we have in this country today, Sir, is the whole question of attitudes of parents, most of whom feel that their children must only be trained in the academic line, and I think this is one of the major problems confronting educators in this country, so that we have not only to concentrate on training people who are coming to the work force, but also on changing the thinking of parents to get them moving in the direction which we think is very important, because the world of employment is moving in a more technical and skill oriented area and also to self-employment, but people have to be prepared for that kind of thing.

We also have quite recently submitted to the EDF a project for the funding of the Designs Centre which hopefully will be coming on stream and which will make a very important contribution towards the whole question of designs in all areas of manufacturing.

We also have had an offer from a foreign Government to have at least two designers sent to one of the outstanding companies in that country where they will be able to be trained in fashion designing. We are constructing a food processing factory at Wildey, a state of the art factory which will be able to provide the kind of involvement in which food could be properly completed.

We are in the process of completing negotiations with the Caribbean Development Bank for a loan to build more factory space in Barbados and at the same time we are refurbishing and upgrading factories in industrial estates. Of course the Ministry is working through the Industrial Development Corporation on a special programme for small businesses, so that when one takes all these things into consideration and adds now the additional concession which is to be granted, one would see that the Democratic Labour Party Government is committed to ensuring that manufacturing survives and that manufacturing does well, because we recognise that is very important.

The Honourable Member for St. Michael South Central used, as is his wont, some rather extravagant language yesterday when he accused this administration of squandermania. Sir, squandermania in the Caribbean context has a very bad connotation. Remember in 1962 in Grenada with Eric Gairy, but when I check the dictionary squandermania has been described as a craze for extravagant spending. The same Honourable Member and all Honourable Members on that side have been complaining about things not being done in their constituencies. They want this done, they want the next done, they want everything done, but yet they would want to accuse us of squandermania. They want more for manufacturing, they want more for agriculture, they want more for housing, more for welfare, but yet we are involved in and have a craze for extravagant spending. 3.55 p.m.

Is it extravagant to provide more housing; to provide more roads, to provide lights, as has been done in this country and to provide for increased old age pensions, to do the kinds of things and provide the kinds of services which we have done in this country? I say not. I think, Sir, that the blindest person can see and indeed is satisfied with the work which is being done by the Democratic Labour Party. I myself am satisfied with the work which has been done, and certainly I think for the first time in my constituency of St. Lucy, that people have not seen the kind of work in the infrastructural development, road repairs and new roads which have been put in as has been done now. Never has it been at this level before, and I would want to thank the

Honourable Minister of Transport and Works for finishing that road in Harrises, putting a road in Coconut Hall, widening and straightening of the road from Balls Corner up to Chance Hall, and I would like to get it extended back down to St. Lucy's Parish Church and indeed up to Pie Corner.

The fact that this year we will be having new tenantry roads built in Rockfield, Harmony, Gilkes' going right through to Allandale and in Hannays is evidence of the work that is being done, and I will be asking for more. Street lights, contrary to what the Honourable Member for St. Peter has said have been installed in different parts of the constituency, particularly in Rock Hall, Cave Hill Drive and in the Half Acre. House repairs are going on. We have been getting jobs for our people. The St. Lucy's round-about has started and will be beautified, and I can assure you, Sir, that when you come down around Independence time you will be surprised to see the transformation which will have taken place there. We are getting some of the corporate citizens of St. Lucy to play a part in the beautification of that. I think that is very important.

With respect to the construction of the pavilion at Checker Hall, the Honourable Minister of Tourism and Sports has indicated that we will have the ground-breaking ceremony very shortly, and we will at the same time take him to show him the area in Crab Hill where we want to have established our cultural and sports facility as set out here in the manifesto, page 21 which says, "a cultural and sports facility at Valerie, Collymore Rock, and Crab Hill, St. Lucy will be done." Of course the Honourable Member for St. Michael South Central got his before he left the Party, but I have to get mine done because I think this is very important.

Asides.

Hon. E. E. GREAVES: I had to fight to get it in here. I know the fight that went on.

Of course, housing. We will be having a number of housing projects going there. Sir, I think it is very important that one understands that the Government is making a tremendous effort to improve the quality of life in this country, to create more employment opportunities and to ensure that all of our citizens share in the benefits of the development which is taking place. I thank you, Sir.

Hon. Dr. D. G. BLACKMAN: Mr. Speaker, there are some politicians whose conception of effective representation is the expelling of hot air, and it is precisely on occasions such as this when irresistible temptations arise that the House of Assembly is treated to exercises in histrionics and crass exhibitionism. We have had several outbursts in this vein since this debate started, and this has made me quite tired mentally and physically "and I wonder whether these marathon budget debates serve the public

interest at all. Not so long ago we heard from the Honourable Member for St. Thomas who asked this Honourable House and indeed the whole of Barbados to believe that this Government had no interest in providing jobs for the people of this country. I do not think that even the most negligent and lazy of Parliamentarians in this country could be accused of such callousness. I believe that everyone who sits in this Parliament has an interest in the provision of jobs for all the people in this country. Indeed the Honourable Minister of Finance in listing six fundamental objectives enunciated in his Budget speech of last year and restated in his speech this year declared among other things as a "fundamental economic" objective the retention of the existing number of jobs and the creation of the highest possible number of additional jobs in order to provide employment opportunities for people seeking work. He then went on to say "I am happy to report that we have made considerable progress towards the attainment of those fundamental objectives of which the one just referred to is perhaps the most important as far as I am concerned." Therefore since all Honourable Members in this Honourable House were within ear-shot and heard, one presumes, and understood, one presumes, what was said, I think that it can only be described as the crassest kind of exhibitionism to attempt to deny the concern expressed by the Minister of Finance for enhancing employment in this country.

There are other things that I can say in relation to indifference and negligence of a former Prime Minister of the Barbados Labour Party in relation to health matters, in relation to anaesthetics being administered by Orderlies and all kinds of malpractices that I know took place within the four corners of the Queen Elizabeth Hospital when I was Minister of Health. These recriminations in my view serve no useful purpose. I think it is the responsibility of all concerned firstly to acknowledge that all is not well within our health institutions, and bend every effort in order to ensure that persons who receive services therein are accessible to the best care possible.

I believe, Mr. Speaker, that the Budget was a good one within the context of Barbados. Its hallmarks were good reason and realism. I do not believe that anyone can quarrel seriously with its objectives. There were no apocalyptic revelations. I believe that all apocalyptic revelations in Budgets of the past smacked of dishonesty. There were none such; there were simple, honest descriptions of the situation as it exists in Barbados. There was a commitment to the mixed economy, there were undertakings to establish a mechanism that would ensure that the role of the private sector would be treated with respect and that a consultative process would be on-going. 4.05 p.m.

I believe that all reasonable persons within this Parliament cannot and do not, whatever may be said to the contrary, disagree with these positions.

I, myself, find it extremely difficult to accept the grandiose claims that are made by and on behalf of economists in Government which the public of Barbados is expected to believe that fiscal measures are directly responsible for development in this country.

Such spokesmen see all developmental activity in terms of money. This approach is both reductionist and reductive because it attempts to present a reality of staggering complexity in simple monistic terms and, consequently, leaves out many important parameters and variables which impinge upon the development of our society.

Aside.

Hon. Dr. D. G. BLACKMAN: I will translate it for those persons whom I do not wish to describe as illiterates. I will translate it for you.

Fiscal measures are introduced into this country and the analyses given from a macro level are all right as they go but they, for the most part, are too pretentious and it is because this Budget which was presented a few days ago does not have the characteristics of this pretentiousness, that certain elements and exponents of the pretentious Budget would want to pooh-pooh it.

When the macro analyses are completed, the work has to be done by the sectors. When the moguls in the Ministry of Finance have made their pronunciamientos, those of us who operate at a more lowly level in Ministries like Transport and Works, and Tourism and the like, have to deal with the dirty, untidy reality and a year down the road later we hear a repetition of the same pretentious statements, a tax was imposed here and this happened, committing the well known informal fallacy of what logicians call *post hoc ergo propter hoc*, after this, therefore, on account of it.

When we in the Ministry of Transport and Works address certain problems, we cannot address problems from the stand point of a monocausal reality which exists only in the cramped, constricted mind of some mogul in the Ministry of Finance. We have to deal with reality.

Yesterday, the Honourable Member for St. Peter made some scathing criticisms *en passant* about the awarding of contracts to the higher bidder. Yes, it was done and in the context of what happened it would be done again and I make no apologies to anybody for it. I have no white masters. I serve the black people of this country.

I do not run about behind white people and beg them for anything. I have nothing against white people as human beings. I respect them as such and I will treat them as I would treat any black man or any other human being but so often in this Assembly we hear the obsequiousness of tone

of these people who consider themselves to be dignified black people finding it necessary to make all kinds of gratuitous and nonsensical statements in order to show their white masters that they are not racist, or radical or some such misplaced epithet.

Yes, it would be done again because it is done not from the point of view, some pre-Socratic view that the only thing that matters in making judgements are numbers and dollars and cents. When a minister of Transport and Works decides to spend the money allocated to him by this Honourable House, he has to spend it in such a way as to optimize social development.

I am not an engineer. I am not a surveyor. I am not a quantity surveyor. I am not a technical man. I am a minister elected by the people of this country and I practise political economy and the methodology employed is not some monistic, economic, debilitating nonsense.

The methodology employed is one in which I have to consider the class differentiation in this society, race differentiation in this society, the multiplicity of social and income groups in this society and see to it that no one group benefits to the exclusion of others.

Equity is what I am concerned with. Economic redistribution, that is what I am concerned with. You call it racism? Call it what you like. I do not apologize for it and I will continue to talk in this way all the time until the breath leaves my body. If you do not want to hear me talk about it, well, pick up a gun and get rid of me but I am going to talk about it.

I do not believe that going into court or going anywhere or writing any nonsense will ever stop me. This is a fundamental commitment because I believe, as a socialist, and as a Pan Africanist, I have a responsibility from which I will not shrink to ensure that the people are treated fairly, that the depressed, the deprived, shall be uplifted and that is the approach that is made. In any event, your record of dealing with simple numbers is not one that commends itself.

You awarded the contract on the northern state on the Charles Duncan O'Neal Highway to a man who was \$1.7 million above the lowest bidder. Do not come in here and talk to me in those terms. Do not come and talk to me about morality and all kinds of insinuations. You have no moral authority, none whatsoever, not in that party called the Barbados Labour Party.

I really do not want to deal with them. I want to deal with something more educational this afternoon.

Aside.

Hon. Dr. D. G. BLACKMAN: What I said about the lights? 4.15 p.m.

Well in 1989 we have put in 274 lights. You said we have not put in any lights in the last two years. I am tired of this foolishness. People go mad when they are before a camera.

Laughter.

Asides.

Hon. Dr. D. G. BLACKMAN: I am passionate on the outside but as cool as a cucumber. There is nothing at all wrong with how my mind is made.

Mr. Speaker, the Honourable Member for St. Michael Central addressed the question of old age pensioners, as did, I think, the Honourable Leader of the Opposition, arguing that the increase of \$3 per week was insufficient. He approached a raw empiricism to analysis. This always leads people to look at issues in a static way, as well as, to attempt to treat everything as being separate and distinct from every other standing on its own. That is the problem with thinking in the Barbados Labour Party. That is why we have parted company.

People in the Barbados Labour Party's minds are enchained by positivistic knowledge. I cannot go into that now. But I know exactly what I mean. It has to do with the kind of training and critical training received in that country which is the cradle of raw empiricism, and consequently they believe that there is only one logic and one yield alone which can yield a truth or an approximation thereof. That is a mistake. When I used to argue this way, they would say I am a madman. But I am not going to go into it. Some day, they will get members who will explain to them what I mean.

We have to look at the programmes for old people in a holistic way. The Economic Report of 1988 reveals that in 1978, 67.8% of the people were of working age. In 1988 70.9% of the people were of working age. It means that the population is getting older. And when the population is getting older, Government has to develop total comprehensive programmes for the elderly. Already the population of persons over 65 is nearing 30 000. Therefore it behoves the Government to plan for this segment of the population which, according to demographic projections will increase.

In May 1983, I wrote a 10 page letter to the then Prime Minister of Finance outlining a programme for the elderly in this country indicating that it was timely then to shift from an orientation of geriatric service to a policy of gerontology. A programme of geriatric service relates to an

orientation that is specifically medical, as distinct from socio medical. The response was one of thunderous silence. The letter was never acknowledged. When I approached the subject orally, there was only a smile on the lips of the individual.

A policy of gerontology therefore, the rudiments of which I established single-handedly, it had nothing to do with any Barbados Labour Party. It is merely an epiphenomenon that it took place during the Barbados Labour Party's regime. An epiphenomenon is an event that occurs at the same time as another, but there is no relationship between the two events.

Laughter.

Hon. Dr. D. G. BLACKMAN: It was merely an epiphenomenon and it took place in spite of them, in which a programme was integrated in which we had a Home Help Programme, the Housing Welfare Programme and a beefed up programme for assistance in kind. When one wants to consider the benefits that people over 65 get in Barbados, it is wrong and inaccurate to look at one set of benefits, one category of benefits in isolation from the others. Because as those benefits were programmed from a standpoint of the gerontological perspective, those benefits were designed to be looked at, as an integrated whole.

And this Government is proceeding in this direction to add another dimension by the institution of Day Care Centres for senior citizens. The Barbados Labour Party Government refused to fund such a centre at St. Barnabas and the people of St. Barnabas in that poor parish had to raise \$250 000 in order to build their own centre, the most modern and advanced of such centres in the entire Caribbean.

The Minister of Community Development is now embarking upon a programme of the establishment of such centres. The programme of keeping the elderly within their communities is beginning to take off. It is another programme which was pooh-poohed by the Barbados Labour Party, even although that Party was committed to proper management by reducing expenditures. And even though all of the studies including an important PAHO study revealed that it cost 10% to keep an elderly person in their community of what it took to keep them within an institution. We are now beginning to do that.

That is a programme which the Barbados Labour Party neglected. And therefore I cannot consider it genuine any crocodile tears metaphorically shed over the increase of old age pensions by \$3 a week as inadequate. I would not listen to laments emanating from such sources when you have a long record of criminal neglect of every progressive programme that was submitted on behalf of the elderly in this country.

The best thing for people to do in such cases is to confess and say we are new believers....

Laughter.

Hon. Dr. D. G. BLACKMAN:..... we are born again.

Laughter.

Hon. Dr. D. G. BLACKMAN: And then when you confess and purge yourself of your sins of past neglect, I will take these lamentations as being very serious and not just grandstanding for the benefit of the public of Barbados. 4.25 p.m.

Mr. Speaker, there are some other matters relating to the labour force of this country. I am gratified to learn that 2,300 jobs were created. What is not clear to me however, Mr. Speaker, is what is meant by jobs. If by jobs we mean activity by which people get money - simpliciter, then I am of the view that there are many more jobs which came into existence during the year 1988 than are here recorded. If jobs relate to persons who have been hired by others, then I say that that is an unnecessarily restrictive definition of jobs. I believe, Sir, there is an unprecedented burst of entrepreneurial energy in Barbados today among young, poor, black people. You see it all over the place young men and women walking up and down offering their services to perform miscellaneous tasks. You see them on Swan Street. You see them in other parts of Bridgetown, using their creative energies....

Mr. SPEAKER: The Honourable Member has 2 minutes more.

Hon. Dr. D. G. BLACKMAN: ...using their creative energies in order to make a living. This Government, therefore, commits itself unequivocally to harnessing this entrepreneurial energy in order to make sure that this segment of our population develops its skills. I would hope that the Barbados Development Bank in the coming year would be much more receptive to the concerns of these small businessmen who for some reason or other are not perceived as businessmen but are perceived as ragamuffins and nuisances on the streets. These are legitimate businessmen, absolutely creative, saving the Government a lot of pressure, protecting themselves and their families from suffering and causing the people of this country much more peace than would otherwise be the case if it were not possible for them to earn their livings in this way. We in the Ministry of Transport and Works will soon make proposals in order to ensure that the young businessmen in these particular categories can continue to grow from strength to strength and have a stake of their own in this capital. That is a commitment on the part of this Government and it is hoped that the Ministry of Finance will ensure that all of the institutions under its control, the Barbados Development Bank and the Barbados National Bank, will enable these

people by giving them access to funds and expert advice to grow from strength to strength.

In conclusion, Mr. Speaker, I am sorry that I had to jump from subject to subject because of the paucity of time. In conclusion, I support this Budget as a sane, unpretentious Budget in which the Minister of Finance does not attempt to play God and does not make promises that are beyond man born of a woman to keep. I feel that this is the correct direction and with assiduous application by the managers in the various sectors of the Government that it will go a long way to ensuring that the objectives are met. The private sector must also do their part. There are voices raised in the private sector which begin to sound suspiciously like beggars. The thing that people in the social sectors of Government are derided for, people in the private sector are doing and it is considered to be good business. We believe that if Government acting on behalf of the taxpayers makes it possible for people in the private sector to do their work easier that it behoves them not to display selfishness, but on the other hand display corporate patriotism to ensure that they respond in a way to develop themselves not only for profit but also to help other needy persons within the society particularly in the area of jobs and we look forward to this cooperation in the future.

Thank you very much.

Applause.

SUSPENSION OF SITTING

Hon. P. M. GREAVES: Mr. Speaker, I move that this Sitting be now suspended until 5 p.m. this evening, Sir.

Hon. B. M. TAITT: I second that, Sir.

Mr. SPEAKER: The question is that this Sitting....

Dr. R. C. HAYNES: Mr. Speaker, I rise on the motion for the suspension of the House. I am a little concerned, Sir, that the traditions relating to the winding up of speeches for both sides of the House are in danger of being breached this evening. It has always been accepted that the Minister of Finance has the opportunity to be the final speaker in this debate. It has also been the tradition that a Member of this side speaks second last in the debate. The Honourable Leader of the House has tried unsuccessfully - I think it is a fair statement - to maintain that tradition. I would like to register my concerns that this is being discontinued, because I would not like it to be established as a precedent against which future debates would take place. I sincerely hope that between now and the recommencement of this sitting that we can find some accommodation on this matter.

I believe as Leader of the Opposition I have a duty to all Members in this Chamber to bring this to your attention, Sir.

Hon. P. M. GREAVES: Mr. Speaker, I have to say a few things about this particular matter. We would like to come to some accommodation because it is tidier, Sir, that there should be some accommodation between the 2 sides in terms of order of speeches. As a matter of fact, Sir, after having prepared an order, it has been substantially revised. 4.35 p.m.

I do not want to embroil the Chair in this particular matter, Sir, the Chair must stand apart from these matters. As a matter of fact, Sir, after having prepared an order it has been substantially revised to suit the members on the other side. That was done last night, and what is more, this particular matter engaged the attention of this House last night on a motion for the suspension in the very terms in which it has been raised now. At that time, Sir, the Honourable Member for St. Michael West responded to certain statements made by the former Leader of the Opposition, the Member for Christ Church West, and you yourself as Speaker, Your Honour, also responded in clear and very suitable terms.

I myself have not recognised any tradition in the way in which it has been put to Your Honour on this particular occasion, as indeed it was put last night. The tradition had been that the Leader of the Opposition was the person who spoke last on behalf of the other side if he had not already spoken in the debate, because it has not been unusual for the Leader of the Opposition to speak first on behalf of the other side. So the tradition is not exactly, Sir, in my opinion, as has been put here last night and as it had been expressed a few moments ago. Therefore, Sir, that is not tradition.

I have prepared, Sir, a roster of speakers. At the invitation of the Leader of the Opposition and the Member for Christ Church West I had a meeting in my office yesterday evening to try to revise the order. I invited along the member for St. Michael West, because it appeared to me that foremost in the minds of those Honourable Members was that the Member for Christ Church West should speak last in the debate before the wind up, and we spoke in my office, we did not come to complete agreement, but we came to substantial agreement and that substantial agreement is what had been guiding us, with the assistance of Your Honour the Speaker, as we continued the debate on this occasion.

There is no way in which I can help any further in this particular matter. I heard Your Honour yesterday and I will have to agree in every detail with what Your Honour has had to say. I really cannot add anything further here.

Hon. B. M. TAITT: Mr. Speaker, Sir, I wish to speak on this matter of the suspension, because the Leader of the Opposition got up and sombrely spoke about the breaking of traditions. The only tradition I know of that may have been broken is that we have had a change of Leader of the Opposition in the middle of a Session. That is the difficulty. From the time he became Leader of the Opposition all other members over there became ordinary members. We cannot have a Leader of the Opposition and a sub Leader.

I am not going to be treated by the Barbados Labour Party one way when I am in Opposition and then allow the National Democratic Party and the Barbados Labour Party to treat me the same way when I am in the Government. If he wishes the Leader of the Barbados Labour Party to have a long and sustained statement, he should allow the Leader of the Barbados Labour Party to lead off in this debate and then the Honourable Member could claim as Leader of the Opposition the rights of the Leader of the Opposition, but he cannot have it both ways, and I am not going to be party to that, subject of course, Sir, to the ruling of Your Honour. Clearly, all of this is mere sound and fury, because at the point when all is said and done Your Honour spoke yesterday and all of us were clear, except the Honourable Member who is not in his place.

Dr. R. C. HAYNES: Mr. Speaker, it is regrettable....

Mr. SPEAKER: You are on a point of... What are you raising objection to?

Dr. R. C. HAYNES: Explanation. It is regrettable that this matter has been reduced to an *ad hominem* situation. The point I tried to put across, Mr. Speaker, is that that final slot before the final wind up by the Government should be allocated to the Opposition. It is not a question of any particular person speaking there, it is a particular allocation to the Opposition.

Mr. SPEAKER: Has the motion for the suspension been seconded? The question is that this sitting be suspended until 5.00 p.m. Honourable Members in favour please say Aye....

Asides.

Mr. SPEAKER: I will not have that kind of behaviour at this point in time.

The question was put and resolved in the affirmative without division and Mr. SPEAKER suspended the sitting accordingly. 4.45 p.m.

ON RESUMPTION Mr.

SPEAKER: This sitting is resumed.

Mr. P. J. M. MILLER: Mr. Speaker, when I offered myself to be of service to the people of Bridgetown in particular and the people of Barbados in general a few years ago, I did so because I was confident that I could be of service to my country and assist in developing a better quality of life for the people of Barbados, especially the underprivileged people of Barbados. I was confident, Sir, that I was entering this Honourable House with a group of persons who had, in my opinion, a good and enlightened programme for the people, and who would get down to the business of carrying out that programme.

Sir, I am one of those persons who try very hard, sometimes unsuccessfully, not to be too idealistic about political practices in Barbados. I must confess that I am still a neophyte to some of the political gimmicks, tricks and scams, and I would also add that I intend to remain a stranger to that kind of politics.

I came in here, Sir, last Wednesday to hear what the Democratic Labour Party Government had in store for us Barbados, not us DLP supporters, us NDP supporters, us BLP supporters, us Barbadians. You are the Government of the people, and I am going to go on to show you later on why I stress that point I had hoped, Sir, that the ensuing debate would also address the kinds of programmes that would be necessary to achieve the goal which I enunciated which is that of a better quality of life for all.

I am truly sorry to say that apart from a few decent or constructive speeches on both sides, we and the public at large have been given once again a large serving of empty speeches laced with worn-out partisan attacks. I believe, Sir, that this is what is breeding a large measure of cynicism that we see in this society with regard to politicians, and I was very glad when I heard the Honourable Member for Christ Church East Central speak about educating the people of Barbados, that that is our job in here, and not to come in here and spend time with personal attacks and partisan attacks; but I will get to that later because he must practise what he preaches.

Needless to say, the Honourable Member for St. John in his usual fashion had his stock speech which included at the outset his usual "attack" on the Honourable Member for St. Peter and now since February 1 on the Honourable Leader of the Opposition, and thereafter he goes on to ask us to join forces with the Government side to come up with recommendations to make a better Barbados. I take him at his word, and obviously I don't need to spend any more time on him because if you respond to one speech he has made, you have responded to all.

Sir, I will in the time I have attempt to examine a few areas because time does not permit any of us really to be too exhaustive in any area. I would like to examine a few of the areas which impact on one of the areas which people identified in a recent poll that was done as being one of the greatest areas of concern in Barbados, and that is unemployment. I know, Sir, that unemployment will not go away with the wave of a wand, and there are Honourable Members over there who must credit us with the intelligence to understand that it will not happen that way. They must also give us the credit knowing that we also know that unless Government comes with programmes to create employment opportunities, I mean real tangible and realistic programmes to create employment opportunities, that we will not see it disappear that way either. I do not mean, Sir, programmes like those of pouring more and more money into public agencies like NCC to give short term employment to our young people, weeding and doing gardening. Let me say at this point that I do applaud, and I am man enough when there is something to be complimented to compliment it, but when there is something to criticise I will criticise it too, but I do applaud the Ministry and the NCC for the job they are doing, and I am not trying to say in any way that I would want to deny those few who are already working with NCC their jobs. I am just saying that you should not view employment creation as just that sort of employment; that is short term employment, and that is employment that is not necessarily productive in the truest sense of the word. I know that we need those employees to carry out that job, but, Sir, I am one of those persons who do not believe that those kinds of jobs should be used solely for the dispensation of political patronage and that these unemployed people would be only used as pawns in what I would call a cheap political game.

Sir, let us look quickly at some of the productive sectors and some of the areas we could look at which will provide substantial levels of sustained employment. If I could just refer very quickly to the Budgetary Proposals presented by the Honourable Prime Minister on Wednesday last, page 24, under Agriculture, the Honourable Prime Minister said in part "I commit the Government fully to the revitalisation of agriculture by farmers both large and small. Government will work closely with the farming community to remove the constraints of efficiency in agricultural production including praedial larceny." He went on to say that he would remove with immediate effect the stamp duties and any customs duties. It is already made clear that it was a matter of institutionalising it and not necessarily removing it because there was always that opportunity to have them waived. So I guess in a sense it eased the farmers' time and mind as far as that is concerned. With the provision of guaranteed farm gate prices for selected agricultural products, the price is agreed to at the beginning of each crop year. What I did not hear the Minister explain to us is what mechanism was going to be used to decide on what the farm gate prices would be and who would make these inputs. I did not hear that and I fear that like many of

those other kinds of arrangements in the past, that could be fraught with problems if you don't have the right people making the inputs to make the final decision.

As far as the provision of \$3 million for bringing unused land back into cultivation, everybody has had his say on that and I believe to a large extent that most people view it as tokenism and I will not even dwell on that because it is not enough to dwell on.

In the area of manufacturing, he talked about manufacturing responding positively to the relief from taxes on raw materials and packaging materials which he granted in the 1988 Fiscal Statement and Budgetary Proposals. I don't know where that very positive response came from. I believe that there was some response, but I don't know where the very positive response came from. I believe again, Sir, what we had there was not really relief as much as we had an institutionalization of something that had existed before, in that one could get rebates for duties paid on items which were used in the manufacture of goods for export. I guess the only positive response one could make to that was that it was a matter of easing one's cash flow. 5.10p.m.

The Honourable Prime Minister then said that "earlier this month I agreed to an Export Competitiveness and Marketing Study to identify strategies to achieve Government's objective of export-led economic growth." I will get to that further on because we have been inundated with studies after studies. We are now doing studies of these studies with regard to export manufacturing but as I go on you will see that there is nothing in this Budget that really, seriously addresses the challenges that one encounters in terms of export manufacturing and the Honourable Minister of Trade knows exactly what I am speaking of.

Now, Sir, in the area of tourism, the whole question of linkages, particularly to the agricultural sector and the manufacturing sector. I have heard nonsensical statements being made by people who should know better and in 1989 they believe that we have to continue to import a large percentage of what we feed the visitors who come to spend time with us and while they are here that we must provide them with all of these imported items because that is what they want.

Sir, the Minister of Tourism should know because it is common knowledge. We read it in the newspapers every time these fellows get awards. Many chefs at leading hotels and restaurants have been very creative with regard to indigenously produced livestock, vegetables and fruit.

Certainly, Sir, you yourself and other Honourable Members in here attended a luncheon held at Sandy Lane Hotel which was hosted for Her Majesty the Queen and if you would recall, Sir, we had a fare that was all local. We

started with avocado soup, you would recall, and then we went to a main course that was totally local. I could only call that a meal fit for a queen, all made in Barbados.

Aside.

Mr. P. J. M. MILLER: We make very good pepper sauce here. It is a major industry in Jamaica but we will get to that. We are dealing with tourism. We have not got to manufacturing yet.

Aside.

Mr. P. J. M. MILLER: The meal was very meagre? Well, it was prepared to European standards with Barbadian crops.

Clearly when the Honourable Minister of Agriculture examines the ways and means to assist the local farmers in marketing their produce, I would suggest that the two Ministries, that is that of Tourism and Agriculture, collaborate and come to tangible and meaningful decisions because the linkages between the three critical sectors which is manufacturing, tourism and agriculture, if they are properly tackled in an enlightened manner, with innovative planning - note what I am saying - in an enlightened manner with innovative planning - I do not mean we are just doing it for the sake of saying we are doing something so that we can come in here and read off a lot of figures after - you would (1) create more employment directly and indirectly; (2) reduce foreign exchange expenditure; (3) create niches for small entrepreneurs which the Honourable Member for St. Michael East spoke of, who themselves would provide more jobs for the unemployed.

Sir, on the whole question of the Bridgetown vendors which was alluded to by the Honourable Member for St. Michael East, the Honourable Minister of Transport and Works, and later spoken of by the Honourable Member for Christ Church East, I have to commend that Minister for his timely intervention because, as far as I am concerned, just when I feared that these young people, by and large they are young people, were on the verge of becoming a political football, the Minister took the opportunity, as I said, timely, to intervene.

You see, Sir, it may not be widely known. This Government called a meeting in 1987 which included a number of different people, not only the vendors, so do not let us get caught up with this nonsense about we want the vendors to do as they like or anybody wants the vendors to do as they like and do not mind what other people feel about them. That is not true.

There was a meeting held which included the merchants, the vendors, the Police, the Ministry of Health, the Ministry of Transport and Works, the Ministry of Agriculture and a host of other Government agencies and a

consensus was reached and a number of items were agreed on and an Honourable Member from the Other Place who is the legal adviser for the same Vendors Association only recently had to lament that he could not understand why nothing was done all of this time. Not one of the measures was implemented.

Subsequently, the Honourable Minister of Transport and Works held that meeting which I was present at and assured, an assurance he has repeated again today, those vendors that action would be taken. Now, what we are talking about here is action. This is the major problem with that Democratic Labour Party Government. The major problem is that after all the lip service we want to see the action and the Minister has assured us that there will be action.

Mr. Speaker, I have been given the Shadow Ministry of Tourism and Manufacturing but, certainly, one cannot be exhaustive in half an hour on two such serious segments. I am going to have to cut and deal with a few quick points.

In the area of tourism, again, the Minister of Tourism and the Ministry must be very careful in their deliberations regarding the annoyance voiced by the hoteliers with regard to persons operating businesses on or near the beach. Yes, it is a serious problem. Yes, I do not expect you to have immediate answers but our recommendation on this side is that in the case of the motor propelled water vehicles, you need to look at regulations.

You have regulations for traffic on the highways. You need to look at regulating those because, remember, Sir, we are dealing again with a very small group of small black business people and anything you decide to do you have to keep it foremost in your mind that you will do it so that everybody is more or less happy with it but you will not please one group to the detriment of another group which, again, happens to be a small group and this has always been my stand and Honourable Members over there if they are honest, I am sure they are honest, will know that I have never wavered from that stand. That has always been my position no matter which side of the House I am on.

Mr. Speaker, there are a lot of areas in manufacturing that I would like to deal with and there are some misleading statements that were made during the course of this debate which it would be amiss of me if I did not correct them, particularly, when they come from people who would start off by telling us that we have to teach, that our job in here is to teach the people of Barbados and not to spend our time in here arguing back and forth and constantly making these weak partisan attacks.

Let me just quickly go through some of these corrections, Sir. The Honourable Member for St. Michael South East said in his speech that the gloves at the hospital

about which there was this whole furore with regard to recycling was \$60 a pair. 5.20 p.m.

Aside.

Mr. P. J. M. MILLER: Mr. Speaker, the gloves are \$1.45 a pair. They are what are called disposable gloves and they are not made for recycling anyhow. The gloves that he was speaking of were some that they used in the past which were not disposable gloves and which were designed so they could be recycled.

Aside.

Mr. P. J. M. MILLER: I beg your pardon.

Aside.

Mr. P. J. M. MILLER: So what I am saying, Sir, is do not say to me that we must not send abroad the wrong messages and then commence to do the same thing.

The Honourable Member also went on to say - I found this so preposterous - that everybody was happy with the Budget. He got so carried away that he went on to say that the unemployed people were also happy about the Budget. I do not know how a man who is broke could be happy with anything.

But then when you talk about a Government that we are not happy that it is really tackling the problem of unemployment, then you hear that all we can do is criticize, criticize, criticize. But, Sir, there is a difference between constructive criticism and criticism for the sake of criticism. If Honourable Members on that side have a difficulty with determining which is which, well then we do have the problem that the Honourable Member for Christ Church East Central spoke about.

I started my intervention this evening by indicating clearly what I saw my role as in this Honourable Chamber and in politics in general. I get very angry, Sir, when I see anybody and particularly the politicians who, as I said before, because of their very behaviour and breeding inspire a level of cynicism that you see among the populace of this country when they will try to use not only poor and underprivileged people as pawns and even in their moments of distress. I think it is important that I make this point because when the Elections are called and the people will decide who will represent them in the City of Bridgetown the next time around that would be their decision and only they can make that decision.

Last night I was called away from this Honourable Chamber, Sir, to the area of the New Orleans. There was a very bad fire down there, three houses were destroyed. I did what I believe any normal representative should do, and

that is, first of all, at the late hour that it was, it was almost 11.00 o'clock, I tried to ensure that those persons who were displaced from their homes would have somewhere to spend the night. Once I had ensured that that was so, I assured them that first thing this morning I would go and take them to the Government agencies, Government agencies that we all pay taxes for, not DLP agencies, BLP agencies or NDP agencies, and I would see that they were housed and that they get back some of the amenities that they had lost.

Mr. Speaker, I have said before that I would give credit where credit is due. And I would like to publicly state that the personnel at the National Housing Corporation and at the Welfare Department have always responded, to my knowledge - I do not know if other Honourable Members have a problem - I do not have any problem with them. They have always responded quickly to these kinds of emergencies. And they have done the same thing again.

What bothers me is that a political aspirant who claims to be or hopes to be the candidate for the Democratic Labour Party in the next Election - I have not heard any named by the Party yet - follows me around....

Laughter.

Mr. P. J. M. MILLER: ... bringing the other half of the household while I have already taken the other half of the household to the NHC....

Laughter.

Mr. P. J. M. MILLER: ... and he brings the other half of the household trying to indicate to them that he is trying his best to get a house for them.

I had to explain to the people, just tell the gentleman that the house is already organized; you only have to sign on the dotted line.

Now, Sir, I could understand if as the representative for the constituency I was not performing, anybody else could come and try to help those people.

I am told that the Honourable Member for St. Michael West was trailing him.

Laughter.

Mr. P. J. M. MILLER: I would hope that you would enlighten him that you do not do it that way.

Asides.

Mr. P. J. M. MILLER: But, Sir, this goes even....

Aside.

Mr. P. J. M. MILLER: ... deeper, Sir. It goes even deeper because we may make our fun with each other....

Asides.

Mr. P. J. M. MILLER: ... but there are some things that I think go beyond the realm of what people out there expect us to do as politicians.

The Honourable Member for St. James South....

Aside.

Mr. P. J. M. MILLER:... the Minister of Employment, Community Development and whatever else, Labour, has said at a meeting that I as the representative for the City of Bridgetown have never indicated to him that there was any need for repair of old people's houses in Bridgetown.

First of all, Sir, that is appalling because everybody in here knows that Bridgetown is 99% low income. If you look at the demographics of Bridgetown 99% are low income people. Most of them are living in houses that are in a very bad state of disrepair, and I would have been neglecting my duty as representative, not to have brought it to the attention not only of the Minister but of the Department, the National Assistance Board who is responsible for repairing these buildings.

But I will go further, Sir. That Honourable Minister forgets that he wrote me a letter, in response to the letter that I wrote him indicating the names of the people that I thought needed that kind of assistance, and asking me in that letter what was the order of priority in terms of their needs.

He also forgets, I am being very charitable, I am saying he forgets, Sir, that he went with me and the Honourable Member for St. Joseph with the whole Board of the National Assistance Board, all of the members and toured a number of houses in the City of Bridgetown....

Asides.

Mr. P. J. M. MILLER: ... and there were even some houses that he said were not properly repaired, that he would not tolerate that, that they have to be done over. Those are his words. He forgets that there is a man that is not only an underprivileged person, but he is also handicapped who lives in Wharton Gap in the New Orleans who under the last administration had his house hurriedly repaired, just before Elections. They neglected to put in his water borne facilities. You can appreciate such a man with the disability which he has which is his legs. It is kind of difficult for him to have to cross the yard in the middle of the night to go to the pit toilet that exists now.

The Honourable Minister forgets that he said he would see that these things were done. He cannot now, Sir, tell me that he has a difficulty with us over here saying one thing and doing something else when I can get that kind of treatment.

Let me say something, Sir, and I think this should be made clear in this Honourable House. When a road is repaired, when a street light is put in, when an old age pensioner's house is repaired, when a fire victim is housed, you have not done it for this Honourable Member, you have done it for the people. They are entitled to it. This nonsense I continue hearing about, "I have not got anything done" and "I got something done", when the Honourable Minister repaired those roads in the New Orleans, he did them for the people in the New Orleans.

Aside.

Mr. P. J. M. MILLER: And the Honourable Member for Christ Church East is not the only person who talks about things not being done. Members on that side have indicated who got something done and who have not got something done.

I know, Sir, I am running out of time. I just want to throw in a couple of parochial things here.

Asides.

Mr. SPEAKER: One minute more.
5.30 p.m.

Mr. P. J. M. MILLER: The Honourable Minister of Transport and Works did say - I believe it was in last year's Budget, that the Road Rehabilitation Programme would start in the City and, in his own words, would radiate out. I have already indicated to him that there are still a couple of roads that have some other serious structural problems. I keep getting so many calls, Sir, that I must remind him now that Dunlow Lane is now resembling a cart road. I am sure, Sir, at the first opportunity he will take a drive through there and see exactly what I am speaking of. I believe that is one that is in the worst state of disrepair in the whole constituency in the City.

In the area of street lights, the Honourable Deputy Prime Minister knows when he was Minister of Transport and Works that I asked him for lights in Dukes Alley, San Domingo Alley, and the track between Beckles Land and 8th Avenue New Orleans - well, that is a security light because I am told that people get what they call "bounce and draw"; so that is a light for security purposes now more than just street lighting. Of course, the light that you removed from behind the church wall at the corner of Mason Hall Street by St. Mary's Church - I am only asking that you put it back. I am not asking for a new light there.

Just put back the one that was there, because that has been moved in times past.

Mr. Speaker, it is always unfortunate that one does not have the kind of time that one would need to really get into and deal with a lot of the problems that were brought up not only in the Proposals but the ensuing debate. Sir, as to the Minister of Trade, we will have another opportunity and I will expose the Minister of Trade with all the ranting and raving and figures that he pulled out. Anybody can call statistics. He used to criticize the late Tom Adams for using statistics to disguise things and anybody knows that 100% of a dollar is another dollar. So calling percentages do not mean anything to me. Call the numbers.

Mr. Speaker, I can only say in closing, Sir, that there is no way that I can support a Budget, in which to my mind, the weight, or most of it, will fall on the backs of the poor once more. I cannot support that and, as one of the leading merchants in town said that as far as a merchant is concerned, it is a pretty Budget. Maybe that is why the Minister of Trade and Industry forgets that he had Industry under it too and applauded when the Budget was over because he was thinking of Trade and not Industry; and that merchant went on to say that if he were a poor man on the street it is the worst thing that would have ever happened.

I thank you, Sir.

Mr. SPEAKER: The Honourable Member for St. Michael North.

Hon. P. M. GREAVES: Mr. Speaker, as I sat and listened to the Budgetary Proposals presented by the Minister of Finance, I had no doubt, Sir, that the Proposals would have evoked the kind of response from the Opposition benches that we have witnessed over the past 2 days. Sir, if one would research the records of this Honourable Chamber I would say over the past 20 years or even more, Sir, one would find that the Opposition response to a Budget is virtually the same except that it is expressed in different language. Sir, but when you are stripped of the distinctive language we are left with the same critical terms that it is inflationary, burdensome to the poor, it will impact adversely on employment, it will create balance of payment problems, and it will have adverse effect on growth and the purchasing power of the community. These are said every year since I have been a Member of this Chamber and even before that these are terms used every single year in the Opposition message. This is what I call, Sir, political response. So there is no Budget in my experience since I entered this Chamber that escapes such scathing expressions.

Therefore, Sir, let us not be surprised that the Budget is described in that way. My experience also tells me, Sir, that those who predict a year of doom and gloom usually fall flat on their faces and the Honourable Member for St.

Peter is singularly unfortunate in this regard. So the problem is, Sir, that we get caught up in our own rhetoric and we have allowed the late former Minister of Finance, Mr. Tom Adams, to tell you that the Budget is some kind of esoteric art which it is not. It is very simply, Sir, providing services to the people of this country and raising the standards of living. But we have succeeded in weaving a cocoon around it out of which we now find it difficult to break loose.

I have no difficulty in supporting the measures proposed as, indeed, I had no difficulty in supporting the Budgetary measures provided by the former Minister of Finance now Leader of the Opposition, because I believe, Sir, that those measures were necessary at the time to rescue the economy from years of stagnation and depression. I also believe, Sir, that the measures taken and put in place by the Prime Minister last year brought even greater growth to the economy. The records, Sir, show that. So I, too, lay claim to the 1986 Democratic Labour Party's election Manifesto as a blueprint for economic recovery.

I honestly do not believe, Sir, that the Leader of the Opposition who was then the Minister of Finance departed from the high principles of that Manifesto when in 1987 he raised over \$50 million, Sir, in taxes. I reject any statement like the one coming from the former Prime Minister when he said 2 days ago on a radio programme that we had no mandate to raise taxes because we did not say, to use his words, that we were going to raise taxes. What I would like to ask that same former Prime Minister - when did his Party ever campaign and go to the electorate and say that they were going to raise taxes at anytime? When did they do that, Sir? So the fact is that the levying of taxes is an inescapable duty of any Government. There is no Government that has found itself in any position of trust that has not had at some point in time to raise and levy taxes. Sir, in our pragmatic world, it becomes necessary from time to time to raise taxes. So our late Prime Minister, Mr. Barrow, said and these are his words used in Bermuda: "If it becomes necessary to raise taxes, I will not hesitate to do so." These words were said by him, Sir, in 1986 after he was Prime Minister and not long after that glorious victory at the polls here in May of that year. So therefore the fact of raising taxes is nothing sacrosanct and it is part and parcel, Sir, of the Party to which I belong. It was part and parcel, Sir. It was done by the former Minister of Finance. It was done by this Minister of Finance. So there is nothing sacrosanct about it. The fact is, Sir, that we cannot get away from time to time from taking some very hard and some unpleasant decisions. So the real issue is about management, the management of the economy and the question really is - are we at this time serving the interest of the people of this country in advancing their causes and in improving their quality of life? Sir, that is the issue. Sir, that in my judgment is more relevant than whether we follow the book.

That in essence, Sir, is our trust which is the interest of the people of this country at all times. You may argue, Sir, or one may argue, Sir, that we are not going about it the right way. One may argue, Sir, that we are going about it the wrong way or there is probably something more that we can do, Dr that we are not doing enough. But in the final analysis, Sir, you have to look on the ground for the answer and, when I say on the ground for the answer, I am saying, Sir, the answer is visible. 5:40 p.m.

The answer lies in the ground in Eden Lodge, the answer lies in the ground in Grazettes, in Hinds Hill, Cave Hill, the answer lies in our schools, the answer lies in our factories, in our hotels, in our housing estates, our parks and beaches, in our airports and sea ports and in our homes. That is well documented in the Central Bank Report and in the Economic Report, which are documents compiled and put together far from the flames and the heat of the pressure cooker that the Honourable Member for St. Peter referred to last year, when he well knew that no Minister takes any hand ----

(Aside)

Hon. P. M. GREAVES: Probably the Honourable Member for St. Thomas, when he was the Attorney General, had a hand in compiling them. He had a hand in compiling those documents, because he is saying it is not true. I am saying it is true of this side. He compiled those documents when he was the Minister. I do not believe the Honourable Leader of the Opposition compiled any documents when he was the Minister of Finance.

Mr. D. A. C. SIMMONS: On a point of order, Sir. It is an outstanding untruth to say that I compiled any documents for the Economic Repprt when I was Minister.

Hon. P. M. GREAVES: I am now glad to hear that, Sir. He said just now it was not true, and he was at one time a Minister of the Government, so I can only conclude if I am advancing one theory and he is telling me it is not true, and he was a Minister, I assume that he had a hand in it, but I am now very pleased to hear he did not do it. He can tell us then who did it in his time. If he wants to tell us who did it, he can do it now, because he is a member of the Government now, so he would know the answer to who is doing it now. That is the position, Sir.

(Aside)

Hon. P. M. GREAVES: Sir, the Honourable Member very well knows that it is the same hands and the same minds that compiled those documents and put it together when he was a member of the Government, that those same persons are doing it now.

Any country would be proud of the 10.5% growth in tourism, especially when it is achieved against the background of a charge that tourism would be adversely affected by the consumption taxes levied last year. Any country would be proud of the 6.9% growth in the manufacturing sector, which the Honourable Member for St. Peter said we effected because it has to carry the burden of the consumption taxes. These are words used by the Honourable Member for St. Peter last year. Any country would be proud of the superb performance of the construction sector that the same Honourable Member predicted would go into decline. Any country would be proud that it contained the rate of inflation to 4.8% as compared to 3.4% in 1987 when the Honourable Member for St. Peter said it was ludicrous to suggest that consumption taxes levied of the order in which they were levied last year would cause inflation to grow by only 1%.

This country, Mr. Speaker, is proud of the 3.5% growth in the economy, one of the very best rates of growth during the 1980's, or even the 1970's, despite the fact that the Honourable Member for St. Peter tried yesterday to compare it with growth rates in the Eastern Caribbean. In fact it is far better than any of the growth rates when he was a Member of the Government. This country is proud of those growth rates, despite the gloom and doom that pass for economic analysis and forecasting. This country is particularly/proud and pleased at the resilience of the teachers - fiam sorry the Honourable Member for St. Peter is not in his place - of the young doctors, the young lawyers, the self-employed who, far from being wiped out, as he said last year, helped to carry the struggle for growth and progress in our community.

Sir, the newspapers in this country find only negative things to report of Barbados. A friend of mine said this to me very recently, and he also went on to say there are a lot of good things happening out there that people do not read about. There is a number of industrious Barbadians working hard, achieving for themselves and for their families, and making their contribution of which we do not hear.

Recently, Sir, I attended the opening of a car dealership and I saw there what I consider to be, and was amazed at, very professional works of art done by a young Barbadian. That went virtually unreported and unhonoured, if I can say so, Sir, and unsung.

(Aside)

Hon. P. M. GREAVES: We are not reading about them. That is the point I am making, Sir. We are not reading enough about them so that others may know and be able to see what can be achieved and what they themselves can do. That is the point I am making, so it is not by chance that tourism receipts grossed over \$900 million this year. It is not by chance that domestic exports increased by 13.1%, that manufacturing grew by 6.9% or that 2300 new jobs

were created. It is not by chance that public corporations registered significant growth, and those people whose disposable incomes were supposed to be very severely affected by last year's budget have been able to keep the commercial banks in the most liquid position that they have ever been in their history.

There are people, Sir, who lead clean lives, more than the 10 000 persons or so who get themselves involved in social problems or fall prey to criminal activity, but there is little publicity given to those positive aspects of community life, while the lawless and the social maladjusted are made to appear as the real heroes, and those who are fit to be models are unheard of.

I recall, Sir, as a school boy these very few words of a poem -

"Full many a flower is born to blush unseen
And waste its sweetness on the desert air."

Mr. Speaker, my Ministry has been able to make a significant contribution to the GDP through its airport services and its port facilities, but this Ministry has not been without its problems, and one that stood out has been the inactivity of the Gantry crane. It has become a matter of concern that the crane imported into Barbados and set up in late 1987 was not brought into use. It is a highly technical piece of machinery, requiring those persons operating it to be highly trained, and it was the subject of negotiations with the representatives of the workers as part of the rationalisation talks that have been going on between the Port Authority, the Shipping Association and the Barbados Workers' Union. 5.50 p.m.

Two days ago, Sir, I announced that substantial agreement had been reached between the parties concerned. Sir, the result of that agreement I can now announce is that training for the operation of the container handling Gantry crane will commence on 16th May and will last for about six weeks. Other main heads of agreement reached so far relate to the severance, to the numbers of workers to be severed, the compensation to be paid for those workers and the kind of wage structure for those registered employees who will continue in employment. Those to be severed are the oldest workers in the port, as I understand it, and it will cost the Authority close to \$4 million. Those who are retained will be remunerated on a different basis than they have been before.

Among the outstanding matters to be settled is the number of containers to be handled per hour, but I am confident, Sir, that agreement shall be reached on this and other matters very shortly. Negotiations were not easy. In fact, negotiations are hardly ever easy, but I would like to pay tribute to the patience, the tolerance and the willingness

of the parties concerned to take that giant step to revitalise the Port.

Other news coming out of the Port is good and positive. In 1987 the Port recorded \$16 151 after tax profit. Now let me tell the Honourable Member for St. Thomas what I presided over. During 1988 there has been considerable improvement at the Port. Cargo handled increased by 5.6 per cent. There was a 9.9 per cent increase in the number of cruise liners that called at the Port, and the number of passengers transitting the Port grew by 16.85 per cent. Needless to say, Sir, the improved performance was reflected in the bottom line figures. The gross profit grew from \$624 775 in 1987 to \$2 551 675 in 1988. After taxation profits were \$1 328 794 as compared with \$16 151 in 1987. That is what I presided over, because, Sir, I was only the Minister for two months in 1987, November and December. I am giving the figure of performance at the Port, and the performance at the Port is good by any standard, or by any standards that went before. So the improvement at the Port resulted from increased tonnage of cargo handled, the improved efficiency as well as 5 per cent increase in cargo handling tariff rates.

I believe, Sir, that the airport and the Bridgetown Port can make even greater contributions to the gross domestic product and there are plans for further development of both these ports. The plans for the Bridgetown Port development are three-fold. First we have to recapture the business that has been lost, and we are planning to do this by aggressive marketing to re-establish Barbados as an Eastern Caribbean transshipment centre.

The Honourable Member for St. Thomas is saying under his breath we cannot get it. I will not be so positive, but we are going to try to get it. I do not think we can sit idly by and say we cannot get it. I think we have got to get out and bestir ourselves and try to get back the business that we have lost or much of it.

Secondly, Sir, there is intense competition in the Southern Caribbean for cruise line business, and several ports are providing better and far more attractive facilities than Barbados in order to attract this business to their shores as compared with Barbados. Our facilities are far belpw what one would expect from Barbados, therefore we are making plans this year for a two phased development of that kind of facility which we hope, Sir, to put into place in 1990 and 1991. The third element, Sir, is that the capability at the Shallow Draft basin is to be enhanced, and we are planning the development there of multiple-use facilities including facilities for large pleasure craft, sailing yachts and boat repair; capable too of providing berths for 30 to 40 yachts.

At the airport, Sir, our aim is to develop Barbados a regional hub and to improve the revenue generation capability there. Hopefully by year end we will be able to

put in place the duty free shop that we are planning to set up in the arrivals hall. We also believe that the main concourse is capable of accommodating more duty free shops and we are examining now the feasibility of this. We are seeking too to develop the charter service from North America, and we are also looking at Terminal 2 for the smaller executive jets and the air taxi operations. The strategy for the airport and the Bridgetown Port, taken together, can expand considerably the revenue base of these facilities.

Sir, the people of St. Michael North like the people of Barbados, if you were to use the responses as given, as sample responses to the Budget, feel a sense of satisfaction at the measures put in place to keep this country at work. Within this country there is no threat of bank closure as there is in a lot of neighbouring countries; there is no threat of fires to business premises as has been happening, we are told, in another CARICOM country. These, Sir, if you were to analyze it, are probably the direct result of economies which have gone out of control or at least economies that have become difficult to manage. Venezuela had its disturbances, Brazil had its disturbances, Mexico has had their disturbances, and all, Sir, for similar reasons. Sir, if we are wise we learn sometimes from the experience of others; we must take early corrective action to ward off evils that follow any deep-seated economic problem. We have a stability here to protect, an economic stability and a political stability. 6.00 p.m.

The economic stability, political stability, social stability are among our most treasured assets and are essentially so in any country like Barbados whose economy is service based.

Sir, we will not be able to maintain that stability unless we take the action that leads to continued employment and Government will have to lay off large numbers of persons unless we pass these measures here and raise the kind of taxes that we are seeking to raise because if we do not, we will have to deny some services. We would have to cut back on some services and cutting back on services have a two-fold effect (1) it means we would have to put people out of work and (2) it means we would have to be denying a service, perhaps, that people have become accustomed to. I do not think, Sir, that we can do this because we do not think that we can be so callous and uncaring of the welfare of our people.

The Prime Minister spoke in his Budget about a caring Government and it is reflected, Sir, in the increases given to the old age pensioners, the increases in the funeral grant and the increases given in the maternity leave.

I think, Sir, this is a very good point on which I can complete my address here on this Budget - the fact that this is a caring Government. I believe that the measures that

have been instituted by the Honourable Minister of Finance and have been given with the overwhelming support, if you like, acclamation, of the vast majority of people in Barbados, are important measures at this time given the context of the economy of this country. I believe that those measures are important to keep this country at work and to make this country grow.

I will be following with great interest the predictions of Honourable Members who have made certain predictions about this Budget. I did it last year and I will do it again this year and I will report on another occasion on the predictions on this Budget.

I believe, Sir, that this Budget is a spring board from which this economy can grow and continue to grow and it is for this reason I give it my overwhelming and wholehearted support.

I thank you, Sir.

Hon. H. deB. FORDE: Mr. Speaker, Sir, I sat here very quietly yesterday and listened with a certain amount of delight, if I may say so, as I saw the Honourable Member for St. Michael South Central and the Honourable Member for St. Philip South, fighting to see who could give greater credit to the Barbados Labour Party for the wise and visionary policies which we pursued in the interest of this country during our 10 years in Government.

I think it is fair to say that in the event it has now been entered in the public record and in the public's mind and it has been put there not by us on this side but by our opponents that Barbadians paid less taxes under a Barbados Labour Party Government than they are called upon to pay under a Democratic Labour Party Government.

It has also been put on record, Mr. Speaker, Sir, that the Barbados Labour Party, by its competence, was able to create thousands upon thousands of jobs to the point that we reached what both sides of the House have recognized in an open economy should be called full employment - almost, one point away from it. They have recognised also the economic gains, some of those that are still being experienced now in this economy, were the result of the foresight of the Barbados Labour Party, particularly in establishing the offshore sector, giving concessions and reducing mortgage interest rates in the construction sector, granting concessions for the refurbishing of hotels, and as the Honourable Member for St. Michael South Central said, expanding tourism plants, and our vigorous campaign to attract cruise business. The Minister of International Transport and Immigration can now boast of the benefit which that programme brought to the Port and rescued him from coming in with another year of dismal performance as occurred in the previous years.

Therefore, it would be lacking in charity in the Barbados Labour Party Opposition if we did not publicly acknowledge now our thanks to these gentlemen and to say to them, Mr. Speaker, that what they are acknowledging now they should have acknowledged three years ago and had they done so, this country would have been saved from burdening themselves with what has turned out to be dull and unimaginative policies and inept plodding which has been witnessed in the manner in which the country has been governed in the last three years.

Mr. Speaker, on Wednesday, the Minister of Finance, the Rt. Honourable Member for St. Michael South, visited upon us a mercifully short presentation. It has been explained by the Honourable Member for St. Philip South that the sole purpose for this was to cat-spraddle the Honourable Member for St. Michael South Central.

Aside.

Hon. H. deB. FORDE: Those were his words, Sir. He said he would have reduced it to 40 minutes if he were the Minister but whatever the reason, the result was that when one examines the Minister's performance here, he still has convinced us and the public that he is unfamiliar with fiscal matters.

He stills believes that taxation is arithmetic and in the end, when we are coming in the last hours of this debate, I think that the country is still waiting to find out what vision he has for this country and the Budget has been characterized and can be sensibly characterized as containing no strategies for the realization of any vision.

Mr. Speaker, there has been no larger painting of the national picture, no use of the Budget as a social engineering tool. Our young people still are threatened by the destructive powers of the twin evils of drugs and unemployment. They can find nothing in this Budget to be happy about. 6:10 p.m.

Our women folk have been driven into the work force. The Prime Minister says there are now 61 per cent. I think it is 64 per cent of the work force. But they have been driven into the work force by higher prices with each succeeding Budget of the Democratic Labour Party. They can find no prospects of looking for jobs.

I am not surprised, Sir, that the Honourable Member for St. Michael Central, a Member of the Democratic Labour Party had reservations about aspects of this Budget. One of his reservations centred particularly on the treatment of welfare beneficiaries and the omission of any regard for them in this Budget, and a meagre allowance, be it given by this Government, to the old age pensioners. That is not any sign of a caring Government. And, they had to rely once

again on the Honourable Member for St. Michael East to come to their rescue.

But, Sir, the Honourable Member really sometimes forgets too easily, Sir. He was doing a rescue act by shunting the camera, the enquiring camera from the Democratic Labour Party to the Barbados Labour Party. But let me read him, Sir.

Aside.

Hon. H. deB. FORDE: And I am reading from Hansard of 26th April, 1983 at page 3567. And this is what he said then in a Budget Debate, Sir:

"Now, Mr. Speaker, much has been said about regressive taxation in Barbados and anti-working class policies of the Barbados Labour Party. I believe, Sir, that in the last analysis, after we have talked about efficient management and competence, we have to examine the results of this management in human terms. I believe, Mr. Deputy Speaker, that the record of the Barbados Labour Party is exemplary. I believe that in the area of social policy, it is a record that is vastly superior to that of the Democratic Labour Party. Throughout all the economic difficulties there has been an unswerving commitment to social justice; there has been an undeviating path cut towards the establishment of the welfare state."

Great words, Sir. Great words that he spoke then, Sir. And this is how he ended up, Sir:

"Mr. Deputy Speaker, it is crystal clear that Government in spite of its difficulties, has managed rough external problems in a masterly manner. It is equally clear, Mr. Deputy Speaker, that, in spite of the difficulties, this Government",

the Barbados Labour Party Government:

"has not deviated by one per centum from the historic mission of the Barbados Labour Party - to lift up the oppressed - in other words, the practice of democratic socialism, as my colleague calls it; call it what you will."

Great words spoken about a great Party, Sir.

Hon. Dr. D. G. BLACKMAN: Mr. Speaker, on a point of order. I indicated during my speech, I was describing the work I did.

Laughter.

Asides.

Hon. H. deB. FORDE: Mr. Speaker, Sir, it is not unusual for the Honourable Member to think that he is equal to sixteen of us or indeed that he is equal to twenty on the other side.

Asides.

Hon. H. deB. FORDE: Mr. Speaker, Sir, if I may continue with an assessment of the Budget of the Right Honourable Member, it is not only the young people and those on welfare and the women folk that can find nothing to be proud of and happy about in this Budget, it is also the rest of this population who have no reason to expect anything from this Government.

The Government promised the electors in 1986 to create jobs. Mr. Speaker, Sir, it confesses at the end of the day that unemployment remains at 18.6 higher than when we left it in 1986. It promised to rid us of the scourge of drugs. The Honourable Member for St. Thomas has earlier pointed out in this House, the failure of the Attorney-General and the other Ministries to contain drugs in this country. We have had the scandal of the diplomatic dope in which the government sat down and failed to follow the proper Westminster model by asking the then Minister of Foreign Affairs to resign. It promised to give new buoyancy to the economy. And among the other things, Sir, it promised to negotiate successfully with the Trinidadians. Now, Sir, that has been a dismal failure. So much so that it has forced the Honourable Member for Christ Church East to break with his party because of the failure of this Government to deal with problems.

Laughter.

Asides.

Hon. H. deB. FORDE: Now we have a Government that can no more understand the Report of its own task force on employment than protect our fishermen from the gun boats of the Trinidad and Tobago Coast Guard.

Mr. Speaker, I submit to this House and to this nation that this Budget is further evidence of the Government's incapacity to govern and manage this economy efficiently.

But the Budget contained tax burdens. I hear now from the Honourable Deputy Prime Minister that taxes are inescapable. Yes a Government has to tax. But our quarrel, the quarrel of the Opposition is with the manner in which the Government has allowed massive taxation in this country to fall on the poor and the poorest of the poor and the people least able to bear it in our society.

Mr. Speaker, really the truth is that the Government cannot deliver the goods, and they cannot deliver because they are weighted down by some heavy anchor - the non-performance of incompetent Ministers. I am going to deal

with one of them in here tonight. But one resigned before we brought a censure motion against him. We brought the motion but you ruled there was a commission of enquiry. The corruption of functionaries at Government statutory boards. Currency racket, Mr. Speaker, Sir. The information that the Central Bank is now investigating a currency racket where thousands upon thousands of Barbadian dollars, without going through the proper banking system are now being found overseas. BDS\$400 000 not coming through the proper banking system. The scandal of the Diplomatic Bag. The scandal of the award of contracts. Nepotism, Sir. And yes, we have heard it. We have heard it too about victimization among public officers.

There is no wonder, Mr. Speaker, that the only piece of significant legislation this Government could bring into the House in 3 years is to reverse a social democratic measure, a Bill to take away from poor people the right to get a piece of the land of Barbados, the Tenancies Freehold Purchase (Amendment) Act

But the real reason the Government cannot deliver, Sir, is that it has no vision. And what is the message coming through from the Budget? Help would come. And come it will, Mr. Speaker, when the Barbados Labour Party takes over the Government of this country again.

Aside.

Hon. H. deB. FORDE: Perhaps the Honourable Member for St. Thomas is right because by that time the Sandiford complex at Sherbourne would be finished and the Right Honourable Member would have fulfilled one of his ambitions of all time.

But, Mr. Speaker, I, unfortunately because of the Rules of this House am limited to 30 minutes, and whilst I should be making the final speech on behalf of the Opposition on this side, not even that convention is followed.

So I propose to concentrate in the balance of time available to me on two aspects of the Government's Budget and policy. And I say, Mr. Speaker, to the country that nothing so much illustrates Government's lack of vision, as the way it has treated agriculture in this country. The sector is beset by a host of problems. Instead of getting a Minister who is vibrant and imaginative and hardworking, we get a Minister who struts around accusing the farmers of inefficiency, generally demonstrating a callousness and a lack of concern and a complete lack of tact, a failure not only in his Ministry, Sir, but I think a failure even by the standards of his colleagues. I have been in this House for 17 years and I want to say that he has been the most spectacular failure of any Minister of Agriculture that I have seen on any side of the House.

Applause.

True.

Aside.

6.20 p.m.

Asides.

Hon. H. deB. FORDE: The Prime Minister's answer to these problems should not be the removal merely of duties and agricultural input and offering to spend \$3 million to bring idle lands into production. I will tell them what it should be a little later, Sir. But to those who expected nothing, that might sound a lot. First, let me say that unless the term agricultural input is given the widest possible interpretation, it might amount to even very little. Sir, the \$3 million fund is pure tokenism and we are justified in saying so because that Minister presided over the bringing back of lands at the Belle something that they talked about, at a cost of \$7,660 an acre, the highest cost anywhere in Barbados for bringing agricultural land back into production. If we take that as the figure, then all the Government is going to be doing is seeking to bring 392 acres out of the 6,000 acres of Barbados good agricultural land that is still lying fallow.

Well, let us look, Sir, to see what are the serious problems for which this Member and the Government should be providing a solution in the agricultural sector. We have witnessed the continuing decline of sugar production to a point where it threatens the loss of guaranteed markets through our inability to meet obligations overseas. It is the lowest amount of sugar ever produced in Barbados which was produced last year under the Democratic Labour Party Government. It hurts us on the Barbados Labour Party side, Sir, because we went out of our way to give price support to assist with sugar cane at that time to the criticism from the Democratic Labour Party. We went further and said, if during the time you converted from sugar to non-sugar agriculture, you can change your loan into a grant. We gave a bigger subsidy during those years than the \$3 million which is now being offered. We have witnessed as the Honourable Member for Christ Church East so graphically illustrated from the statistics last night and I would not repeat them, Sir. The decline in non-sugar agriculture seems to go in tandem with the decline in sugar to the point that we now import vegetables in which we used to be self sufficient, Sir. We are importing about \$5 million in onions.

We are importing cabbages. When we examine it - who has the licences? The family of the Minister, who has never been in agriculture, is given permission to import vegetables into this country. We also notice, Sir, crop theft. We hear of increasing crop theft and have been promised a Praedial Larceny Act. The Government has been now more than 2 years and have done nothing about it. The inordinately high price of feed, inadequate and/or poor quality foraging lands in the case of a number of dairy farmers, Sir - these are things that we have witnessed, Sir. I

say, Sir, that if it continues then, of course, we will find, Sir, that we are in a difficult position.

The Barbados Labour Party has a programme to remedy this. I cannot in the 6 minutes that you have indicated are available to me deal with that, Sir, except to say in two words that one of the things that we will do is to ensure that there is a proper system of land reform in this country where we grant simple and inexpensive leases to farmers and would be farmers who need land and we will also make sure that the Land Tax is abolished in a phased period. Those are parts of our policies.

But I want to turn to the taxation of the Right Honourable Member, Sir. We have noticed, Sir, that this Government in imposing taxes has followed a policy of making sure that indirect taxation is placed more and more on the poor in this country. They were warned about this, Sir, by the World Bank in 1987 and their answer to the World Bank warning which came out on April 24, 1988 was with the levy of \$110 million in new taxes and a year later another \$52 million in new taxes. The taxes have gone, Sir, as I have said on the poorest of the poor. Some people believe when you hear the Budget stating that Consumption Taxes have gone up by 15% or whatever percentage - some people immediately believe that this is no big thing because it is not felt immediately. But in another 2 months when existing stocks have gone out of the supermarkets and the housewife is facing the supermarket counter, she finds that her goods have gone up, Sir - three months afterwards. I say to the Government do not come here and boast about giving people more money for a Funeral Grant. The people are not interested in the basket. Give them the basket. That is what they are asking for. They do not want to be buried. They want to stay alive longer. What Government can this be who are satisfied, Sir, if I may illustrate it by 6 items, that the increases which they are levying will have this effect on items that are in regular use. - Milo which was \$3.95 before this Budget will now be \$4.84, tea bags - 100 little tea bags \$8.68 before the Budget and \$10.91 after the Budget, Cornflakes \$8.01 before the Budget - \$10.60 after the Budget, Rice Crispies \$5.99 before the Budget - \$7.89 after the Budget, Peanut Butter \$6.51 before the Budget - \$8.73 after the Budget, Apple Juice \$1.68 before the Budget and \$2.30 after the Budget once you have worked it through, Sir. I say that that cannot be the sign of a caring Government. It cannot be the sign of a Government concerned with the poor and you have to couple this with the fact that whereas those of us at the higher level of taxation now have the surcharge lifted, those under the \$15,000 bracket have no relief. The Labour Party whenever it brought Consumption Tax increases made sure that they were also for the people at the lower level of the bracket.

Furthermore, Sir, the Government continues with the levies which they said that were going to be abolished including the temporary unemployment levy which they

spoke about, and they made those levies non-refundable - levies hitting those at the lower end of the pocket, Sir. I call this Government a Robin Hood in reverse - taking from the poor to give to the rich. Why has it taken this Prime Minister well over a year, almost 2 years, before he could inform this House despite my continual warning that he could have put a Land Development Duty on the Tom Adams Highway to do so and stop Moses from making \$7 million or so, half of which could have gone into the public Treasury instead of putting it on the poor? Why has it taken him that long? Why has it taken this Government, Sir - we are talking about management by the very Prime Minister - more than a year to appoint a Supervisor of Insurance, which is a long time to react to the cancellation of the double taxation treaty, Sir?

Now Sir, time is against me so I want to leave a few more questions for the Minister, Sir, arising out of his Budget. Twelve questions on his performance. No doubt he is going to take 12 months to answer them, Sir:

(1) Right Honourable Prime Minister, tell us what is the status of the Task Force Report on unemployment and what are the specific measures contained in it intended to be medium term measures which your Government proposes to implement during this year.

(2) In 1987 the Government introduced an Employment Levy which it was said it was meant to be temporary. In 1988 it introduced a temporary surcharge which it has now removed. Will the Minister tell us the special circumstances which can justify the delay in removing the temporary Employment Levy of 1987, a levy bearing down on the poor as well?
6.30 p.m.

3. The Economic Report for 1988 shows that tourism receipts are estimated to have increased by \$161 million in 1988 over 1987, yet the Hotel and Restaurant Sales Tax which was fixed at the rate of 5% for two years brought in \$15.4 million in the calendar year 1987 and \$15.4 million in the calendar year 1988.

Will the Minister of Finance please explain how \$161 million increase in tourist expenditure can fail to yield an increase in the hotel and restaurant sales tax?

4. If he agrees that this is not possible, will he agree that estimates of tourism expenditure are over estimated and in so far as tourism expenditure was supposed to have been the main contributor to economic growth last year, that growth is also significantly over estimated?

5. Is the Minister of Finance aware that when the Estimates were brought to the House revenue for the fiscal year 1988-89 was estimated to be \$866 million, and on that basis the revenue forecast for fiscal year 1989-90 was set at \$905 million?

6. Will the Minister acknowledge that revenue for 1988-89 was \$881 million and not \$866 million, and that this makes unworkable the estimate of \$905 million for this Current financial year?

7. Will the Minister also please indicate by how much he is now prepared to increase his pre-tax estimate of revenue for 1989-90 in the light of the changed circumstances and please also indicate by how much it amends the current deficit which has to be met by new taxation?

8. Is the Minister of Finance aware that it is shown in the Central Bank's Economic and Financial Statistics at March 1988 that the consumer price index was the same as that for December 1987? Is he therefore aware also that all the increases in prices in 1988 took place after his 1988 budget? And will he therefore agree that the budget was the main reason for an increase in prices in Barbados and that the impact of the tax measures he introduced were far greater than the 1% he had forecast?

9. Will the Minister please explain how the economy could have grown in current prices at a rate of 6.7%, that current prices rose by 4.8%, and that after the impact of prices on the value of production had been accounted for, production yet rose by 3.5%?

10. Will the Minister indicate the amount of tax waived on investment goods imported by the manufacturing sector in 1987 and 1988?

11. Will the Minister also indicate the amount of tax waived on the importation of materials used by the tourism sector for refurbishing in 1987 and 1988?

12. Will the Minister please state the amount of loans which have been converted into grants for persons who have converted from sugar cane production to non-sugar production under the auspices of the 1985 sugar price support programme?

Mr. Speaker, it is an important victory. I will sum up by saying

Mr. SPEAKER: There is no summing up.

Hon. H. deB. FORDE: Mr. Speaker, it is an important victory for us

Mr. SPEAKER: I have allowed an extra ten or so minutes.

Hon. H. deB. FORDE: to have forced the Prime Minister off his stated position that he has to raise taxes to cover his projections on Current Account deficit. I am much grateful to you, Sir. The final question to the Minister, Sir, when is he going to resign?

Hon. B. M. TAITT: Mr. Speaker, I think I should start by establishing that the last Honourable Member who just sat down told a deliberate - because he wrote it down, he spoke it, he must have thought it out - lie to this House, Sir, it seems to me.

Mr. SPEAKER: Now, let me make my ruling clear. It cannot be deliberate. In terms of parliamentary language it cannot be, neither can the word "lie" be accepted.

Hon. B. M. TAITT: I withdraw that, Sir. I have been assured by the Minister of Trade, who has the responsibility for the issuance of licences in this country, that no family member of that Minister or any other Minister of Agriculture or any Minister was granted a licence to import vegetables. That is what the Minister of Trade has assured me. Now, Sir, if an honourable Member, a leader of a political party, makes that statement to this House and the Minister is able to make a statement to the contrary, I say that everything else which that Honourable Member says is suspect.

Mr. SPEAKER: We have come too close to a very good debate for me to introduce or to use any of the other rules that may not be too pleasant at this stage.

Hon. B. M. TAITT: Sir, I know that they have been fair, but you need not fear it. I would merely issue a caution to the use of extravagant language in order to make a point. If the Honourable Member who just sat down had done his job as a leader, when he is attacking leaders, if he had done his job as Leader of the Opposition in an effective and dynamic manner, the chances are he would not have had to be now scrambling at this stage to give the impression that he is a full-blooded leader. He is just another member of Parliament now and so he has to give the impression that he is dramatic, he is going to be melodramatic, he is asking the Prime Minister 12 questions. Even within his own party he is having difficulty, Sir, but I do not have enough time to deal with him. Another time. I would just caution him...

(Aside).

Mr. SPEAKER: I am very anxious to use the rule which we all know. I have allowed each member as much silence in this Chamber to speak and I shall do the same for the Honourable Member who is now speaking.

Hon. B. M. TAITT: Sir, the Honourable Member for St. Thomas earlier today had occasion to make reference to me, so I would not be surprised if he attempted some diversionary tactic now. The Honourable Member is constantly capable of that methodology where he gives a face of soft sweetness while behind your back he is determining how... Sir, the language I would wish to use is not permitted and so I shall move on.

Certain remarks made by the Honourable Member for St. Thomas were ordered by the Speaker to be expunged from the record at this stage. 6.40 p.m.

Hon. B. M. TAITT: Sir, if the Honourable Member still believes it, good for him. None of the Honourable Members on that side and in particular that Honourable Member will ever be in a position to cause me embarrassment on that score.

Mr. Speaker, I would just issue a caution to all of them. Use of language belies their claims. In the case of the NDP they have been making extravagant claims about women, but use of language belies your claim to have the interest of women at heart. Respect for women exudes from within like an osmosis, and women always know, you can't fool them. The Honourable Member who just sat down tried that. The language which was used to describe the Budget, I was not here last year but I was here this year, and I recommend that you desist from that kind of language if you say that you are interested in women. The women don't like it. And as for the Honourable Member, the Leader of the Opposition, his extravagant language does not ring heavy, so I will waste no more time with him.

Sir, everyone who discussed the Budget will not necessarily be seized of the intricacies of economic theory or indeed the mysteries of public finance, but everyone has an interest. In the final analysis what impact the Budget has on the individual will to a large extent determine his or her reaction. So the huffing and puffing by the spin doctors of the various positions will still come down to a judgment of the people.

Here in this debate, Sir, we have had one Honourable Member offering to teach another Honourable Member how to catch a cock lizard. We had another Honourable Member saying that that Honourable Member left this party because of the negotiations between Trinidad and Tobago, and we have had some good times; but Sir, the Prime Minister and Minister of Finance should be congratulated for removing much of the mystery from this annual exercise.

Mr. Speaker, for as long as I have been in this House, I have talked about the principle of maximum confusion. The principle of maximum confusion is manifested by many who wish to show off their knowledge; intellectuals and quasi-intellectuals address each other at the expense of the people. Taken as a whole, Sir, the combination of what we call the Estimates and the Budget is a representation in monetary terms of governmental activity. If politics may be regarded in part as conflict over whose preferences shall prevail in the determination of national policy, then the Estimates cum Budget record the outcome of this struggle. If one looks at politics as a process by which the Government mobilises resources to meet pressing

problems, then the Estimates and the Budget become a focus of these Estimates.

Sir, we have before us a Resolution which says:

"WHEREAS the Government's fiscal policies for the 1988/89 financial year were successful..." The question is, were they successful or not. The Minister of Finance outlined his economic objectives at pages 2 and 3 of the Statement, and I will not repeat them, but if I may give my *** own interpretation to those objectives, the Minister of Finance sought to provide growth with stability, to protect the national economic sovereignty, to sustain and improve the level and quality of social services, to ensure some equity in the distribution of what everybody agrees is a fairly heavy tax burden. The Minister of Finance was also required to preserve and enhance if possible the employment gains which the Democratic Labour Party administration had achieved since 1986. Now, Sir, in ** answering the question whether these objectives were met, one has to say that a Budget must be seen as a stage along a continuum rather than an end in itself. It must be evaluated in the context of the goals which it seeks to achieve. It is not a blue print or a medium or a long term development plan; the Budget is a one year accounting and provision exercise in the context of longer term goals; so let us answer the question which I posed. There was economic growth. No matter what the Honourable Members on that side say about the statistical information, there was economic growth, real growth, 3.5 per cent. Per capita income rose to \$10 500 per person or 6.5 per cent higher than in 1987. Now if the statistics are wrong, the same people who prepared the statistics before prepared them now; so the percentages would still be the same. If you say that they were wrong, the Barbados Labour Party has great expertise and experience in wrong statistics.

I recall very well where the labour statistics became ^ embroiled in confusion, and the late Tom Adams, behind the Speaker's Chair when it was on the other side said to me on that occasion when we pointed it out, we will try and see if we can correct them. The Barbados Labour Party has great experience and expertise in this; but the fact is, a rise of 6.5 per cent represents real improvement in the quality of life for the vast majority of people, because in Barbados the * spread between rich and poor is relatively small and real increase in per capita income means an improvement in the quality of life of ordinary people. *

The inflation was moderate, 4.8 per cent compared with 3.4 per cent in 1987. Contrary to predictions that had been made, there was no run away inflation. The manufacturing sector grew - my colleague, the Minister of Trade, demonstrated that today - by 6.9 per cent. At page 15 of the Economic Report it says: "The industrial sector made a strong recovery and as output rose so too did employment. The sector was able to attract new investment

with several industries turning in exceptionally strong performances while in others the decline was arrested."

Mr. Speaker, tourism continued a strong sustained growth which we promised the people of Barbados in 1986. Mr. Speaker, up and down the country we told the people that if we were returned to Government that we would right tourism. Mr. Speaker, no one will begrudge me an expression of great personal satisfaction in this achievement. It is the direct result of the solid foundation which we were able to lay when I occupied that Ministry in 1986. Following a careful diagnosis of the problem, a specific prescription for its solution was determined. Immediate action was taken and we have been on our way ever since. We had to make Barbados competitive again, and to do so in a manner which would ensure year round tourism and an equal stake for the small man in the industry, the small hotel owners, the taxi drivers, the shopkeepers, the entertainers, the waiters, the waitresses, the cooks, the barmen, all those people, who are no longer laid off or working week on week off. You remember the bad old days. We began the task of rehabilitation and growth and this may be the first opportunity, Mr. Speaker, that I have had to give credit to a few people who contributed to this without personal benefit. Let me not call any names. They know who they are, they rejoice with us.

I join easily therefore, Sir, with the whole of Barbados in congratulating the Minister, my good friend, the Honourable Member for St. Michael West Central, in his ability to sustain this momentum. Let me quote from the Economic Report. "Real output in the tourism industry expanded by 10.5 per cent in 1988, and expenditure increased by 22.5 per cent to \$918.5 million. In 1988 the number of visitors rose by 7 per cent to reach the record level of 451 485 persons visiting Barbados. Does the Barbados Labour Party want to take the credit away from him? 6.50 p.m.

Does the Barbados Labour Party want to take the credit away from us? In 1986 the figures were wrong. Do not assume that the figures in 1989 are wrong about the amount of money earned because you want to take credit away from the Democratic Labour Party. Examine the 1986 figures and you will see, in fact, that the amount quoted in the publication for monies earned from tourism had to be corrected.

Mr. Speaker, I said that economic sovereignty had to be returned. The Economic Report at page 23:

"In the 1988/89 financial year Government set a medium term objective of gradually reducing the overall fiscal deficit to between three to five percent of GDP. By the end of the fiscal year the overall deficit was estimated at \$127.6 million or 4.8 per cent

of GDP compared to a deficit of 9.0 per cent of GDP at the end of fiscal 1987/88."

Later on on that page, Sir, it goes on:-

"Current spending rose by 4.5 per cent compared to 19.3 per cent in the previous year and capital expenditure and net lending rose by 11.4 per cent, following the 19.9 per cent increase a year earlier."

Fiscal sovereignty, Sir, no recourse to the IMF, no recourse to the difficulties which all of the countries in the hemisphere around us other than Canada and the United States are having. The economic sovereignty in Barbados is being held.

Page 23 confirms this, Sir - the balance of payments.

"The overall balance of payments surplus of \$70 million in 1988 was almost doubled that of 1987 mainly as a result of a sharp increase in service sector earnings and in short term capital inflows."

The sharp increase in service sector earnings was not mentioned by the Leader of the Opposition when he sought to suggest that this was a result of borrowings which had come in early. You have to give some credit for the activity.

Mr. Speaker, I said "sustain and improve the level and quality of social services". That there has been a sustained and improved level and quality of social services may be so obvious as not to require comment but if time permits I would want to speak about that shortly.

So, Mr. Speaker, having protected the external and internal balance, that is, the Government revenue, and the balance of payments, and stabilized the economy, it is now possible for this administration to launch a full fledged attack on the problem which has dogged successive administrations in this country, the problem of unemployment.

This is one occasion, Mr. Speaker, when the fiscal measures are so clear and precise and surgical that they do not even need the gloss of words. The measures focus directly and frontally on the productive sectors of tourism, agriculture and manufacturing, the sectors that have to provide growth and development and, therefore, employment.

The measures in this Budget are clear, Mr. Speaker. They are directed, and again my words, (1) towards removing constraints and relieving burdens; (2) towards providing, where appropriate, a measure of protection for those sectors; (3) towards releasing new resources via investment, or releasing existing but unused resources.

They attempt to do this by focussing on the people who are directly involved in these activities and know best how to do the task.

Let me elaborate briefly, Mr. Speaker. Tourism - the clear objective here is to make the sector more competitive. Let it be understood and remembered that this administration came and found the sector highly uncompetitive in the face of deep devaluations among our major competitors, the Dominican Republic, Mexico, Jamaica, Venezuela and so on.

We started first by providing cheap transportation via charters, much to the chagrin of the NDP aspirants. We now have to move in a new direction, improving and upgrading the plants and the transportation sectors via the granting of the tax incentives in the Budget and buttressing the promotional funds. If used correctly this is bound to alleviate the cost of rooms.

I hope that the hoteliers will not kill the goose by jacking up rates and returning us to the position of 1985 but I am sure the Minister will be on top of that.

We come to agriculture. We have in this sector now removed the stamp duty, the consumption tax, and the customs duty on agricultural inputs. This is bound to reduce the cost of production. Secondly, direct funds in the sum of \$3 million are being granted as an incentive to stop the flow of lands out of cultivation and to bring them back into production.

You remember the levy by the Barbados Labour Party? Did that work? Now, \$3 million may be a small sum but compared with what the Barbados Labour Party gave it is Fort Knox. In any event, it is intended to be a beginning to provide an opportunity for all of us to learn what measures in this direction must be taken and snide harping about the \$3 million before it has been given an opportunity to work is nothing short of political puerility.

Finally, a guaranteed farm gate price, that is, certainty of revenue before hand is being introduced. This is a novel and unprecedented approach in agricultural policy in Barbados in recent times. It is something for which the Government should be given credit to try it.

My colleague has looked at manufacturing. Recall that last year positive tax relief was given in relation to raw materials and packaging materials with obvious success. Now, this year, we have gone further. We have relieved machinery and equipment imported for use in manufacturing from import duties and consumption tax. Even David Seale, once considered our greatest detractor has applauded this move.

Mr. Speaker, the net effect of these measures, that is, the removal of irksome and burdensome constraints which

all added to production costs can only lead to expansion in this sector. We, therefore, confidently expect continued growth and employment in this sector.

Mr. Speaker, the sense and direction of these measures are scintillatingly clear, even to the other side, in spite of what they say.

A final word on this matter, Mr. Speaker. With the surcharge removed from both incomes and corporations, with labour costs alleviated, with the market, therefore, expanding and more significantly with the large sums of profits made by corporations in the last three years, with prospect for even greater profits, it stands to reason, as my colleague, the Honourable Member for St. Michael East said, as he was sitting down, that we can expect rapid expansion in domestic investment.

The Leader of the Opposition said yesterday that he knew of companies which had gone elsewhere to invest last year. Let me say that I know of some who are coming here to invest this year.

Now, Sir, to the Ministry for which I bear witness. To those who would target me for whatever reason, there are too many things happening to revolutionize the delivery of health care and to transform the concept of health for us to spend time with some aspects of behaviour that is at least frivolous and vexatious.

A friend called me this morning to remind me that when we were boy sopranos one of my favourite Psalms was Psalm 118. Mr. Speaker, I invite the Honourable Member for Christ Church West and whomever else it may concern to read it. There are some interesting verses. It had verses with snatches such as these "The Lord taketh my part with them that help me". That is at verse 7. Then it says "Thou has thrust so at me that I might fall but the Lord was my help." 7.00 p.m.

And verse 15 goes like this, Sir:

"The voice of joy and health is in the dwellings of the righteous. The right hand of the Lord bringeth mighty things to pass."

I recommend that you read it.

Aside.

Hon. B. M. TAITT: Well if you wish to say that the Leader of the Opposition quoted Proverbs, if that is how you want to describe him, that is alright with me. I am not prepared to say that of him. But if you say that from your seat, that is alright with me.

Sir, in the Queen Elizabeth Hospital, 314 persons in the Health Ministry have been appointed since I last spoke in a Budget Debate. Of those 247 recommendations have been made and 67 are in the process of being made, Sir. Time does not permit me to go into detail, except to say that the policy in the Ministry of Health is that anyone who has been working for two years or more, whether he is a DLP, a BLP, an NDP or what P, once he is in the Ministry of Health for more than two years he or she and has no adverse report, that person will be recommended for appointment, because this Government is a caring Government.

And how can the Honourable Member talk about nepotism and those kinds of things and victimization, in the face of that kind of policy.

Mr. Speaker, the Queen Elizabeth Hospital has ongoing a programme that will see the construction of a five storey annex, the construction of a five storey infill block, the reconstruction and refurbishing of parts of the building. The main works will be relocated to some existing structures. The acquisition of specialized medical equipment and furniture. I am in the process now of discussing with the private sector a catheterization lab to allow for certain kinds of heart surgery to be done in Barbados, catheterization. The construction of a new accident and emergency building, Sir. By the end of 1989, we should have a new and improved Queen Elizabeth Hospital with new systems throughout. And we are making sure that the human resources that would be working in the Queen Elizabeth Hospital will have the necessary training. Sixteen officers have benefitted so far from overseas training, in areas such as the Modern Practices in Hospital Management, Hospital Supplies and Materials Management, Personnel Management, Burns Management, Surgical Intensive Care, Neonatal Intensive Care, Biomedical Equipment Maintenance and Hospital Infection Control. Never in the history of this country has there been a Hospital Infection Officer. A nurse from the Queen Elizabeth Hospital was given training to get her Masters Degree in Public Health with a Major in Infection Control. She has been appointed an Infection Control Officer in the Queen Elizabeth Hospital.

I say to you, Sir, the health services in this country can be examined by a look at the Geriatric Hospital where we are putting in place a programme, the beginning of the gerontological programme which the Honourable Member referred to earlier where a new and state of the art wing has already been opened. The second one is expected to be opened within 3 months. The administration building will be going out to tender shortly and then we will move to St. Philip Hospital where we will add 100 rooms and we will begin this year by December.

Sir, a geriatrician for the first time in the history of Barbados, a bone fide consultant geriatrician, has been

appointed. There was a little hick-up in the transformation because of the system which is being put into place and this caused some difficulties. But, Sir, the Minister of Health or any Minister can do nothing about a van that gets into an accident. Even so, we have put a system in place where a van has been placed there until the van that is to be repaired can be repaired.

The St. Joseph Hospital, Sir. Advertisements should come out in a matter of days for the Administrator, the Matron, the Engineer and ancillary staff. The planning for St. Joseph is going ahead. The engineers have already looked at putting in the new sewerage system. And so, some time shortly, the whole of the St. Joseph Hospital will start its commissioning.

Mr. Speaker, the St. Philip Hospital never had any certification of deaths by nurses. The St. Philip Hospital never had any of the things outlined in the article which was published in one of the newspapers which has not seen it fit to....

Aside.

Hon. B. M. TAITT: If they did it before, they cannot do it any more. My time will not permit me to deal with the Honourable Member, Sir.

I just want to turn, Sir, to this question of the amount of money being spent by the Government.

Aside.

Hon. B. M. TAITT: Do you think this is the Death Certificate that they signed for Tom Adams. Do you think that we would ever be so low as to have a Death Certificate like the one that you presided over, you and the Barbados Labour Party, that nobody knows what it is, a Death Certificate that has something scrawled up? Don't you ever talk to me about Death Certificates. The Barbados Labour Party has lost all credibility and morality on Death Certificates.

Aside.

Hon. B. M. TAITT: Mr. Speaker, he says I have signed my own Death Certificate. Mr. Speaker, is he threatening me? Is the Honourable Member threatening me? Lord, help me to know when he is going to be near me, Sir.

Laughter.

Hon. B. M. TAITT: As you very well know, Sir, the constituencies of St. Michael West and St. Michael North West, next door, Sir, have had the benefit of some services arising out of the Budget last year and the Ministry of Transport and Works.

The Minister's approach, the political economic approach of the Minister.

For the first time in 40 years, the people who live in Passage Garden, Passage Road, Parris Gap, Westbury Road, the whole of Westbury Road, Hindsbury Road, Bank Hall, Garden Land, Lower Bank Hall, Hanschell Land, Brewster's Road, Richmond Gap, all of them, Sir, now have... - what do you call it?

Aside.

Hon. B. M. TAITT: ... nylon, barbergreen road. Forty years have we with this generation unsaid, it is a people that do err in their hearts.

The Barbados Labour Party started out in the St. Michael West Constituency for 10 years.

Aside.

Hon. B. M. TAITT: Benign neglect. Now, Sir, for the first time, they are getting them.

The people in Thompson Land and Greaves Land will soon have their natural gas.

Aside.

Hon. B. M. TAITT: Was it malignant?

Aside.

Hon. B. M. TAITT: Malignant neglect. The pavilion at Passage Road, Sir, for which I have spent most of my political life battling the Barbados Labour Party has started. The 7 acres, thanks to the Minister responsible for Sports, the 7 acres at the bottom of Passage Road have been transformed into the most beautiful field. When it is completed, it is going to be a field fit for international competition.

Aside.

Hon. B. M. TAITT: We are going to have a pavilion, not quite as elaborate as one or two I know, but it will suit us because we have been without things for so long that we are happy that we are getting things at last.

We are going to have a small pavilion at Lands End in due course. And in the final analysis, Sir, what we have in that constituency is what all of the people of Barbados have now, Sir, a sense and a feeling that this Government has lived up to its promise of being a caring Government, that this Government has an interest in ordinary people. And while it may not use the melodramatic approaches that some people advocate, it has been effective because the people can feel the difference. People are free to criticize as

much as they wish. People are free. The first act of the Government as a political act after we were sworn in was to make the airwaves free, to let Elombe go back on....

Certain remarks made by the Hon. H. deB. FORDE were ordered, by Mr. SPEAKER, to be expunged from the record. 7.10p.m.

Hon. B. M. TAITT: The record will show that when we came downstairs from the Governor-General's swearing in the first act I performed as Minister responsible for Information was to remove the ban which the Barbados Labour Party had put on Elombe Mottley.

Mr. SPEAKER: I would prefer that we stay away from that kind of discussion and I would also ask Honourable Members to give you the privilege that they had to speak in silence.

Hon. B. M. TAITT: Sir, it is not new, Sir. I am accustomed for almost as long as I have been in this Honourable House and until Your Honour and the Deputy Leader went into the Chair, Sir, I have been accustomed to being sandbagged by the Barbados Labour Party and other persons, Sir, in this House. So it would be nothing new if they behave in this way. It will be new if they behaved other than this way and I hope that the Honourable Leader of the Opposition will not forget in his quest to win the Government. I notice now, Sir, there is an unholy alliance....

Asides.

Mr. SPEAKER: I may ask you to leave the Chamber. The Honourable Member just cannot come in here and disrupt a debate like that.

Asides.

Hon. B. M. TAITT: I say that would have been deliberate because he was the Presiding Officer before he wrenched himself away from the comfort and peace of intellectual settlement. I was saying that I hope that the Leader of the Opposition in his quest - that I noticed this unholy alliance which is growing up when he speaks. Sir, it is only when he is speaking on television that there is this great love affair that is going on between the NDP and the Barbados Labour Party. But at the time when the television cameras go off they are back together as normal.

Dr. R. C. HAYNES: On a point of order, Sir. I have not interrupted the Honourable Member. The Honourable Member has accused me of being involved in an unholy alliance. May I suggest, Mr. Speaker, that that particular suggestion is unparliamentary.

Hon. B. M. TAITT: Sir, I will willingly withdraw unholy. It is a holy alliance. The only trouble is, Sir, that when I look at them, Sir, you see no one who would make me readily think holy. But I admit unholy might be unreasonable and, therefore, I will say holy alliance. It is a holy alliance. Oh, yes! The Honourable Member for St. Peter said that we are friends and I have no difficulty with that. What I am saying is that the Democratic Labour Party has said that it will be a caring Government and it has demonstrated throughout the 3 years it has been in office that it is a caring Government. We have been able to turn around the mental state of persons who did not feel able to criticize the Government. They are now calling in on the programmes and it is wonderful. I think that the free....

Mr. SPEAKER: The Honourable Member has 1 minute more.

Hon. B. M. TAITT: Thank you, Sir. I think that the free speech which can be heard daily on the Guttaperk programmes must be visited with additional free speech. So that when the Barbados Labour Party and the NDP tried throughout the last 2 days to give the impression that nothing is happening, the people have spoken. They will speak again because it is clear that the Democratic Labour Party is fulfilling its mandate which the people gave to it in 1986 and which it continues on a path that will reach a crescendo in the next two years from most of the programmes which are now on the drawing board. Now that we have been able to clear up much of the mess that was left at the Pine we are now on the point of take off. Many of the projects are \$60 million waste disposal projects for the Ministry of Health at the South and West Coast Projects. We will now be in a position, Sir, to do all of the things which we said that we would do that we have not yet completed. We have time on our side, Sir, because we have been moving resolutely and correctly, and we have been moving with morality. Do you know what the morality is? It is not a new found morality. It is a faith in God that has always motivated the Honourable Members on this side. We do not have to pronounce everyday on a weekly basis that we believe in God. It is obvious. We do not have to announce that we have morality. The history of the Democratic Labour Party is one of morality. So that you do not have to ask us, since you say that we are discredited and disabled. Does it really look to you like the Honourable Member for St. Philip South is either disabled or discredited or the Honourable Member for St. Michael East. The only disabled Member in this House that I know - I cannot discuss.

Laughter.

Hon. B. M. TAITT: Mr. Speaker, I am grateful to you for your indulgence and I am grateful to you for the interruption time. I look forward, Sir, to our continuing programme.

Applause.

SUSPENSION OF SITTING

Hon. P. M. GREAVES: Mr. Speaker, I move that this sitting be suspended until 8:15 p.m. tonight, Sir.

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

The question is that this sitting be now suspended until 8.15 p.m tonight was put and resolved in the affirmative and Mr. SPEAKER suspended the sitting accordingly. 7.20 p.m.

Mr. SPEAKER: This sitting is resumed.

Rt. Hon. L. E. SANDIFORD: Mr. Speaker, my task this evening is a very simple one. It is clear that no very serious effort has been made on the part of the two Oppositions to discuss the contents of the 1989 Financial Statement and Budgetary Proposals. What the members of those two Oppositions have been mostly concerned about is the stating of political positions, seeking to clear their own personal position and to heap abuse and vilification on myself and the other members over here.

Mr. D. A. C. SIMMONS: Mr. Speaker, on a point of order. If nobody else is going to clear his name, I will clear mine. I did not abuse anybody, least of all the Prime Minister, during this debate. We may have criticised his policies or his management. That is a far different thing from abuse.

Rt. Hon. L. E. SANDIFORD: I will take the note of what the Honourable Member for St. Thomas has said, and I will withdraw those remarks. But maybe we can find another way of describing the kinds of terms that have been used about me, Sir. Last year I was likened to or called an abortionist, and not an ordinary one, a back street one, and that kind of language was continued into the debate today when words like "after-birth" were used. I was called or likened unto an idiot by NDP spokesmen, I was told that I was obstinate. Well, that is a word that can be applied to lots of people; and then I was accused of squandermania. All kinds of terms, Mr. Speaker, you will admit that are not exactly complimentary. They certainly were not in praise of me, and if spokesmen from the other side have reached down into the vocabulary of the vituperative and the revulsive, well then that is their style of debate. We will have to ask why, because when I spoke I never used any such words about any Honourable Member in here, and it is about time that when we keep speaking about integrity and decency in debate in this Honourable Chamber, that that is demonstrated not merely by the assertion of the words but by the actual conduct in this Chamber.

One will have to ask why is this kind of language used in respect of the Prime Minister of this country? Why is it

used? Is it to promote the unbridled ambitions of those who are seeking to promote their ambitions? Why is it used? We have to ask these questions. Why is this approach being used? I heard -1 can call him my friend - the Leader of the Barbados Labour Party Opposition. He can say anything he likes about me. My shoulders are broad and I have been in politics too long to allow those who have not had that kind of experience to get me upset by the kinds of criticisms they have made.

I know when it comes from the Barbados Labour Party Opposition that the Leader of that Opposition genuinely has a lot of respect for me and I have for him. I like to see him as Leader of the Opposition, but what really causes people to sit up and think is when we can hear persons who have had a very great hand in moving him from being Leader of the Opposition get up and purport to speak on his behalf that he should speak immediately before I give my reply. We have to ask why was that kind of generosity singled out for the Leader of the Barbados Labour Party Opposition. His problem is that he would not listen to me. He keeps on attacking me and he gets the worst end of the stick. I never would have thought that my colleague who came into this Chamber with me would be on the floor of the House begging for a position in which he can speak, and he is still down that particular road now.

He wanted to fire everybody, well not quite everybody, only high-placed persons, like the Commissioner of Police, and now he wants me to resign. You had better take care that the person who has to resign next is not you. Mark my words. But we have to ask why that kind of political opportunism that we see in the politics of this country. Why should persons who have been arch critics of the late Prime Minister Adams suddenly be out praising him up front for having created 18 000 jobs? Why, may I ask? Why? I have never heard before, I do not recall any such praise given to that quarter before when certain members were on this side of the House. 8.25 p.m.

I have never heard it. I may be wrong, but I do not recall it; and praising the late Prime Minister Adams and the Barbados Labour Party Government for a programme of refurbishing hotels and for increase in cruise ship passengers! Why may I ask that kind of position being taken? We must recognise political opportunism when it shows its face, and the people of Barbados can recognise and see through those kinds of positions. So why the personal attacks? I believe it was Shakespeare in a play called Macbeth who explored the theme of vaulting ambition that overleaps itself and falls on the other. I will just warn those.

I heard the Honourable Member for St. George South say he has some friends over here, but he only mentioned two. He could not include me because he then proceeded to say some things about me, but I have always had a certain

soft spot for him, not in the way you think; I have always thought he was very misguided, and the Honourable Member for the City as well, and for Christ Church East; misguided, led by a misguided person, and that is becoming clearer day after day. What may I ask is it that the Opposition is complaining about and has been complaining about for the past two days? One thing is clear, that nothing that has gone on in here as far as their contributions are concerned have anything at all to do with what is going on in the public outside. They are disappointed, the two Oppositions, because I have not come into the House of Assembly with the kind of Budget showing the levels of taxation that they were expecting. That is what they are complaining about; that is what they are worried about. They were building up a case of higher levels of taxation in this country because they wanted to come in here then and create some big case of over taxation. That is what they were hoping to do. It did not happen and I have never seen such disappointment in the eyes of Members of the Opposition. It confused them, Mr. Speaker. They were bowled middle stump. So confused was the Honourable Member for St. Peter and so disappointed because he was programmed to make a particular speech, and when the basis for it was not there he still went through with the speech. The Honourable Member for St. Peter said that the problem is that I would not listen to anybody, and he is saying it at a time when the widest consultations that have ever taken place on a Budget in this country took place during the week preceding the delivery of this particular Budget. He is now saying that the consultations took place after the Budget was prepared, which is far from the truth.

I held wide consultations. I listened carefully and then I made up my mind and the decisions which I took were not pleasing to the politicians of the Barbados Labour Party in here and to the politicians of the National Democratic Party, because it did not suit the kinds of attack that they wanted to launch. That is all it is about, Mr. Speaker. I set up an Economic Consultative Council and I had representatives from the private sector and from the social partners, as the Honourable Member for St. Michael Central likes to refer to them, as part of the Economic Consultative Council. That is the process of consultation and it will be on-going.

Mr. SPEAKER: I do not want to require Honourable Members to be silent, but I may have to.

Rt. Hon. L. E. SANDIFORD: I wish to make it clear that I did not choose the representatives of the various bodies. They were chosen by the bodies and the Unions themselves; but that is in place, and it will be used for consultation and discussion of matter relating to the social and economic development of this country. That is what it is set up for and that is the kind of leadership that will be provided in this country -leadership through consultation, and it will be consensus leadership. That is how it will go and it will be deeper as well.

I indicated when I made the Financial Statement and Budgetary Proposals this year that I will be setting up an Economic Planning and Advisory Committee. I am proposing to appoint the following persons subject to their willingness to serve: Dr. Judy Whitehead of the Cave Hill campus as Chairman, Mr. Tennyson Beckles, Chairman of the Barbados Development Bank and Mr. David Bynoe, a private sector executive, three persons to discuss and advise on matters relating to the economic development of this country. Demonstration it is, Sir, of this need for on-going discussion and consultation and the broad discussions with the various economic groups and the social partners that will continue as well. So let not the heart of the Honourable Member for St. Peter be troubled; as I said he was so confused about consultation that he did not even realise what he was saying when he was saying that the consultation was not taking place. I do not listen. If he means I do not listen to him, he is not even right in that regard. I listen to him, but I would not agree with everything that he says or most things that he says, but he has the right to speak and he has the right to talk to me on matters. He gets a little upset when I have to touch him now and then, but I will say no more about him. 8.35 p.m.

He can rest for the time-being because he had an opportunity to influence economic decisions in this country and from the way he is speaking now, it appears that he has all of the solutions for the economic problems of this country. The only trouble is that either they did not work when he was in a position to influence them or they would not listen to him. I do not know which one it was, Mr. Speaker.

As for the leaders of the two Oppositions, they share something in common. They run away from problems. They share that in common.

The member for Christ Church West was a Cabinet member of the Barbados Labour Party Government 1976-1981 and then he ran away from that Cabinet responsibility.

Hon. H. deB. FORDE: On a point of order.

I expect the Rt. Honourable Member to be a little bit accurate because unlike some of the other members who are speaking sotto voce, he does understand political science and political history - he is very well trained in this and, therefore, he would know that persons do not run away from Cabinets. They either resign from Cabinets or they are not invited back into Cabinets at the particular time and he knows as well, if he would check the record, that after the 1983 period I became a Minister of State for a period of time at the time of the Grenada intervention. He has the Cabinet records.

Rt. Hon. L. E. S ANDIFORD: He either resigned or he was not invited back. I am not sure but he can choose which one. I am not really concerned about that.

As for the Honourable Member for St. Michael South central, it is clear. I really would not spend much time on him. It is known what action he took in this particular regard.

Mr. Speaker, a number of issues were raised, one relating to soft drinks. I do not remember which Honourable member raised that question about soft drinks.

Aside.

Rt. Hon. L. E. SANDIFORD: The leader of the NDP raised the question of the soft drinks. I wish to make it clear that the changes in the tax regime as it relates to soft drinks had nothing to do with any revenue raising measures.

There were certain adjustments done at the request of the industry and I am advised that most of the soft drinks in this country are sold in 12 oz., 10 oz. or 7 oz. bottles and that the changes should have very little effect on the prices of those particular drinks. If there is any change, perhaps, the change should be in the direction of the prices coming down rather than going up but there should be little effect. That is what I am advised.

Approximately 10%, I am advised, go on what are called the Pep bottles and that is the information which I have but what we should realize is that this is a Government which listens to the representations and we will listen to the representations both of the manufacturers and the consumers and if any change is indicated we will do that after consultation. I would like to make that point but this was not a revenue raising measure.

As far as the Budget presentation is concerned, I do not think that I will spend much time on that because there is no pure way of presenting Financial Statement and Budgetary Proposals. It is the Minister of Finance who determines the form and content of the Financial Statement and Budgetary Proposals.

When the Leader of the NDP has his people's Parliament, he can present the Financial Statement and Budgetary Proposals as he sees fit. So long as I am Minister of Finance and Economic Affairs, I will present it in the way that I see fit. That is what economic leadership is about.

The fact is, from whatever point you start, you have to end up at the bottom line of the financing requirement. You have to end up at that particular point and whether you have amortisation in on current revenue at the start, whether you

have it at expenditure or you take it out at that particular point, it has to be taken account of and if you do not, you will not be understanding what it is all about.

You can carry a bemused look on your face. You can keep that bemused look because your particular concept of how the finances of this country should be structured and your particular approach to these problems are not the crucial factor at this particular time. 8.45 p.m.

I am not speaking about you, Mr. Speaker. I know you simply listen to the Debate and keep us on track on the particular matter.

The fact is that if we did not take the steps which we took last year, we would have had to meet an even higher debt profile. And when we talk about debt, that brings me to another problem because when I hear about over taxation and taxable capacity and tax ratios and so on, it seems to be forgotten that in this year, we have to look for money to pay the public officers and those in the statutory bodies at a higher level than we had to look before the salaries settlement or determination, as reached. The problem has not gone away. We have to find a higher level of funding for that particular purpose. We still have to look for it. We have to look for it and we have to do it every year. Thirty million dollars additional estimated in the first year and \$40 million in the second year. Do not think that because the settlement or determination was reached that that was that and we do not have to raise the money any more. Every year now, we have to raise that money. So those who want to try to deceive people into thinking that we do not have to raise taxation are simply trying to mislead the people.

And let us remember that in this particular Financial Year, we have to look for a substantial sum of money to pay for higher amortization. We have to find the money to meet the repayment of the principal of some of the loans, not incurred by the Democratic Labour Party, but by the Barbados Labour Party Government, those who are talking so much. I believe it jumped from something like \$60 million approximately, I am speaking from memory, to about \$140 million that we have to look for to pay amortization in this current year. We have to find it. So to give the impression that we do not have to raise revenue and that if we raise revenue, we are over taxing is to turn a blind eye to the realities of the situation. Eventually you either make a contribution towards what we do under current and capital account, partly out of our own efforts and through borrowing or you do it substantially out of borrowings which feeds back into the question of higher interest payment for this generation and for future generations. We have tried to strike a balance in these matters.

And I think the people of this country understand that what the Democratic Labour Party Government has been

trying to do is to exercise prudence in the management of the affairs of this country. That is what we have been trying to do. And we are up against a situation in which our inheritance has been such that unless we are very careful, we will run into a situation that other countries have run into. So it calls for prudence, it calls for self-reliance and it calls for courage, yes courage, and economic leadership. And that is what this country is getting. It is getting that. And in spite of all the carping criticism, this Government will not be deterred from the mandate given to us, not by defections and not by the criticisms of the Barbados Labour Party Opposition.

I think it needs to be said, Sir, that this country is very fortunate that in spite of the traumatic experiences that it has gone through as a nation that we have been able to follow the path of good sense and through very safe driving....

Aside.

Rt. Hon. L. E. SANDIFORD: have been able to keep on the right side of the road and continue to attract favourable comments about our political economic social development.

Aside.

Laughter.

Rt. Hon. L. E. SANDIFORD: Mr. Speaker, the problem is that there has been disappointment, disappointment among the Members of the Opposition. Just take a look at them, Sir.

Aside.

Rt. Hon. L. E. SANDIFORD: Disappointed.....The Leader of the Opposition can only manage a smirk. Sorry. He has gone serious now. Disappointment because there was not a heavy dose of taxation on this occasion.

Aside.

Rt. Hon. L. E. SANDIFORD: And yet, Sir, we know that he was given, on behalf of the Democratic - the Honourable Member for St. Michael South Central, he spoke about after birth - he was given a set of Proposals to implement on behalf of the Democratic Labour Party. And on his own judgement, he thought or he decided or he determined that that meant that all of these Proposals had to be implemented in three months or in a period soon after that - one year he said, yesterday. A whole set of proposals! 8.55 p.m.

This is no secret, Mr. Speaker, no secret at all. In the year after that he had to come and raise \$51 million approximately, or \$51.9 million in the year after that

including increases in Consumption Taxes. But if any other Minister of Finance increases taxes or has to raise money, something is wrong with that. It is not to his particular liking so something is wrong with that.

I think we will expose these particular inconsistencies. We will expose them. I make it abundantly clear that these were the proposals of the Democratic Labour Party Government. We were given a mandate to implement the proposals over a 5-year period. That is the normal period unless you have information that I do not know about. There are still proposals we have in here to implement. I give the assurance that we will continue on the path for the implementation of these proposals.

Mr. D. A. C. SIMMONS: On a point of order, Sir. I really do not want to interrupt the Prime Minister.

Rt. Hon. L. E. SANDIFORD: Well, you see I did not interrupt you when you were speaking.

Mr. D. A. C. SIMMONS: But Mr. Speaker, Sir, he is misleading the whole House of Assembly and the whole country. I have the DLP Manifesto here, Sir - "Page 4 - First order of business. A DLP Government within 3 weeks of a general election will implement a new fiscal arrangement." It runs from Page 4 to Page 6, nothing about 5 years, Sir. That is what people voted for.

Asides

Rt. Hon. L. E. SANDIFORD: Mr. Speaker, you can interpret that as you want to interpret it. I am saying that a Government that is elected has a period of 5 years within which in our system, to implement its proposals and you have to know what implement means. If you do not have the experience to know how to do these things, we will end up in the kinds of problems that we ended up in and then I had to take corrective action in order to seek to get us out of that particular bind. Those are the realities of the situation. But Mr. Speaker, let me make the point. Last year in my Financial Statement and Budgetary Proposals I made certain commitments in terms of where I thought the economy should go. I said that we would seek to sustain the Balance of Payments at a level that an independent country such as ours with a small open economy could bear. I spoke about employment and I spoke about the rate of growth. I made certain statements then and the proof of the pudding is in the eating.

If today I had heard from the Opposition that we had failed in our targets, then I would have said that this is a just criticism. If I had heard that we had failed to create one single new job, then I would have said that we had failed. But the problem is that it is the success of the proposals that is causing concern. The dire predictions of calamity in the economy have not materialized and that is a source of embarrassment. I promised a surplus on the Current

Account and some contribution to Capital Development. This Democratic Labour Party Government achieved that. We achieved that. We promised that there would be real growth in the Gross Domestic Product. We achieved that - a rate of 3.5%. We promised that the Balance of Payments would be improved. We achieved that. We promised that inflation would be contained within moderate limits. We achieved that. We promised that we would maintain a basic human needs approach. We have repaired the roads and it is the first time in my experience in this Honourable Chamber that I have seen the Members of the Opposition almost all to a man doing obeisance to the Government for having repaired the roads and built the roads and so on. Almost all of them got up and did obeisance to this Government.

Asides.

Mr. D. A. C. SIMMONS: On a point of order, Sir. I do not want that to go down in the records that I said that, not me. In my speech, I never mentioned anything about roads. They do not repair the roads for the people in St. Thomas. 9.05 p.m.

Asides.

Rt. Hon. L. E. SANDIFORD: Surely the Honourable Member for St. Thomas knows that he had many roads done when a bye-election was taking place and after that. That is the position there.

I said almost all paid obeisance to this Government through the Minister of Transport and Works for the good job that the Government is doing, and asking for more as well. In the same voice they are asking for more to be done, they are talking about crippling taxation. How inconsistent can you be? I think the people of this country understand.

We have put our Capital Works programme in place, we have given increases to the old age pensioners for the second year in succession, and there has been a turn around in business and in manufacturing. What more is being asked by these two Oppositions of this Government? What more, may I ask?

We have worked tirelessly in the interest of this country and now in this year we are looking at the productive sectors of the economy, listening to the spokespersons in those sectors and seeking to address any difficulties in those sectors, and they say that we are doing nothing. Did they take the measures that we are taking now? Have they removed those particular obstacles to development that we have started to dismantle? Positive steps in the area of tourism, as the Minister of Tourism indicated, in accommodations, in ground transportation and in other areas. We have started to take the steps in manufacturing to meet the concerns that the manufacturers themselves have spoken about. In agriculture we have started to meet the concerns that people in that particular

sector have been expressing, and the only word I can hear about is tokenism.

They are determining how the funds provided are to be spent and they are going to come to their own conclusions. When I say "they" I mean, Sir, the two Oppositions in here. We will work out the package and the details in consultation with the industry, and when we have come to a consensus we will work on it for the implementation of those proposals, and we will then seek any further developments that may be necessary, but no one is going to stampede us into taking action which they themselves did not take but can only come now and offer criticisms.

Mr. Speaker, we have a very great task ahead of us in this country. We have to draw upon the sources of our history, we have to realise that all of us in this country have a living to make in this country and we have a social and an economic and political responsibility to pull this country together on the basis of social justice, on the basis of equity and on the basis of clear objectives, human rights, democracy, parliamentary government, to create a situation in which all of our people can contribute towards national development and can improve the quality of their lives.

I am not going to deal in any detail with the ten or so questions that the Leader of the Opposition raised. He knows if he has questions to ask what is the proper forum within which to ask them. He should know how to ask the questions, but let me say that as far as the hotel sales and restaurant tax is concerned, that need not go up in terms of tourist expenditure in the same proportions. In fact, it would not go up in the same proportions as tourist expenditures, because the expenditures are not limited to those particular areas. That is a fact. The Central Bank is on the basis of a calendar year and I am merely stating that because tourist expenditures go up at a certain rate it does not necessarily mean that the receipts from that particular tax will go up in the same proportion. What I will admit is that in terms of the fiscal year it shows that there have been increases. If you check the relevant documents you will find that it shows increases. 9.15p.m.

I do not think that even the Leader of the Opposition would expect that I would seek to answer those questions on this occasion, but you can be assured that we will deal with them in due course.

Asides.

Rt. Hon. L. E. SANDIFORD: I think I said so, but let me correct it. He still believes he is Leader of the Opposition. Didn't you hear him arguing today? The

Leader of the second Opposition. We will answer those questions in due course if the Honourable Member persists with them.

I think, Mr. Speaker, that there is very little left for me to respond to. I am not going to take up the criticisms of the Members of the NDP. I have said that they are misguided and in time they will see the error of their ways and I leave them to deal with that particular situation.

I am happy, Sir, to commend the Resolution which I introduced to this Honourable Chamber for the favourable commendation of Honourable Members and I am sure that even now the people of this country are satisfied that in the circumstances this Democratic Labour Party Government in this particular Financial Statement and Budgetary Proposals have not only sought to deal with the question of the revenues and expenditures current and capital, but that we have sought to deal with stimulating the productive sectors of the economy, and that this is the beginning of future developments and the further progress of this country.

I therefore commend the Resolution to this Honourable Chamber.

The question that the Resolution do now pass, was put and was resolved in the affirmative, the House dividing as follows:

AYES: Rt. Hon. L. E. SANDIFORD; Hon. P. M. GREAVES; Hon. B. M. TAITT; Hon. E. E. GREAVES; Hon. W. O. FRANKLIN; Hon. H. A. BLACKMAN; Hon. N. K. SIMMONS; Hon. W. W. HALL; Hon. Dr. D. G. BLACKMAN; Mrs. M. BARKER-WELCH; Mr. L. LJ8RATHWAITE; Mr. C. L. TROTMAN; Mr. J. J. PAYNE; Mr. R. L. MORRIS; Dr. E. A. SIMMONS; Mr. C. A. NEBLETT and Hon. M. A. KING -17.

NOES: Dr. R. C. HAYNES; Mr. R.P. BYER; Mr. P.J.M. MILLER; Mr. E. BOURNE; Hon. H. deB. FORDE, Mr. D.A.C. SIMMONS and Mr. O. S. ARTHUR - 7.

THE ADJOURNMENT

Hon. P. M. GREAVES: Mr. Speaker, I beg to move that this House do now adjourn until Tuesday, 23rd May, 1989, at 12 o'clock noon.

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

The question was put and was resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly. 9.22p.m.

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South) BOURNE, Mr. E. (Christ Church East)
BRATHWAITE, Mr. L. L. (St. Michael North East)
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Hon. B. M. (St. Michael West) THOMPSON, Mr. D. J.
H. (St. John) TROTMAN, Mr. C. LeR. (St. Michael
Central) WEEKES, His Honour L. A. (St. Michael
North West)