

THE

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 1986-91

HOUSE OF ASSEMBLY

Tuesday, October 23, 1990.

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

PRESENT

His Honour L. A. WEEKES, G.C.M, J.P., (Speaker)
His Honour J. J. PAYNE, (Deputy Speaker)
Rt. Hon. L. E. SANDIFORD, B.A., M.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. 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 Education and Culture)
Hon. C. V. WALKER, (Minister of Education and Culture)

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, Ministry of the Civil Service)

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

Mr. P. J. M. MILLER

Mr. R. P. BYER, LL.B.

Mr. D. J. H. THOMPSON, LL.B.

Prayers were led by Rev. Father Ivan Hare-wood.

Mr. SPEAKER: The House is in session.

MINUTES

Mr. SPEAKER: The Minutes of Tuesday, October 16, 1990.

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 October 16, 1990 be taken as read and confirmed.

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

Mr. SPEAKER: There being no other observations, then let those Minutes stand confirmed.

MESSAGES FROM HER EXCELLENCY THE GOVERNOR-GENERAL

Mr. SPEAKER: Message No. 9/1990 from Her Excellency the Governor-General to the Honourable the House of Assembly reads as follows:-

"Her Excellency the Governor-General has the honour to inform the Honourable the House of Assembly that she will be absent from the country during the periods October 26, 1990 to November 1, 1990 and November 13 to November 26, 1990 on private visits to the United States of America and Jamaica respectively.

Under the provisions of Section 29 (IB) of the Constitution the Chief Justice, the Honourable Sir Denys Williams, GCM, will perform the functions of the office of Governor-General during the periods of Her Excellency's absence."

PAPERS

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

1. Report on the Audit of the Accounts of the Auditor General's Department for the financial year 1988/89.
2. Annual Report and Accounts of the Barbados National Bank for the year ended December 31, 1989.

Hon. H. A. BLACKMAN: Mr. Speaker, I am commanded to lay the following:

1. The Annual Report of the Child Care Board for the period April 1986 to March 1987.
2. The Auditor's Report of the Child Care Board, Statement of Receipts and Payments for the year ended March 31, 1987.

GOVERNMENT NOTICES

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

1. Resolution to grant the sum of five hundred thousand dollars from the Consolidated Fund and place it at the disposal of the Government to supplement the Estimates 1990-91, Part I Current, as shown in the Supplementary Estimates 1990-91, No. 6, which form the Schedule to the Resolution.
2. Resolution to grant the sum of two million, five hundred thousand dollars from the Consolidated Fund and place it at the disposal of the Government to supplement the Estimates 1990-91, Part II, Capital, as shown in the Supplementary Estimates 1990-91, No. 7, which form the Schedule to the Resolution.

ORAL REPLIES TO QUESTIONS

Hon. C. V. WALKER: Mr. Speaker, I beg to give notice that the reply to Question No. 110 is ready.

ORDERS OF THE DAY

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

SUSPENSION OF STANDING ORDERS

Hon. P. M. GREAVES: Mr. Speaker, I move that Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44 be suspended for the remainder of today's sitting.

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

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

Mr. SPEAKER: Order No. 1.

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

On the motion of Hon. P. M. GREAVES. Mr. SPEAKER left the Chair and the House went into Committee of Supply, Mr. L. L. BRATHWAITE in the Chair.

COMMITTEE OF SUPPLY

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

RESOLUTION TO AMEND THE EXPLANATORY NOTE TO HEAD 34 - MINISTRY OF EDUCATION AND CULTURE

Hon. C. V. WALKER: Mr. Speaker, Sir, under Head 34, Object 25, Subhead 15, an amount of \$44 094 was recorded in the Estimates with a note that the item included provision to purchase filing cabinets, desks, washing machines, lawnmower, refrigerator and chairs. This is to be divided between Summervale and Dodds.

The Ministry of Finance has advised that we should amend the note to read that the provision be required to purchase the following items for the Industrial Schools identified under Summervale: a lawnmower, television set, dial wall clock, metal chairs, refrigerator, solar systems and for Dodds a lawn tractor, metal desk, standby generators, fire hose reel and a broiling pan gas kettle. 12.25 p.m.

Sir, while we are on the whole question of the schools - and no doubt we are all aware that there is, has been, and I guess will continue to be, discussion on the whole question of schools - I want to make one point to clarify one issue.

As far back as 20th September, 1976 there was a request to the then Minister of Education from a parent stating that the daughter was taken twice to the school, to be specific, and that particular school was St. Michael, and that the Head Teacher had refused to admit her into school. On 29th September, 1976 there was a request by the Head Teacher and the Chairman of the said St. Michael for an opinion on the wearing of the non-standard uniform - that is, pants or pantaloons as they were referred to. On 30th September, 1976 the advice from then Permanent Secretary, Ministry of Education was to admit the student pending legal opinion. On 11th October, 1976 the Chief Education Officer, not the present one, sent the following to the Chairman of the Board:

"I am directed to inform you that the Minister has concluded and given directions as a matter of policy that the student should be admitted into school immediately. He considers recourse to legal opinion superfluous."

Sir, that policy was then established, that is still the policy and there has been no change to the policy. Several students have passed through the school system in those 11 years.

I want to make the point also, Sir, that it is interesting that the Chairman of the present school involved was then the Chief Education Officer, so there is knowledge of the fact which was on record for the past 11 years.

On the other issue with the present Chief Education Officer, I would only say that I have instructed the Chief Education Officer that the debate should stop and we should now get on with the whole question of educating the people's children and dealing with education within the system.

Sir, with those additional comments, I beg to move that this Resolution do now pass.

Hon. B. M. TAITT: Sir, I beg to second that and reserve my right to speak. You do not need it in Committee anyhow.

Dr. R. C. HAYNES: Mr. Chairman, the introduction by the Honourable Minister of Education was very interesting. It is to be noted that he took the opportunity, whilst introducing this particular Resolution, to state his Ministry's policies on two areas. One, the conduct and statements of the Chief Education Officer, and secondly, the policy of the Government in relation to the admission of

pupils to schools wearing non-standard uniform. I believe they were the two significant policy statements made by the Minister with the utmost brevity and he did not seek even to address the issues involved, other than to say that it was the Barbados Labour Party in 1976 which introduced the policy of ministerial direction in relation to admission of pupils to schools in circumstances where there was an issue relating to non-standard uniforms.

Now, Sir, the Honourable Minister has obviously tried to avoid dealing with the area of equipment and furniture in the schools of Barbados. I would like to bring to his attention the concerns of the National Democratic Party about reports which are emanating from schools throughout the country about leaking roofs, where teachers have had to borrow buckets and bring into the schools in order to collect the water that was collected in the schools, and children had to be huddled up in parts of a classroom and so on to avoid getting wet.

There are also repeated complaints of defective furniture or the absence of adequate furniture and equipment in our schools. Many of our schools have broken windows, some have defective floors and many are very rapidly going into a state of dilapidation. I would have hoped that the Minister would have given some indication as to what the policy of the Government is, when one bears in mind that either the Permanent Secretary or the Acting Permanent Secretary in that Ministry recently in an interview indicated that the vote for maintenance of schools was substantially slashed.

Hon. C. V. WALKER: Mr. Chairman, on a point of order and just to clarify that statement. I think in all fairness it must be clearly stated that the Permanent Secretary was misquoted. He never stated that any vote was slashed or cut.

Asides.

Hon. C. V. WALKER: He did not say that. It does not matter what you thought.

Asides.

Mr. CHAIRMAN: Order!

Dr. R. C. HAYNES: It would appear, Sir, that there are 250 000 deaf people in Barbados, or people with defective hearing. The point is that the Minister of Education acquiesced in the slashing or cutting or whatever you like in funds allocated for the maintenance and repair of schools.

Hon. B. M. TAITT: On a point of order, Sir. The Honourable Member, the Leader of the Opposition, is misleading this House. The Honourable Member sat as a Minister of Finance and he knows exactly how estimates are done. He was the biggest slasher there ever was, and for

him to suggest that any Minister acquiesced in the slashing of any kind of money is misleading, and I think the Honourable Member should know better.

Dr. R. C. HAYNES: Mr. Chairman, I accept the strictures of the Honourable Member. All he is doing is inviting me to direct attention to where the comments should be made. I am saying that the Honourable Member for St. Michael West has just indicated the procedures in terms of voting in this House. What he is in fact saying is if you are going to blame anyone, blame the Prime Minister and Minister of Finance. That is in fact what he is saying.

Hon. B. M. TAUT: I said no such thing, Sir. Mr. Chairman, he just talked about defective hearing.

Mr. CHAIRMAN: On what has the Honourable Member risen?

Hon. B. M. TAITT: On a point of order, Sir. I am unaware that there is anything wrong with the equipment in here and therefore he must have heard what I said. I stated categorically that he was a Minister of Finance who used to slash. I never said anything about the present Minister of Finance at all.

Dr. R. C. HAYNES: Mr. Chairman, I said the Honourable Member is speaking the truth. I accept that I used to slash unreasonable requests. That is, a fact. It is also a fact that based on what the Honourable Member rose and said he made it quite clear that I should not be blaming the Minister of Education exclusively, but in point of fact I should be blaming the Minister of Finance and the Prime Minister of this country for the state of the schools in Barbados. However, Sir, I take his point, I understand what he is saying, but nevertheless he still cannot escape the principle of collective responsibility, in that he is also part and parcel of the slashing of the Education vote and have the rain pouring down on our children in schools. 12.35 p.m.

This is something that must be discussed in the public domain. This is what democracy is all about - People's feelings in order to emerge ... and for people to develop orderly within a society, that is, a democratic society, it is important that these things be aired so that everybody comes to a consensus as to the role as to what minority groups...

Hon. B. M. TAITT: On a point of order. The Honourable Member is obviously committed to a long stay today. He has obviously come prepared for the works. He wishes to follow somebody else. He feels left out because he has not had any press at all this week so today is his. He gets up now and says, Sir, that we have collective responsibility for slashing. Two weeks ago and all through Barbados he was saying that we have collective responsibility for squandcrmania now we have collective

responsibility for slashing. We don't know how to satisfy the Honourable Member.

Dr. R. C. HAYNES: Mr. Chairman, quite clearly the Honourable Member intends to occupy two-thirds of my speaking time and I understand the tactic. That is a tactic, Sir and I am quite sure that you will make the appropriate adjustments when the time comes.

Mr. CHAIRMAN: What I would say to the Honourable Member is that if he sits again without my giving any other permission to raise a point of order then I will have to consider that you have concluded your speech.

Dr. R. C. HAYNES: The fact that I may sit without your indicating that is an indication of my excessive politeness, Sir. If I may continue, Mr. Chairman, the Honourable Member also raised the very critical issue of certain undisciplined statements made by the Chief Education Officer. I believe, Sir, that those statements were unfortunate and I am certainly pleased to hear that the Minister has asserted his authority in bringing the debate to an end, at least as far as he can control it on his side, that is, in terms of the directions to the Chief Education Officer and I think, Sir, that it is an experience which should teach us a lot.

I have been practising medicine in Barbados now for nearly a quarter of a century and I am not aware of there being a higher level of alcoholism among school teachers than among any other group in this society. I am aware, Sir, that alcoholism is a problem affecting all groups in Barbados in small numbers and I would strongly advise that if (and this for any group in government or outside government) a problem of alcoholism is identified, then the way to deal with it is to ensure that proper professional help is obtained and that a program be established to deal with the problem and to deal with the individuals.

I recognise, Sir, alcoholism as not an act of worthlessness but as a disease, that it has a specific connotation and a specific definition and therefore those persons need our help and not our castigation because that does not help and if the problem surfaces anywhere within the public or private sector, then that should be the approach. Nor, indeed, Sir, should persons who are the victims of alcoholism be written off, because many of these persons are very valuable citizens.

For example, Sir, one of the finest surgeons that I have ever known was an alcoholic and at the end of the year he did more operations and had a shorter waiting list than anybody else in the hospital. This is not in Barbados. This is outside of Barbados. So, we have to be very careful how we use the Queen's English, because you can make a loose statement and tarnish the name of a whole lot of people. Particularly, where children are involved in a school system it is a very dangerous thing to do, because then you further

undermine the relationship between children and teachers and I believe that it is quite unnecessary for the Ministry to have gone down that route and I am very pleased to hear that the Minister has taken some action.

- It is not surprising, Sir, that he took this action now, because I had to go to Market Hill on Sunday night and call on the Minister to assert his authority and point out to him the areas in which he should be functioning as a Minister. Now, Sir, I believe, Sir, that our Prime Minister will understand the potential damage of that kind of thing. And I hope, Sir, that the teachers in Barbados would deal with the matter as professionally as possible. We realise that they are hurt. We understand why they are hurt. We sympathise with their hurt but I hope that having taken a position, that they would now join in putting the interests of the children before all else and above all. I hope that there is a resolve in the Ministry to deal with this kind of problem far more efficiently.

On the question, Sir, of uniform. Taking a decision to admit or not to admit a person to a school because of a problem with dress and then referring the matter for legal opinion, makes no sense to me. If from the very outset when the problem arose the Minister had indicated to the public that it is the policy of his Ministry to continue with a policy that was established in 1976, then quite clearly there would have been no problem. What has happened now, Sir, is that we have had a public demonstration of the Ministry undermining the authority of the Headmistress in that school. That is not good for education. It is not good for the children. It is sending the wrong signals out there. I believe that what is coming across here is a lot of bungling and inefficiency in dealing with these issues. For the Minister to come in here and say today that there need not have been a problem because there was a policy in his Ministry, all he had to do right at the very beginning was to communicate that policy to the Headmistress of the school and state so publicly. Now we have had a lot of business of the kid being kept out of school, then the kid being allowed to go to school under direction from the Ministry and now the Minister comes in here and says that all that was unnecessary because the policy was that the kid could have come to school from the very beginning. What sort of madness, is this, Sir? What kind of leadership and direction is being given to this country in the critical area of education. Are you coming to say today that you know that that was the policy all along and that you allowed this to develop in the circumstances? Were you not aware of the policy at the time? These are serious matters because it seems to me that if that is a possibility the Headmistress might not have been aware and what makes it worse the present Chief Education Officer was at the school as Chairman of the Board of the school. Sorry, I thought he had said the Chief. What comes across is that the Minister may not know what the policy was. The Chief Education

Officer did not know and the schools do not know what the policy was. 12.45 p.m.

It is quite clear that there was no known policy....

Mr. CHAIRMAN: Your time has expired.

Dr. R. C. HAYNES:...and a policy now has been found in the archives and brought in here today as Government policy.

Mr. CHAIRMAN: Your time has expired.

Dr. R. C. HAYNES: Thank you very much, Sir. I will be back again.

Dr. E. A. SIMMONS: Mr. Chairman, my intervention is going to be short. I really cannot understand what the Leader of the Opposition is raving and ranting about. Anybody who follows socio-dynamics in any country and have a modicum of recollection and intelligence will understand that what we see happening in Barbados with respect to a student from what is considered a minority group trying to assert its rights is not a phenomenon peculiar to Barbados.

If you look at what has happened in the United States, and if you look at what has happened to the Police Force in Great Britain over the past few years where minority groups, having joined the Police Force, have asked for their rights....

Mr. CHAIRMAN: I am not supposed to be hearing voices across the Table.

Dr. E. A. SIMMONS:... to maintain part of their traditional wear and that permission has been granted to them.

Those of us who follow what is happening in the world today, if we look at Canada and recognise that in a country as big as Canada where the Indians have shut down a particular bridge because of what they consider their basic fundamental rights as the indigenous people of Canada would recognise that this phenomenon is not new.

The way to deal with it is not as the Leader of the Opposition says that one man gets up and ordain that something should be done. This is something that should be discussed in the public domain. This is what democracy is all about. Let people's feelings emerge. It is important that these things be aired so that a consensus is reached as to what minority groups in a particular setting are entitled to. This is not a phenomenon new to Barbados. I really do not understand how people of certain intellect could consider

this to be a great gigantic fault made by somebody. This is what is happening in all emerging countries.

Dr. R. C. HAYNES: Mr. Chairman, on a point of order. Quite clearly the Honourable Member is misleading this Honourable House. I have not even spent any time dealing with the merits or demerits of the case. I have dealt with the fact that the Minister has today informed this House that it was his Ministry's policy since 1976 to deal with these matters by admission to schools and that the Minister quite clearly did not know what his Ministry's policy was, or failed to implement the policy, and has caused a lot of difficulties and embarrassment for a whole lot of people. That is the point that the Honourable Member should address.

Hon. C. V. WALKER: Mr. Chairman, on a point of order. I do not intend to prolong this debate. However, since the Leader of the Opposition is trying to make the point that there was no policy or no knowledge of policy, I would advise the Leader of the Opposition only to check that other Principals knew and in the present school system in numerous schools there were students already attending. The whole public knew that.

Dr. R. C. HAYNES: On a point of elucidation, Sir. Is the Honourable Member trying to suggest to this House that he knew, the public knew and members of his...

Mr. CHAIRMAN: Can I ask the Honourable Leader of the Opposition....

Dr. R. C. HAYNES: I am on a point of elucidation.

Mr. CHAIRMAN: The Honourable Member for St. Michael South East is addressing the Chamber. Anything you are elucidating has to do with what the Honourable Member is addressing the Chamber on.

Dr. E. A. SIMMONS: Thank you, Mr. Chairman. I, was just making the point. I was not talking about merits or demerits. I am talking about what is a phenomenon in socio-dynamics within any country. All that is happening in Barbados is that people who consider themselves to be minority groups are attempting to assert their rights as is done in all other free societies. People have the right and I think it is a healthy sign when we can discuss these things in the public.

There is no need for any Minister or any Chief Education Officer to mandate something. Let the people discuss the matter and let there be a decision on the issue. I really do not understand how it can become a big talking point within Parliament. I think it is a very healthy expression of what is going on in this country.

I thank you, Mr. Chairman.

Hon. B. M. TAITT: Mr. Chairman, I feel that it is necessary for me to participate in this debate if for no other reason than to discuss the issue of ministerial responsibility. If the Honourable Member for the City had made the speech which the Leader of the Opposition made, one could forgive him because he has no ministerial experience and therefore, might not be fully seised with how the system works.

The Leader of the Opposition has been a Minister and he knows how the system works. Now, if anyone would go and discover a policy that was implemented in the Ministry of Finance in 1976 and had not been changed right up to the present, the Honourable Member would not wish anyone to suggest that he was not aware of what the policy was in his Ministry when he was Minister of Finance.

I make the statement, Sir, that if a Minister of Education sends out a policy and states that it is policy in 1976, that a Headteacher of a school in that system is presumed to know what the policy is unless it has been changed. If a Board of Management....

Aside.

Hon. B. M. TAITT: I am not blaming anybody. I am blaming the Leader of the Opposition for trying to mislead the country. The Leader of the Opposition is taking the opportunity of a hiccup in the system to give the impression that the National Democratic Party has pondered this matter in the gravest way and they are now pronouncing a policy as he comes in here.

Dr. R. C. HAYNES: On a point of order, Sir. There is no question of any pondering. I was taken by surprise this morning to hear that the Minister knew all along that there was a policy since 1976.

Hon. B. M. TAITT: Any time you hear the Leader of the Opposition say that he is surprised, you, Sir, and all of us should become surprised. The last thing anybody would do in the political arena is surprise him with salacious material that he can use for political purposes. He is not surprised.

Aside.

Hon. B. M. TAITT: You do not have the capacity to be shocked. The point is that there are many policies in the ministerial system which remain unchanged which means that the Government of the day finds no reason to change the policy.

It is a fact that another minority group in Barbados has been wearing a variation of uniforms in this country for some considerable time.

Aside.

Hon. B. M. TAITT: Yes, some of my constituents. They have a variation of the Queen's College uniform. I always knew about the policy. I knew policies which I knew and you would not follow. We spent a lot of time trying to get you educated to policies and you would not follow them.

Dr. R. C. HAYNES: On a point of order. The Honourable Member has been clearly most disloyal to his Cabinet colleagues. What he is telling this House now is he knew all along that it was policy and did not even tell his colleague.

Mr. CHAIRMAN: That is not a point of order.

Hon. B. M. TAITT: I am saying, Sir, that not only I knew the policy. The only person in Barbados who did not apparently know the policy was the Leader of the Opposition and his Deputy.

Aside.

Hon. B. M. TAITT: Well, you do not know anything so I do not have a problem with you at all. You are my friend.

The point is, Sir, that we must not now make heavy weather of the fact that the Honourable Member is able to demonstrate that a former Minister of Education sent out a policy in writing. He said as a matter of policy, this is what will be. Therefore, the Teachers' Unions, the Headteachers' Union, the Parent/Teachers' Associations, everybody would become seised of the policy.

When the issue arose, as my colleague from St. Michael South East said in the newspapers, one examined it to see how it differed from the issue when it had been raised some 10 years before. 12.55 p.m.

I examined it, for example, and the Honourable Member examined it. What we discovered is that there was a slight variation, in that a particular headdress was being requested to be worn. Those are matters to be discussed and settled between the management of the school and the parents of the child until such time as it is determined that ministerial intervention is necessary. So to expect the Minister from day one to be jumping in and getting involved in a policy position that he and everybody else knew basically to be the norm...

Aside.

Hon. B. M. TAITT: The Honourable Member is now suggesting that the Minister should have got involved from the very first day. These are matters in the schools. One of the things that we must do in this country is to recognise that the ordinary people have a stake in the system, that

they can participate and they are sufficiently right to articulate their positions, which may not necessarily agree with positions that other persons have, including the Government.

Aside.

Hon. B. M. TAITT: That is not anarchy, that is democracy. The NDP is now over there asking if I want anarchy. For calling to allow the people to participate,, the NDP is saying that that would be anarchy. One can only conclude that the NDP would want dictatorship. In any case it would be some considerable time before anybody pays serious attention to what the NDP would require. I am not now discussing that, I am discussing the necessity for us to understand that the people of this country can participate in matters to do with how their children are to be schooled, what kind of health they are going to have. They have a right to participate.

Dr. R. C. HAYNES: On a point of order, Sir. The Honourable Member is going down a line. We have not questioned the rights of people to participate. I am quite sure that if the Honourable Member was Minister of Education, from day one he would have drawn to the attention of all the people in his Ministry and the Headmasters throughout the country what was the policy of the Ministry. I am quite sure he would have done that; from day one. There would be no necessity for ministerial intervention, all that would be necessary would be to draw attention and say "this is the policy in force since 1976 and my Government subscribes to that." You would have done that next day. Deny it!

Hon. B. M. TAITT: Sir, the Honourable Member is not going to draw me with any red herrings by whatever size. Trying to suggest what I would have done if I were in some position does not move us anywhere. The fact is that the present Chairman of the Board was in fact seised of the policy since he had been participating in the policy decision at the time it was made. If the Honourable Member was listening and was being fair, he would recognise that if he was the Minister and he knew that the Chairman was aware of the policy, that he would not even have bothered to look at it. It is only when the issue seemed to be getting to a different stage that the Minister determined that he wanted the matter settled in a particular way, and he brought the information to this Honourable House to satisfy the Leader of the Opposition and the rest of the population of this country that there was no change of policy, because throughout the length and breadth of this country people were given the impression that the Minister had somehow implemented some new, dangerous, wicked policy that would permeate the system and change it. All the Minister has sought to do is to demonstrate that he has done no such thing, and what the Leader of the Opposition is seeking to do is to divert attention from the fact that the Minister is saying he is continuing the policy; there has been no

fundamental change. The Leader of the Opposition is trying to divert attention from that and to give the impression that the Minister has reacted in a different manner, and the only way he can twist this matter around is to try to give the impression that the Minister did not know what the policy was and discovered it.

Aside.

Hon. B. M. TAITT: Did you ask him? The Honourable Member studied classics and he knows about rhetoric. Now he is saying that he only asked him. I put it to Your Honour, Sir, that the only body in here who knew it was a question was the Honourable Member. The Honourable Member asks questions in such a manner as to state them as categorical facts. That is why people have this impression that he prefers impressions to facts.

Sir, I thought I would join in this debate to establish that persons who have been Ministers ought not to be giving the wrong impressions to the population. When the Honourable Member is talking about sending signals, he has to understand that he has a special responsibility when once he has been a Minister not to mislead on the question of collective responsibility, not to mislead on the question of ministerial methodology. We may disagree on policy, but we must not seek for political purposes to give the public the impression that there are two, three or four kinds of ministerial systems.

Two of the Honourable Members on the other side have been Attorneys General. They will be the first to tell the Honourable Member that they found policies in place which they considered to be efficacious and left them, and other Attorneys General that followed them found policies in place which they considered to be efficacious and left them. We must not give the public the impression that we had knee jerk reactions and Ministers are people up there playing like puppets who pull at strings, pull off wings and call up people to discuss trivia.

The issue that arose was made into a massive issue because of the democracy which exists in Barbados. There was a time when possibly that issue would not have been discussed in the way it was discussed. This Government has a wide open policy and anybody can say anything as long as it falls within the bounds of what is right and proper for the law courts. We do not stop people from talking, nor will we stop issues from being discussed.

Aside.

Hon. B. M. TAITT: I am glad the Honourable Member said we cannot. We do not wish to, like the Honourable Member. If the Honourable Member was Minister of anything over here still, he would want to suppress, but that is another point which we will deal with in due course.

Dr. R. C. HAYNES: Mr. Chairman, on a point of order. The Honourable Member has a way of slipping things into the record to be used at public meetings. The Honourable Member said that if I was Minister of anything over there I would like to suppress, and he stopped at that I would like to suggest that that remark is not only unparliamentary but I think it should be struck from the •* record.

Hon. B. M. TAITT: Before Your Honour rules I will show him, Sir. I am sure he would want to suppress crime, unless he is saying now that he would not want to suppress crime.

Mr. CHAIRMAN: I think that in the interest of balanced debate the Honourable Member would wish to couch his language in a different form.

Hon. B. M. TAITT: That is why I stopped, Sir. If the Honourable Member takes objection to the word "suppress", I withdraw "suppress". 1.05p.m.

The point I am making here. I have made the point that ministerial responsibility has been established in this country ever since the ministerial system was introduced in the 1950s in a limited way and we have by now developed what you may call a tradition and indeed we have developed what can be called a convention.

All I am asking you to do is to ensure that Honourable Members do not cross the line when we are discussing the conventions which we have come to accept as part of ministerial responsibility and collective responsibility. I thank you, Mr. Chairman.

Hon. H. A. BLACKMAN: I am going to be very brief in this debate but I am getting involved from the point of view...

Mr. CHAIRMAN: Can I ask Honourable Members to desist from shouting across the table.

Hon. H. A. BLACKMAN: I am getting involved from the point of view, Sir, where over the past few years you have been hearing about involvement of Ministers in Boards and other institutions and persons have been saying that there should be less involvement of ministers in the day to day running of Boards and other institutions. I am wondering, Mr. Chairman, how you can reconcile that statement that ministers should not be involved in the day to day running of Boards and institutions with the statement today that the Minister of Education should have been involved at day one in this matter.

Dr. R. C. HAYNES: On a point of order, Sir. There is a rule in this House that addresses the question of

misleading Parliament. No one has ever said that a Minister should not be involved in policy. That is the function of a Minister. What I said Sir, was that if it was the policy, then the Minister should have indicated to the public, to his officers, to the Headmistress what the policy was. It is not a question, Sir, of getting involved in details. It is a question of indicating what the policy was from the very beginning.

Mr. CHAIRMAN: I do not consider that a point of order.

Hon. H. A. BLACKMAN: Mr. Chairman, on three occasions, no less than three, the statement was made, in fact, it was made in reference to the present Minister of Health that if he was the Minister he would have made the decision on day one. It was made three times.

Dr. R. C. HAYNES: Point of order, Sir. I said that if the Honourable Member was the minister that I am sure that on day one he would have called in the relevant persons in his Ministry and indicated to them what the Ministry's policy was.

Hon. H. A. BLACKMAN: Let me say this. And this is a problem that is cropping up all the time where persons are saying that ministers should not get involved in the day to day running of certain places and then in the same breath when you don't get involved, they say that you should be getting involved.

Now, Mr. Chairman, let me say this. The first thing is this: A Minister cannot get involved in anything on day one unless he is advised or unless the information has been passed to him on day one. That is the first thing. Let's say - how can you get involved if you don't know about it? How are you going to get involved with anything unless you know...

Mr. CHAIRMAN: Can we have some order, please.

Hon. H. A. BLACKMAN: You cannot get involved until someone has drawn it to your attention.

Mr. Chairman, let me go on with this problem. In the former case, Mr. Chairman, back in 1976, it was drawn to the Minister's attention three weeks after the problem surfaced at St. Michael's Girls School. In fact, the letter to the Minister at that time said "I have taken my daughter twice to St. Michael's Girls School and the Headteacher has refused to admit her into the school wearing her pantaloons. She requested that she remain home until she takes it off." This is three weeks after it started. That is when apparently the matter was brought to the Minister's attention.

The point that I am trying to make, Mr. Chairman, is that the present Minister of Education could not have gotten involved in the matter until it was brought to his attention.

Now, let me say this, Mr. Chairman, if a decision was made in 1976 by the Minister and in fact, the Minister at that time wrote to the ... What happened was that at that time the Headmistress of St. Michael apparently ...

Asides.

Hon. H. A. BLACKMAN: When it first surfaced in 1976, the girl was told to remain home exactly as the girl this time was told to remain home. The Headmistress of St. Michael at that time decided she would seek legal advice.

Now, this is what the Minister wrote to the Headmistress of the school saying: "I am directed to inform you that the Minister has concluded and given directions as a matter of policy that (this person) should be admitted into school immediately. The Minister considers recourse to legal opinion superfluous."

So, at that time, the Minister said 'y^{oa} don't have to wait on any legal opinion. Try and take back the <jirl.' That is what the Minister said then. Now, at that time, the person who was Chief Education Officer is now the Chairman of the Board where the problem is occurring. So, wouldn't you think .. would any reasonable person think or believe that that person would not know what the policy was as long as no other directive had gone out? That is what the situation is.

So, I am saying, Mr. Chairman that what has happened now is exactly what happened before and the policy was set in place by a Minister in' 1976 when the Chairman of the Board now was Chief Education Officer and the policy had not changed.

The Minister had only gotten involved when the matter was brought to his attention. That is the point I am trying to make. Thank you, Mr. Chairman.

Mr. D. A. C. SIMMONS: Mr. Chairman, Sir, in all due respect, the debate is a little bit ragged. The Members are getting itchy. By December 7th all of this will be over. December 6th is Election Day, like it or not. I say so. Reason will resume its seat on the 7th December.

Sir, I have been hearing all kinds of arguments coming from the other side and I am not going to get carried away into esoteric territory about ministerial and collective responsibility. 1.15p.m.

I do not understand the submission of the Honourable Member for St. Michael South East that there is need for discussion about the Muslim child to arrive at consensus, how he could be seriously arguing that if the Minister on the other hand is saying that 14 years ago....

Mr. CHAIRMAN: Could the Honourable Member just hold a minute.

I would just like to inform Members of this Honourable Chamber that all Honourable Members are expected to be heard in silence. It is a little bit unmannerly for me to be listening to one Member and then hearing 3 or 4 voices crossing the path of my hearing. I will not tolerate it.

The Honourable Member may proceed.

Mr. D. A. C. SIMMONS: Thank you, Sir. I was saying that I understood the Honourable Member for St. Michael South East to be saying - in fact I wrote a note - that there was need for discussion to develop a national consensus on this matter of the child and her uniform. It would seem to me to be nonsense to be saying that when his own Minister is saying that 14 years ago...

Dr. E. A. SIMMONS: Mr. Chairman, on a point of order. I think the statement that I made is taken out of context. I did not say on this particular matter. I said that in any democratic society in issues of these kinds there is need for dialogue within the society.

Mr. D. A. C. SIMMONS: Any kind. This is a specific issue and by implication he is saying that there was need for discussion.

I want to come back to this Resolution. The Minister has not told us why it is necessary to have all of this equipment bought in this year. When the Estimates were passed earlier this year, the note to item 25 said "this item includes provision to purchase filing cabinets, desks, washing machine, lawn mower, refrigerator and chairs - \$44 094". I now see in here "lawn mower, colour television, wall clock, 12 metal chairs, a two-door no frost fridge, two solar systems, model 8042, a lawn tractor, a wood and metal desk, a standby generator, 120 ft. fire hose reel and a* 40 gal. broiling pan gas kettle". Can all of these be accommodated within \$44 094 that was to buy filing cabinets, desks, washing machine, lawn mower, fridge and chair? I feel that we are entitled, as a matter of commonsense, to an explanation from the Minister when he replies.

I would also have been grateful to hear from the Minister what is happening up at Dodds and Summervale. We have had nothing. I thought it was a debate in which there would be some discussion on the proper purpose for the two institutions and whether the Ministry has implemented by now all of the recommendations of the Dodds Committee in 1980. Is this part of a policy of creating a more homely type of atmosphere within the two institutions?

The country has had no information of any substance in the last four and a half years about these institutions at a time when it is conceded on all sides that it is the sub-social instability that is causing concern. I would like to hear from the Minister, for example, how many boys are at Dodds? What are the age groups? How many girls are at Summervale?

Aside.

Mr. D. A. C. SIMMONS: You should know that. The Minister does not know that But I was living up there for 12 years. If he does not have the information today, Sir, I am not going to press him. Perhaps he may have some general points to tell us and how he sees these two institutions being organised within the present penal system. He must have some thoughts on those things.

I thought when I first read the Resolution that this was, in fact, a Resolution for equipment for St. George's Secondary School until I checked carefully and saw it was Dodds and Summervale because only last Monday teachers refused to teach at St. George's Secondary School because there was a substantial dearth of equipment for the children at the school to use.

Aside.

Mr. D. A. C. SIMMONS: I do not know who stole it, who broke it up, when it went or what. But I found it very, very strange that the leading secondary school in the Minister's own constituency should be suffering from such a lack of basic amenities and facilities for the students to the point that the teachers began to feel empathy with the plight of the students, and not a word from the Minister all last week. Today he was ready to say that the Permanent Secretary 12 days ago did not say what everybody in Barbados heard him say.

I saw him on the News apparently addressing a larger body than the Chief Education Officer the next night. He was on the Thursday, the CEO was on the Friday. I certainly heard and was left with the firm impression that what he was telling the large body of teachers was "I understood and accept your need to have remedial repairs done to the school stock but my hands are tied because they had cut him back by \$20 million". He went further. He said, "I have to appeal to the Ministry of Finance for supplementaries." He said all of that. He even went on further to say "it looks as though some of the projects which we have going will have to stop." You can bring the tape in here. If I am telling lies I will resign my seat. All of that he said. Do not come in here and pretend he did not say it. It was the clearest case in support of the Labour Party's arguments in 1986 that the fiscal policies pursued by the Government would lead to a reduction in social services. That is but one example, a cut-back of \$20 million in the field of education.

Hon. B. M. TATTT: On a point of order. The Honourable Member is misleading this House. The Honourable Member knows, irrespective of what he heard on his television, how much money is cut from estimates when one goes to Estimates because he would have asked for estimates so that for him to come in here to talk about cutting back in social services, that phrase sounds very heavy. But all Ministries go forward and ask for everything under the sun asked by every department and it is fiscal responsibility by the Minister of Finance that allows for the curtailment of the appetites of officers in Ministries for massive spending...

Mr. CHAIRMAN: Point made.

Hon. B. M. TAITT:... the same massive spending which they are telling everybody that we should not do. Now that we are hearing evidence of cut-back he is talking about social services. I defy the Honourable Member to get up and show where 4 chairs, lawn mowers, *et cetera* can be a cut-back in social services.

Mr. D. A. C. SIMMONS: We have a debate coming up later on, Sir, on the Local Loans Act. I will deal with all those things more fully then, including a response to the phrase "fiscal responsibility." You have seen the World Bank Report speaking of fiscal irresponsibility. 1.25p.m.

Certain remarks made by Mr. D. A. C. SIMMONS were ordered by Mr. CHAIRMAN to be struck from the record.

Hon. B. M. TAITT: On a point of elucidation, Sir. It is obvious that the Honourable Member for St. Thomas did not quite grasp what I was saying. What I was speaking about when I said we are a wide open government is that everybody can speak. I was talking democracy, if you recall. Do not switch and take out "wide open", I said that this Government has made it possible for everybody to speak about everything all the time. That is the context. That is all.

Mr. D. A. C. SIMMONS: In the context of being free to come and leave the Democratic Labour Party. Who wants to go now, go now.

Mr. CHAIRMAN: The Honourable Member has three minutes to conclude.

Asides.

Mr. CHAIRMAN: Order!

Mr. D. A. C. SIMMONS: Sir, I want to make one final point on the Resolution. I would like to hear from the Minister what is the cost of the matters itemised in the

Resolution, and I would like him to give the cost on an individual item by item basis.

Thank you very much, Sir.

Mr. R. P. BYER: Sir, it was inevitable that the question of religious freedom as guaranteed by our Constitution would be debated at some time in our history as a nation. What has disappointed me so far in the debate that has taken place, not in here today, Sir, surrounding the whole issue of religious freedom, and in particular the debate surrounding whether or not that child ought to have gone to school dressed as she did, was the way that the establishment Press and people who write for the establishment Press have chosen to debate the issue.

What they seem to be saying, Sir, is that whatever is anti-establishment, in terms of whatever does not conform with the Anglican view of religion, or the Roman Catholic view of religion, or let us say the dominant Christian sects of religion, should not be considered religious. What was also surprising about the debate in here today, in a smaller way, was the statement made by the Member for St. Michael South East.

Religious freedom is an old question and the debate surrounding religious freedom is equally old. Religious freedom has occupied American jurisprudence for as many years as the United States of America was in existence, which is over 200 years. The question we have to look at in Barbados is whether the approach we take in Barbados is going to be the approach taken in some of the more enlightened jurisdictions who have dealt with this matter, or whether we are going to approach it from the point of view of the establishment view in Barbados.

What was surprising to me about the debate as well was the fact that even though there was a policy established from as far back as 1976 in the Ministry of Education, which was endorsed by subsequent Ministers - and one must accept the view that the present Minister knew about the policy was that the debate was allowed to continue without that position being stated. We cannot stop the debate because a policy is enunciated, but at the same time everybody might not agree with that policy and as a result people are drawn into debate and would want to express views for or against that policy. But more particularly, Sir, I think it goes beyond the question of policy and, to my mind, is a question of what is or what is not the law. Ultimately it has got to resolve itself as a legal matter. It is a legal question what is or what is not freedom of religion, so the question is whether the policy conforms with the legal opinion, or what in law is or is not freedom of religion. 1.35 p.m.

Now, Sir, I would want to bring into the domain of this debate how the American Courts have proceeded with this question of what and what is not religious.

From a very early age the question as considered in America was what was arguably religious and what was not arguably religious. That was the approach that they took and in this context, I would want to say that these views that I want to express today have largely been drawn from a book written on American Constitutional Law by one of the foremost experts on American Constitutional Law, called Lawrence Tribe.

Now that was a very restrictive view, Sir: what was arguably religious and what was not. But then, over the years, the Courts in America sought to find out what the founding fathers of the American Constitution intended as religious freedom. And let me say, Sir, that there is no fundamental difference between what our Constitution says about religious freedom or what is dealt with in the context of the First Amendment to the American Constitution as religious freedom.

As far back, Sir, as 1973, in a decided case, it was established by the American Supreme Court and I am quoting here, Sir:

"It is no business of the Courts to say that what is a religious practice or activity for one group is not religion under the protection of the First Amendment."

That is what was said as late as 1953 and that more or less stated what was the modern view on the subject and how courts in America approached it. Religion was then dealt with in the context of the social function of religion.

What I am saying is this. It is no business of people who are Anglicans to tell people who are Muslims that what they practise as a religious practice is not a religious practice. We have to look at it in the context of a social function.

One of the views expressed during the course of the broad debate was that if we had to interpret the law in a very wide and liberal context, then we would be letting all other types of what they might call, fringe religions. In other words, like Rastafarians and so on. So my view, Sir, is so what? We live in a free society, so that if we have Muslims who come into Barbados and they practise that their legs must be covered when they go to school, what business is it of mine to say that they are wrong? What business is it of us who practise Christianity to say that they are wrong?

What was a bit unfortunate about the whole incident, Sir, was the way that it was dealt with in the Ministry of Education and I think all effort should have been made not to undermine the authority of the Headmistress of the

school; but yet, Sir, we would still have to deal with this question of what is and what is not religious. We cannot say that what is not religious are things that we might read in the Koran or in the Bible. They go beyond that. It has to do with the method of worship, the method of dress and things of that nature.

So, then, the American approach has been a very broad approach and this is what they call 'functional approach', and as is written here, Sir, in the same book: "It has become a significant protection for unpopular and unconventional sects and represents an important development if the free exercise clause is to continue to fulfil its historic purpose." So, Sir, what we are seeing here and it is something that I have been studying ever since this matter came up, is that a group might be unpopular, it might be unconventional, but at the same time, it has certain rights and these rights have got to be protected and I suppose that this is the only part of the speech of the Member for St. Michael South East that I agreed with.

The minority groups in our society whether they be religious in character or whether they be women, for example, Sir, have got to be protected. Their views have got to be protected and we cannot proceed in a conventional way and a conventional approach to decide what is or what is not religious or what is or what is not freedom of speech. Sir, there are limits to all of these freedoms that we have. They are circumscribed, but at the same time, Sir, I believe that we should have a very broad approach to matters like religion so that as many groups as possible should be accommodated. So, the position now is, and is very clear in American jurisprudence and once again I rely on Lawrence Tribe, p. 831 of this book. He says that:

"at least it should therefore be clear that when free exercise issues are raised, religious claims are to be examined, not in the terms of the majority's concept of religion, but in terms of the social function of the group, or in terms of the role the beliefs assume in the individual's life."

That child, or her parents said, that she felt uncovered, naked, without the head-dress. That is the belief that she held. What right is it for us to say that she was right or to say that she was wrong? Clearly, the Leader of the Opposition did not discuss the merits or the demerits involved. He just merely discussed what approach should have been taken. I think that the approach that he said ought to have been taken should have been followed, so that the minimum of embarrassment, if any at all, would have resulted. That is the approach, I think, that courts in Barbados, if called upon, Sir, to address this question, ought to take. Until that time comes, Sir, I think that we as a community should adopt that approach.

I might not like it. It has nothing to do with whether I like it or not, or whether John Public likes it or not. The point is that if certain people are guaranteed freedom of religion under the Constitution, we should try as far as possible to accommodate those groups in terms of their religious beliefs.

There are certain laws laid down; for example, one religious group says that the smoking of marijuana is for them a religious practice; but the Law says that we shouldn't smoke marijuana, so I can't support them in that. Even if I don't see anything wrong (I'm not saying I do.) Even if I don't see anything wrong it is not me, the Law says so. So I cannot say that the smoking of marijuana ought to be accommodated in the context of what I perceive freedom of religion to be. I cannot say that. We must question whether it is the role of Government or the role of the Law to promote the advancement of religion or to prohibit religion. My view, Sir, is that the role of religion should be to advance religion and its role in society.

As one observer has noted, Sir:

"Legislation whose purpose or effect is to advance human dignity, equality, national destiny, freedom, enlightenment and morality might come within the tester that I have laid down, especially if legislation was the result of pressure by church or religious groups. Thus, the narrow construction of religion proposed for the Establishment Clause by the arguably non-religious sect will serve well in preventing the Establishment Clause from becoming an awful engine of destruction."

Sir, the Establishment Clause, as long as it is anti-establishment ought not to be followed and we should not. That, Sir, is my view. I do not think that we should do anything to inhibit religious practice in society. 1.45p.m.

We ought at all times to encourage freedom of religion and the way that we as a country practice religion. The free exercise principle should be the one that we should approach. It should be dominant in any conflict with the anti-establishment principles. That is my view and I think it is one that we ought to follow. There are not many examples, Sir, in terms of the interpreting of law that I would like to follow out of American jurisprudence but I think in terms of this one it should be followed.

There is a practice now in schools, Sir, where Muslims and people from other sects are not participating in the morning devotions. There will come a time when, as a nation, we will have to deal with the question whether or not there should be religious instruction in school. Suppose there is religious instruction in schools and my child is a Muslim and he decides that he does not want to participate in that. End of story! The Constitution says - and since the

law [Anglican Church Act] has been passed, there is now a clear separation between the State and the church since the church has been disestablished... Our Constitution guarantees freedom of religion. So these approaches, Sir, I believe, ought to be followed and followed as closely as possible.

That is not all I would have liked to contribute to the debate but I believe it was something I had to do to establish as clearly as possible what I thought. There are other things that happened within the debate that I would like to return to at a later stage.

Dr. E. A. SIMMONS: Mr. Chairman, I just rise in response to the comments made by the Honourable Member for St. Thomas and the Honourable Member for St. George South who, apparently, both said that they disagreed with my intervention with respect to how the socio-dynamics function within the society. I did not bring a legal background to it because I cannot bring a legal background and I understand their bringing a legal background to it.

Mr. D. A. C. SIMMONS: On a point of order, Sir. I did not bring a legal background into anything I said today, Sir. Certainly, the point of contention between myself and the Honourable Member for St. Michael South East had nothing to do with law at all. It had to do with what he said when he just opposed what the Minister of Education said.

Dr. E. A. SIMMONS: Mr. Chairman, my position came from the fact that having left Barbados to study, and going to a university that was Jewish, I understood how someone from a minority position would feel. But the Honourable Attorney General passed me a document which is a very interesting document about a Moslem in England who objected to teaching on Fridays because he had to pray on Fridays and the decision given by the Judge, in summing up, this is part of what he had to say:

"In these circumstances, I agree with both tribunals, that the best way of resolving the problem would be by the way of national agreement, if that can be achieved."

That is precisely what I was saying that that was a legal interpretation coming out of England in a similar case. The judge ruled...

Mr. D. A. C. SIMMONS: On a point of order. There is one vital distinction - and now I will talk from a legal background. In our Constitution the religious freedoms are rigid and circumscribed subject to exceptions. In England they are not written down.

Aside.

Mr. D. A. C. SIMMONS: That is a common law interpretation.

Dr. E. A. SIMMONS: Mr. Chairman, I am only reading from the legal document. If they want to disagree with the legal document, that is entirely up to them. I can make this a document of the House and you can read it. You can disagree with the judge if you want to. This is not my statement. It is a statement that I am reproducing made by the judge. I am not in a position to argue any legal position. I am stating a matter of fact in a case where there was a similar situation. That is all I am doing. All I am saying is that the philosophy enshrined in this statement is basically what I was saying. I had no knowledge of this when I made the statement. But it is what happens in democratic societies and any observant individual would recognise that is what happens.

Hon. Dr. D. G. BLACKMAN: Mr. Chairman, I did not intend to speak but I was titillated by the intervention of the Honourable Member for St. George South. I agree with him that the Constitution of Barbados in so far as it affects religious freedom and free speech too ought to be interpreted in the way in which the First Amendment of the United States Constitution has traditionally been interpreted.

However, I do not agree with what he claims to be the way in which the First Amendment has been interpreted in so far as it affects the free exercise of religion. Certainly, that is not Tribe's view. Tribe's view has been the most liberal view with respect to the interpretation of the First Amendment and Tribe would argue against anything whatsoever which could have a chilling effect upon free exercise of religion. This leads logically to a position where there is an absolute prohibition on anything that favours any religion or supports any religion whatsoever within a school system.

Indeed the traditional position of the First Amendment has been to eliminate every scintilla of religious expression whether it be prayer or otherwise until last year when the United States Supreme Court decided that it is possible for religious clubs to operate within the schools as long as other clubs that focus upon special interests are permitted to operate in the school system. It is the first time that absolute "Tribean" view, if you like, has been modified in any way.

The position of Tribe where there is absolute exercise of freedom would lead to a complete rejection of a Muslim expressing religious adherence through clothes - a Muslim, an Anglican or any other person - and would, in fact, impose a complete proscription on all religious expression within the school system.

I am in favour of this because I believe that the dress code that has been a part of the educational system of Barbados has served us well and in its own peculiar way contributes to the discipline and order that are a feature of our schools. Even although there have been breakdowns periodically, when one compares the discipline within the

Barbados school system today, it is vastly superior to many other school systems in societies which some of the nuisance writers in our newspapers constantly refer to as civilised societies.

Indeed, much debate is taking place in North America now about dress codes and as to whether the introduction of the uniforms into the school system would not be a factor which would contribute to discipline. So where the free exercise clause has been consistently and unrelentingly administered in the United States of America, it has totally and at all times consistently excluded any religious manifestations in the school system whatsoever. 1.55 p.m.

As I understand the Honourable Member for St. George South to be saying, it would create an ambience in which there is room for all of these manifestations within the school system. Free exercise is always contingent upon the fact that no particular religion under any circumstances is singled out for support with public funds. This in my view is the best guarantee of free and fair exercise of religious freedom.

There are several other cases involving religious freedom that are now pending before the United States Supreme Court, and one of which was just decided placed an important restriction on free exercise for the first time in the history of the United States, where a new group in the State of Oregon claimed that the smoking of peyote, which is a hallucinogenic substance, was part of their religious ritual, and the court held that it was a violation of State law. This is the first time a State ever sought to prohibit in any way or modify what was hitherto the full and absolute exercise of religious expression.

Over and above that, it now seems, based upon analogous cases which affect the free speech clause of the First Amendment, which has developed analogously to the free exercise clause which deals with religion, that in certain cases free speech and free religion will be limited as long as it is demonstrated that the particular law is itself limited, is couched in general terms and the purpose is strictly limited and specifiable. All of the legal commentators on the First Amendment have argued that it is inevitable that these same principles will apply to the free exercise clause, because the free speech clause and the free exercise clause have always operated in a parallel way, developed in a parallel way in the constitutional law of the United States of America.

Just in passing, in reference to a point made by the Honourable Member for St. George South, American jurisprudence has long ago established a test for determining what is religion. It is the test of secularism, to determine whether a particular practice has a secular purpose or a non-secular purpose. I cannot remember the name of the test now, but this test is one that is clear and

straightforward, it has been used in a multiplicity of very difficult and complex cases and could easily be applied in Barbados to any of these groups or organisations that call themselves religions.

In sum, my position is that there should be free and absolute exercise of religion, but that governmental institutions ought not to be places which favour the promotion of any religious activity whatsoever. They should be free from such activity and should confine themselves exclusively to the secular purpose of the education of children. Once this is done, the problems that are now experienced and which could lead to a chaotic situation, especially where in Barbados we have not developed any clear test as to what is religion, Barbadians are inclined to believe that anything is religion.

There were men dressed in strange exotic raiment - I think they call themselves Hari Krishna - chanting on Broad Street a few years ago. They attracted some Barbadians, they convinced a number of Barbadians that they were representatives of some religious ideal. There are people called the Mormons, a church that has historically excluded black people, they have convinced some Barbadians who are as black as the Ace of Spades that they themselves believe in a religious ideal that covers the entire racial spectrum. At one time in the house and cottages in certain villages in Barbados you used to hear people saying "Father Divine is God". They considered themselves to be a church, now defunct, but there is no set of superstitious beliefs so outrageous or so absurd that will not find a few adherents in Barbados. That is why it is absolutely necessary for us, if we are going to deal with this problem, and I believe the way to deal with it, the way in which jurists, like Tribe, have sought to deal with it successfully in the United States of America, otherwise there will be all kinds of people coming and knocking on the door claiming special privileges.

Some people will soon describe themselves as adherents of the Shango religion. It is only a matter of time before people demand to have their children admitted to school with painted faces, loin cloths and the like.

Thank you very much.

On the motion of Hon. P. M. GREAVES, seconded by Hon. B. M. TAITT, Mr. CHAIRMAN reported progress and asked for leave to sit again, and Mr. SPEAKER resumed the Chair and reported accordingly.

SUSPENSION OF SITTING

Hon. P. M. GREAVES: Mr. Speaker, I beg to move that this sitting be now suspended until 3.15 p.m.

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

The question was put and resolved in the affirmative without division, and Mr. SPEAKER suspended the sitting accordingly. 2.05 p.m.

RESUMPTION

Mr. SPEAKER: This sitting is resumed. When the suspension was taken the House was in the Committee of Supply, to that it now reverts. The Committee is resumed.

Hon. M. A. KING: Mr. Chairman, just to respond to a few queries. First, from the Leader of the Opposition. Just to respond to his area - I have responded to the area of broken doors or windows and you know, I can only cite the experience of your visit to Carrington School where you know there were broken windows and doors and water. I will cite that as one. So, this is no new area in terms of broken doors and windows at a school. I am sure the Honourable Member is aware of that. We leave that at that for now.

The Honourable Member for St. Thomas is not now in his seat. His area again which sort of relates to that in terms of equipment, I would not have to remind him that... As I said, he is not in his seat, but you know, there was always the problem that there was hardly any furniture in the schools prior to 1986, notwithstanding the vandalism that we had then and we continue to have some vandalism. From time to time, as the schools are short of furniture, they are replaced with furniture. Indeed in the specific case mentioned in a matter of two days the furniture was replaced because, fortunately, now we do have a stockpile of furniture because through amalgamation and the building of new schools (and all the new schools are equipped with new furniture) so we have furniture from the older schools. Of course, the Honourable Member for St. Thomas knows what was even done in St. Thomas during the last four years. Indeed, only last week, I responded to a question from him dealing with work done at a particular school.

The Honourable gentleman from St. George South, again who is not in his seat, I will not pursue what he said but just make the point that the whole incident as mentioned by him was indeed in the Press before the Principal herself had a chance to notify the Ministry.

With that, Sir, I now move that this Resolution be passed.

The question that the Resolution do now pass was put and resolved in the affirmative.

SUPPLEMENTARY ESTIMATES 1990-91, NO. 4

A Resolution for the sum of \$239,152 was called.

Hon. W. O. FRANKLIN: Mr. Chairman, Sir, under Object No. 25, Sub-head 16, there is a sum of money voted of \$90,000 which we are seeking to supplement by \$180,000 for the purpose of purchasing an additional ice machine for the Bridgetown Fisheries Complex.

In 1986, when the final cost estimates for the Bridgetown Fishing Harbour were being prepared it was realised that the cost of Contract C was some \$1 million above the estimate as was given to the IADB and in an effort to keep the project within the estimated cost, it was agreed to remove certain items from Contract C and these items were a mobile crane, a canteen restaurant, a second glass freezer and a second ice machine.

When that decision was made on the removal of the second glass freezer and the second ice machine, it was against the backdrop that at that particular time there were three private companies providing ice to the fishing industry. There was the Atlantic Fishmongers, Cavans Lane, there was Fish of Barbados at the Flour Mill site as well as the National Fisheries Limited at Spring Garden and the three of those together with the machine at the Bridgetown Fishing Complex were adequate for the fishing fleet's needs at that time.

It was decided after removing those that after a year's operation that we would have a look again to see what were the additional requirements at the Bridgetown Fishing Complex and between that time in 1989, the situation changed dramatically in that the Atlantic Fishmongers on Cavans Lane changed hands and that plant went out, was no longer able to supply boats with ice and the National Fisheries Limited at Spring Garden scaled down their operations which left only Fish of Barbados at the Flour Mill and the Bridgetown Fishing Complex with two working machines to supply it.

The present ice plant that we had, gave some considerable amount of problems. It was originally installed to produce about 20 tons of ice in 20 to 24-hour days, but the present rating has been reduced to 15-18 tons of ice on a 24-hour day and this is due to many technical difficulties that we have had involving the cooling system, the length of the line, etc. to the compressors; but has now been solved and we have a capacity of between 15 to 18 tons per day. The Fish of Barbados plant has a capacity of some 18 tons of ice per day.

The second machine that we are now seeking to purchase would have a slightly higher rating than the one that we now have and we expect that this would produce between 15 to 20 metric tons of ice per 24 hours. The bin we have down at the Bridgetown Fishing Complex has a capacity to hold up to about 100 tons of ice, but, obviously, with the fishing fleet that we now have, we never really get the time to build up that.

During the latter part of the season that just concluded, which was a relatively successful season, we had some delays in boats being iced up. As a matter of fact during the month of March, we had some 160 applications of boats pulling up for ice and the delayed time, in some cases, got as long as boats having to pull up for 2-3 days awaiting ice. The reason for that is, that the ice as produced at the Bridgetown Fishing Complex cannot all go to the boats. Some of it has to go to the vendors for icing their fish and putting in their containers and keeping them overnight. So, we have on most occasions to do a 50-50 mix of half of the ice to the vendors and half of the ice to the boats, which created that problem. Therefore, we think that it is absolutely necessary now for us to get this second ice machine in the background of the private enterprise people having either scaled down their operation or gone out.

In an effort to try to look to see if we could minimise the difficulties, we have had discussions with AMA who have recently bought over the plant at Cavans Lane, but when our technical people went in, because the plant was closed down for some little while, it was decided that it would cost far too much to reactivate that plant. That plant only has a capacity of between 8 or 9 tons per 24 hours anyhow, and would not meet our demands. So, we need to put in this additional plant. As I said, the physical space is there. The building was designed to carry a second plant and we are going to use the same type of equipment that we have, so that you would not have any difficulties in maintenance. We have a trained crew to maintain it and we have now put in that one. So we need to have that situation rectified as soon as possible.

The figure given for this plant is \$177,677. That is the plant that has been selected and empowered by the same compressors of identical make that now exist at the Bridgetown Fishing Complex and which the Ministry is maintaining this unit has previous experience in. We hope that with the introduction of this plant that that would bring the Bridgetown Fishing Complex ice capacity right up to scratch.

Now as I am on the point, we have as well to look at the situation at Oistins *vis-a-vis* this ice. When Oistins was constructed in 1980 provision was only made then for two 2-ton plants and these were flake ice corporation plants. Obviously, at that time the two 2-ton plants had only been intended to provide ice for the vendors. This was never intended for those plants to provide ice for the boats. When the ice boats started to come on stream, a cooperative of the then ice boat owners got together and an old plant that had belonged to BMC they then took to Oistins in order to provide additional capacity to ice the boats; then they made a facility on the docks to allow them to load the boats from that. Now that plant has gone completely and we have had a thorough examination of it. 3.25p.m.

I am advised that the plates to that plant are in very bad shape and the cost of replacing those plates or welding them is so exorbitant that it is not worth it.

Unfortunately, the two 2-ton flake ice machines we have inside, we discovered that these were what we call "one-off machines. Because they were one-off machines, we were not in a position to get replacement parts for them. So over the year, you had to cannibalise one of the plants in order to keep one going. We have since had to put in two new brand compressors on those machines and the chamber that we have there has to be refurnished as well so that the situation at Oistins has to be brought into consideration.

We in the Ministry have had a look at it and we are planning to update Oistins as far as ice facilities are concerned. In order to put a plant at Oistins with facilities for icing up the boats our present estimate is about \$600 000 to \$700 000 which, as soon as we have completed it, we would have to consider for inclusion in the next Estimates in order to update Oistins. In the meantime, most of the boats at Oistins have been icing up at Bridgetown at the moment. We had some difficulties at Oistins which all of us are aware of. We have solved some of those difficulties.

The sewerage system that was causing a problem - We have since put down a second well which should be able to allow us to slick the sewage disposal. We have since been able to provide satisfactorily the electrical system to the individual booths.

We now have a further problem. We have discovered structural cracks in the jetty. During that construction we were told that kind of construction usually should last about 30 years and that jetty is only 10 years old. We have invited C.E.P who were the consultants on that to have a look at it. The Ministry of Transport and Works are supervising it and as soon as they come up with the recommendations to solve that problem, the necessary works and monies will have to be found to do that.

We are still having some problems with the toilet facilities up there despite the fact we have repaired them on numerous occasions, as well as the lights. We always have that problem.

The main problem we have at Oistins, however, is one of vandalism and hooliganism. We are constantly in contact with the Police Force up there. We are in contact with them weekly to try and assist us in bringing some order in that marketplace. As a result of that type of behaviour we some time last year had the unfortunate situation of a murder. We are trying to provide some parameter walls to assist in the security of the area. As soon as that is carried out, we hope that between that and the additional vigilance by the Police Force and our supervisors that we will bring back some order in the Oistins situation.

There are one or two other sites we are looking at but these are the two main fishing ports at the moment. I would not detain this House any further. I will answer any questions on it. Therefore, Mr. Chairman, I beg to move that the Resolution for the sum of \$180 000 to supplement Object No. 25 stand part.

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

Mr. E. BOURNE: 'Mr. Chairman, I just heard that we would spend \$180 000 for an ice machine of an 18-ton capacity per day for the new Fisheries Complex at Bridgetown. Later on, I was hearing that in order to bring Oistins up-to-date, which now has two 2-ton plants, we would be looking at a sum of between \$600 000 to \$700 000.

Now, I would like to know from the Minister, when he gets up again, why would it cost \$600 000 to \$700 000 to put in two plants when earlier he had said that the Bridgetown Complex will take a plant of 18-ton capacity for \$180 000. The difference seems to be very great because if I multiply 180 by 2, that is only 360. I would very well like to get an explanation from him. I want to know whether these figures were just thrown here to delay bringing Oistins in a workable condition.

From 1986 I have been complaining about the conditions at Oistins - the ice plant, the jetty and the market. Blame has been placed on all kinds of people. What we in that part of the world want and, indeed, we in this country want, is to see that Oistins is put in a fit and proper working condition.

At the moment, to go across to the jetty, you have to go with shoes on. If you travel on it barefooted, you are subjected to electrical shocks. This is not the first time I have been saying this, yet nobody bothered to look into the matter.

As regards the vandalism, the other day I was over on the jetty and I saw two lamp standards which are supposed to be 4 in. galvanised pipe rusted through lying on the ground. I do not think the vandals have rusted through this galvanised pipe which was made into lamp standards. If you look at all these standards this is the problem. Yes, there might be some vandalism in the toilets where the small electrical conduits are being placed. But the problem is the lighting on the jetty with these large lamp standards. They need to be replaced. This is the problem. The lamp can only stand in the air if the standard stands up. They are lying down and they have been there for months. These are the things we want to have done. We want to have the jetty repaired. In fact, I am particular because I do not want to be electrocuted.

As regards the icing up at the Bridgetown Fishing Complex, I think the statement that boats would stay two or

three days is not correct, Sir. I know for a fact that boats stood there longer than a week sometimes to get ice. What made matters worse was that it was not on a first come, first serve basis. Some people got preference over other people. 3.35 p.m.

This is a bad practice. I was told that the Minister was informed about this practice. Whether he has done something about it or not I do not know, but I think he should do something about it. The season is just about to begin. We only have another two weeks before it starts, and I am saying that this second machine should have been installed already. We should not now be here talking about \$180 000 for an ice machine, when I have been quarrelling about this thing for months. It is over a year now I have been quarrelling about the conditions at the ice plant at the Bridgetown Fisheries Complex. To me it would appear as though the intentions are to sabotage the local fishing industry.

There was an article in the newspaper last week about what is going on in the fishing industry, which makes you wonder whether these licences which are given to these fish processors should really be given at all. I would like to know what the Minister would say on how a fish processor can get a fax advising him how to bill an invoice. I have a copy of the fax in this briefcase, but I am not yet ready to deliver the goods on that. The time will come.

Dealing with Oistins and the toilets, Mr. Chairman, I would like to inform the Minister, because I believe he does not know what goes on at Oistins. There were toilets built originally at the Oistins market for the use of the workers in the market, the people who bone and process the fish. Now it has been drawn to my attention that there is some modification being carried out at Oistins and these toilets have been taken out for the installation of an office. I want to know what they expect the workers in the market to do when nature calls. I want the Minister to give this his most urgent attention, because this is going to create a big problem at Oistins. I was told only last week that if the „ occasion arises and they have to go into the office and do what they want to do and anybody says anything to them, there will not just be one murder, there will be many murders.

I hope that this new machine will be a machine which will not create the problems we have had previously at the new complex. I hope it is one which will not create the problems and that the engineers, or technocrats as they are called, have looked carefully at all the specifications and that after the machine is installed the vendors and the boats will be getting an adequate supply of ice. I do not want to come back here again complaining about the long delays the boats have waiting to be iced up.

When I look at the Oistins jelly and the work the Minister has been talking about which has been done at

Oistins, I think it is high time that not only a small retaining wall be put up on the outside of the market, the problems at Oistins come from outside and not on the inside where the jetty is. You have to put a fence or a wall around Oistins like you have at Bridgetown if you are to contain that type of vandalism. A wall or fence is necessary. There is no point talking about vandalism at Oistins, a retaining wall ^m going up here or a retaining wall going up there, we want the problem handled, and handled correctly. To my mind, it appears as though nobody cares about Oistins or any other place, apart from where the big fish processors operate, and Oistins is a market which pays for itself. No one can deny that Oistins provides money for the Treasury and I do not think we at Oistins should be treated in such a shabby manner.

The fendering at the Oistins' jetty will soon be needing some repairs. Two or three days ago I saw a line of * tyres washed ashore on Cashel beach. If you are going to get people to carry out the repairs, you have to get people who are knowledgeable and who are prepared to carry out a proper and effective repair. There is no point knocking off some wood and sticking some tyres on, you have to do it properly. Like I told you before, there is no point attempting to do it except you are going to use stainless steel. It will cost a few pennies more, but in the end we will save money. **

I want the Minister not only to listen to all this but I want him to take some action. I am tired of coming in here talking about Oistins. I want to talk about some other place.

I thank you.

Mr. P. J. M. MILLER: Mr. Chairman, just a short intervention, because there are some persons who have asked me to ask a few questions on their behalf.

When one considers that this Democratic Labour Party Government likes to try to boast of being so concerned about small people, under-privileged people and all the other terms they like to use, one then has to wonder from time to time why they do not put their money where their mouths are.

We have a situation, Sir, where the small fish vendors in the Bridgetown Fisheries Complex are being treated shabbily. The big fish processors do not get the same treatment. For instance, the big fish processors have these big insulated bins.

Aside.

Mr. P. J. M. MILLER: Morgans and Inces and these ^M kinds of names pop up when I think of big processors. They have these big insulated bins which are necessary for storing the fish. The small vendors have to pay \$25 a day to rent these bins. I do not know if the Minister is aware of

these things. The real thing about it, though, is that if a fellow decides to rent the bin for a week he only has to pay \$35 for the whole week. See if you can figure that one out. These are things these vendors have been crying out about for a while. I have read in the newspaper that these vendors have been crying out about these things, so it is not something we are not aware of. 3.45 p.m.

We have a situation like the way the whole thing is set up that the large fish processors who operate in that complex have very good facilities for their employees. They have good showers with hot and cold water. The small vendors and small persons who just do their best cannot enjoy these facilities because they are put out of the big processing hall. They have been told that they are not allowed in there. These are things the Honourable Member can check on himself. The type of treatment they get. When you look at the treatment that the bigger boys get, one has to ask what is going on.

As the Honourable Member for Christ Church said and I wouldn't have to go over that, ice is a big problem: big ice and small ice; but the Honourable Member for Christ Church East has already dealt with that. Let's look at another situation. Most of the smaller operators own what are known as day boats. A day boat is a boat that goes out for a day. These persons are asked to pay berthing charges of \$28 where the large ice-boats which go for long periods of time, weeks, pay the same. There is no justice in that. Small operators, Sir, who operate and try to sell fish for themselves - one wonders how they were turned down recently. A small operator I know personally was turned down recently for a license to bring in fish when there was a problem getting fish, yet the big processors can get their licenses. It is a fact. If you want I could give the names.

What I would like to know too, Sir, does this fishing complex still come under the Special Projects or is it now under Markets and Slaughterhouses? If that is the case, then you have a little confusion where they are getting receipts issued under Markets and Slaughterhouses. But I am not sure that it has gone from Special Projects to Markets and Slaughterhouses. There is a boat P135, an ice-boat that is owned by a senior employee of that complex who has the job of regulating movement of other boats and to decide when they line up and when to get ice and things of that nature. I wonder if you are not looking at some kind of conflict of interest.

A very serious thing that bothers me too, is the whole question of security at the fishing complex. I am very concerned about the security at that fishing complex and I would like the Honourable Minister to look into that. Is the Minister aware that there is a possibility of some movement of drugs in that complex by boats? I say no more on that for the time being because that is a very special area and I don't

want to blow up or cause any problems in terms of investigation that is going on now.

At this time there is something that can be done about security. There are people who go in and out of that complex at all kinds of hours who have no reason to be in there in terms of work and they are not harassed or interfered with whereas some of the smaller people who have a legitimate right to be there are harassed when they try to enter at times by the so-called security who say they shouldn't be there. There are problems as relating to that.

Finally, Sir, I have been asked to ask this question so many times, but I have not got an answer from the Minister up to now and I wonder if today he will be able to give me an answer and that is: what is the Government's position on the Bay Street Fishing Market? Whether you are going to knock it down or whether you are going to retain it. It is the feeling of the people that it should be retained as a fishing market and a large number of people beyond my constituency and even people from the Honourable Prime Minister's constituency have approached me and asked me that the Bay Street Fishing Market be retained and the area behind the market be retained for people who repair and rebuild their boats. It is clear now that the present new Bridgetown Fishing Complex is not adequate for the boats that have to be tied up, especially in the hurricane season. Furthermore we can see in the past few months in the area where the boats were supposed to be tied up in that complex that it is not adequate. I believe that the Minister is aware of that and we will have to examine that when we look at it against the background of the fact that the sandpit area... I believe a decision has been made to close that and that whole stretch and the sailing boats tend to use those same areas. These are the concerns that I thought I would interject in this Debate. Thank you.

Mr. D. J. H. THOMPSON: Mr. Chairman, just a few points. I want to shift slightly to the location of the debate from Oistins and the urban fish markets. My concern is with the fish market that once stood in Martins Bay St. John which during last rainy season was demolished. A tree fell on it and the roof of the building blew off. We are dealing with fish markets generally and I know that there are a lot of people from Martins Bay using the Bridgetown facilities but there are still a few who use the Martins Bay facilities and I am just suggesting that one would not wish any discrimination in relation to fish markets.

Now, Sir, I know that a proposal by this Government to replace the fish market was made by the Ministry of Agriculture as I understand to provide a bus shelter, a changing facility and fish market all in one. There are probably about five or six...

Aside.

Mr. D. J. H. THOMPSON: No that was demolished subsequent to the revelation of the plan by the Honourable Member for St. Michael South Central and since then the market fell down, so it now forms part of a review plan. The point being that the market is needed; that Martin's Bay contrary to some people's perception, is not an abandoned fishing bay. I know the Minister agrees with me on this - there are still a lot of people who do day-boat fishing probably out of two or three boats and then there are a lot who use... Well there are a lot of people in Martins Bay. Martins Bay is not like Bridgetown where people come from the four quarters of Barbados and the Honourable Member for St. Peter will confirm that not many people come from the four corners of Barbados to Martin's Bay. There are only a few of us who do that. There are about four or five Moses and the problem is that the fellows who use outboard motors find it difficult to take up the hill and we need storage facilities for the engines at Martins Bay. So, in addition to changing facilities and the showers, the fish shed and the bus shelter there is need for storage facilities for the engines that they take off the Moses, as we call them, because it is almost impossible for them to take the engines up the hill every evening to take them home. The Honourable Member of Christ Church East will appreciate that point. It is a different kind of fishing going on in that area and therefore the facilities have to be modified to accommodate the circumstances that exist. I only really want to know from the Minister how soon that facility is expected to commence because the plans have already been shown to the residents as is part of my normal procedure in discussing any development in St. John. For example we are going to be doing the ground breaking for the six million dollar polyclinic some time next week and we will discuss those facilities with the residents. I am just giving that as an example as to how we do it on this side. The plans have been made available and have been seen and I wanted to be assured that the commencement of work will be shortly.

There are also quite a few problems in the Consett Bay area. Although Government did commit itself to some development in that area, the fish market, as the Minister would know needs attention. The general area where they haul up the boats needs to be expanded and I would like to know what progress has been made in relation to the Skeete's Bay and Consett's Bay project and how soon does the Government propose to commence the work that is to be carried out in those areas? The money is there so perhaps it will be done. I only want to have an idea from the Minister on those two things so that I can report back accordingly on those two particular areas. 3.55 p.m.

I only want to have an idea from the Minister on those two particular areas so that I can report back accordingly on them in St. John.

Dr. R. C. HAYNES: Mr. Chairman, I must say that I was somewhat alarmed to hear of the conditions prevailing both in Bridgetown and at Oistins in respect of those markets. Indeed, Sir, this Honourable House has been very fortunate in having the Honourable Member for Christ Church East among its members. He has been such a consistent, persistent and articulate defender of the interests "*" of the people of Christ Church in particular, and the entire fishing community throughout Barbados.

I am concerned, Sir, to hear of the extent to which the small fishermen of Barbados are disadvantaged in relation to the larger operators. After all, my recollection was that when those two projects were conceived, the whole idea was to make sure that the lot of the small fishermen was advanced in Barbados. What seems to me to be happening is that after considerable public expenditure in order to improve the lot of the small fishermen, it would appear to * me that one or two big operators have come along and are getting far greater advantage out of these facilities than the small men for whom it was intended.

For example, Sir, I believe that many of the disabilities outlined by Members who spoke earlier would be further worsened if the draconian new Fisheries legislation as it affects the operations of fishermen in these markets is ever put in place in Barbados. *

Hon. B. M. TAITT: On a point of order, Sir. The Honourable Member is fully seised of the fact that there are rules in this House against anticipating legislation. You cannot anticipate Fisheries legislation.

Aside.

Hon. B. M. TAITT: But it does not even exist. How can it be draconian if it does not exist?

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Dr. R. C. HAYNES: Mr. Chairman, the Honourable Member deliberately was putting forward some rather perverted views in relation to the rules of the House. You can only anticipate a matter if the matter is before the House and it is not before the House. But we are aware, Sir, of the very draconian legislation that has been drafted and circulated by the Democratic Labour Party and the way in which that will adversely affect the small fishermen of Barbados. We are sounding a warning right here now on the Floor of this Honourable House that we will oppose that legislation because it is designed in order to destroy...

Hon. B. M. TAITT: On a point of order. You cannot discuss legislation that is not before the House. I know of no draconian fishing legislation. He cannot discuss it, Sir. *

Dr. R. C. HAYNES: Proposed legislation, then.

Mr. CHAIRMAN: I am sure the Honourable Member knows that he should not be doing that. I am just giving him

enough latitude to see exactly where he is going. If he steps over the boundary, I will just have it struck from the record.

Dr. R. C. HAYNES: Sir, I think I have made my point in that regard. I am very pleased that the Honourable Member for the City has brought to the attention very many areas of serious concern to small fishermen in the Bridgetown area here.

Then, Sir, there is the question relating to the importation of fish and licences in Barbados. I have noticed that a large number of fishermen who have served this country well in the past, have indicated to us that the licensing system as it operates makes it very difficult for them to make a living whilst giving priority to the larger operators. I think that situation should come to an end as soon as possible.

It may be that the Minister is not getting the most up-to-date market information when decisions are taken. But I do not think that he can continue to ignore the protests and the cries of the small fishermen who find it very difficult to make a living when the economies of scale of operation operate against them facilitated by the licensing process.

I cannot believe, Sir, that Oistins could have slipped into the kind of state which has been described here today. This has been the subject of recurrent debate in this Honourable House. It is quite clear to me that there is no effective organised maintenance plan in relation to Oistins and that needs to be put in place.

The Minister could not tell us how serious the cracks were in the jetty. I understand there are six cracks. If that is the case, it seems to me as if you are heading for big problems and big expenses. Something has to be done. We cannot come in here every few months debating the problems at Oistins and nothing being done about it.

I presume that the Minister would have heard over and over again about the drug problem in the Bridgetown Fishing Complex. I think there has to be a combined effort between the Ministry of Agriculture and the various agencies responsible for the control of this where there is an abundance of information that indicates that there is a considerable amount of trafficking in illicit drugs.

Aside.

Dr. R. C. HAYNES: That is right for years. It has got much worse. It is about time that it be dealt with to try and reduce at least the level of importation of illicit drugs into Barbados.

Sir, we would also want to know what is the position in relation to the agreement between Barbados and Trinidad regarding fisheries and what impact that is going to have on the local fishing industry. Of course, you know there have

been several concerns expressed again that the way that agreement is structured, the small fishermen would have little opportunity to benefit from it.

I believe it is time that far more attention be paid to the whole area of fisheries. I gather that nothing has been done at Tent Bay, for example. I do not know what the problem is there, but nothing has been done for some time. I gather that has been so effective and so efficient that most of the fishermen in that area now, in fact, come to Bridgetown rather than operate out of there because the whole exercise has not been particularly helpful to them although vast sums have been spent on whatever has been done there.

Sir, our perception of a fishing industry is one that has the capacity to contribute considerably to the Gross National Product of Barbados. These fishing complexes should be seen as facilitatory structures in order to expand the fishing industry. 4.05 p.m.

I am not satisfied that they have had so far the kind of catalytic effect on the expansion of the fishing industry which they should have had. I think that there is a kind of failure to understand and clearly conceptualise the role that these complexes should play. I recall when I was in Opposition over there I expressed concerns on many occasions as to whether one should concentrate on building these complexes first, or whether you should concentrate on expanding the fishing fleet and making sure that you have a much more enhanced industry before you get into this kind of infrastructural development. The case was put that there was some immediacy of demand for the services and that the complexes would create a situation where you would see a rapid development of fisheries in Barbados. That is not taking place. We have sunk the money into physical development, but it seems to me at the same time there has not been the kind of expansion, the kind of assistance made available to fishermen to ensure that they can participate fuller in the economic life of this country.

Indeed, Sir, I can see a situation where fisheries would contribute as much to the Gross National Product of Barbados as agriculture. It has the capacity. When you really think about it and you think of the resources of the sea, and you think of what can be done in relation to fisheries, when you consider what the Japanese have been able to do, fishing in waters not far from Barbados, that is, to exploit the Caribbean Sea, you will see that this is an area that needs to be fully exploited not only in relation to Barbados but in relation to the entire Caribbean. Therefore, I am at a loss to understand why there is not more effort being put into the development of the fishing industry.

We should be catching enough fish, Sir, not only to meet our local needs, but there should be a viable export market, not only in relation to fresh fish but also processed

fish. There are tremendous export possibilities there. That is why I was surprised that I did not hear a statement from the Minister of Agriculture protesting the increases in the price of diesel used by boats. I expected the Minister to come out and say that that wicked act would undermine what he is trying to do at the various fishing complexes, but I did not hear him, Sir. Perhaps that is the way he feels about it, but is constrained from doing so because of the principle of collective responsibility. In that case, Sir, he can say so. He can say that he is concerned about it, but he cannot make a statement against it because of the principle of collective responsibility, and he would not breach it in that way.

I am sure the Minister would be aware that when he comes here for \$180 000 the fishing industry has been delivered another major blow by the Minister of Finance. We know the economics of the small fisherman in Barbados, we know that this is a marginal existence. The Honourable Attorney General would know only too well, he is from Christ Church and he knows how difficult a job they have to eke out a living, and any increased cost must be a major problem for them and would drastically reduce the utilisation of this complex and also reduce the efficacy, if I may say so, of the decisions that we are invited to take today, to vote an additional \$180 000.

Mr. CHAIRMAN: The Member has one minute to conclude.

Dr. R. C. HAYNES: It is only sticking closely within those four walls of the Resolution that I would dare mention anything about efficacy, Sir.

Thank you very much, Mr. Chairman.

Mrs. M. BARKER-WELCH: Mr. Chairman, as representative of the constituency of St. Joseph, of which beautiful Bathsheba is a part, I am concerned as well about what is happening in our fisheries, but I am sure that all of us in this Chamber will understand the special difficulties in Tent Bay.

You will recall that a slipway had been built at great expense, which proved to be inadequate and which proved to cause the destruction of some of the boats at Bathsheba. I understand from the Minister that there is a limited number of people who can contract for this work. I understand that there is just one firm that can do this and we have to wait for that firm to get ready to fix the slipway. The shed that is going to be built at Tent Bay cannot be done before we get the slipway ready.

Mr. Chairman, we know the constraints under which this Government has been operating, in that several of these fishing areas were almost abandoned before we came into power in 1986, and we are going to be looking after these areas from time to time. So, Mr. Chairman, I am sure that with the building of this slipway and the shed the fishermen

in Tent Bay will be able to carry on their indigenous trade in that area. It brings a lot of employment and also a lot of satisfaction to the people of that area.

Mr. Chairman, I am speaking under correction, but I know there are certain times in Bathsheba when you cannot do certain work, so when that time comes around and the work can be done I am sure that the fishermen in Bathsheba and the surrounding areas will have a very good slipway, which will not damage their boats, and a fishing shed which they can utilise.

I thank you.

Dr. R. C. HAYNES: Is the Honourable Member assuring us that the state of affairs at Tent Bay will be corrected in a few months?

Mrs. M. BARKER-WELCH: Yes, I am giving that assurance.

Mr. O. S. ARTHUR: Mr. Chairman, in relation to the specific expenditure that is being considered by the House, last year the Barbados Labour Party put a position that we would have a great difficulty supporting supplementary expenditures when the amount being sought by way of supplementary is excessively in excess of what the House was originally asked to vote. 4.15 p.m.

In this particular case, Sir, the House is being called upon to vote a supplementary of \$180,000 when the initial request for funding in March was \$90,000. That is to say, we are being asked now to agree that an item of expenditure that should not have amounted to more than \$90,000 for the entire year should now be in fact tripled. And this either reflects very bad planning on the part of the Government, because if we are now to supplement \$90,000 by \$180,000, we are either left to conclude that at the start of the year the Government did not know what it wanted to do in this particular matter or alternatively, some problem has arisen of late that requires sufficient urgent action to justify our having to increase expenditure by 200%.

I just want to warn the House now, Sir, that we are accused every year by Government of agreeing to everything that is brought to this House. The Prime Minister and the Minister of Finance make the point that we agreed to these supplementaries and hence we are to be held responsible for excess government expenditure.

Hon. B. M. TAITT: Point of order, Sir. The Prime Minister is not in his seat, Sir, and it is just not quite fair for him to say that the Prime Minister accuses them of agreeing with the Government.

Mr. O. S. ARTHUR: I want to make the point again, Sir, that we will not and will ask Government not to expect

our support when they bring to the House supplementaries or requests for supplementaries that are larger than the amount that we voted in March. It is bad financial planning, Sir, and the Barbados Labour Party will only be supporting these kinds of requests in circumstances where the Government can show that there has been some extraordinary emergency arising as to justify our voting in October \$180,000 when in March it was considered that \$90,000, Sir, was adequate for the purpose.

It is precisely by way of these kinds of supplementaries that expenditure amounts and gets out of hand. We are aware, Sir, that very often Government finds itself having to come back and agree to request funds that the Budget Committee in February or January thought not to be prudent to spend. That is part and parcel of the way the system works. That you agree in February that it is not within the bounds of financial prudence to give a ministry everything that the ministry requests and by some, not devious means, Sir, but by some means, the Ministry manages to bring back what the Ministry of Finance initially said could not be absorbed. It subsequently brings it back, Sir, to this House as supplementary.

We will be keeping a very close eye on these supplementaries and we will not, as a matter of principle of this Party, be supporting Government when it brings supplementaries that are excessively larger than initially voted.

The Minister is saying, Sir, that this is an emergency situation that was not anticipated in March and on that ground, Sir, we can see the justification for it; but on a matter of principle, Government must not expect us to be supporting supplementaries that are twice as large as the initial vote. It is bad financial planning.

I would have hoped that this afternoon that the Minister would have been able to talk more broadly about fish markets. We have had this year a good fisheries catch but the underlying problem in relation to our overall relationship with Trinidad and Tobago still remains to be addressed, Sir, and it is a matter that is of tremendous concern to the fishermen of Barbados.

I have already, Sir, stated a position on this matter before this House. I would prefer if our fishing relationship with Trinidad was dealt with as part of a general economic policy where fishing rights of Barbadian fishermen are considered within the same context as a route-right, Sir, and the rights of Trinidad manufacturers to sell goods in this country. Once we pursue the matter of fishing as a single issue, we are going to be yielding Trinidad an extraordinary advantage in their relationship with us. Fishing rights, Mr. Chairman, are but part of a general trade and economic relationship with Trinidad and we will not get any satisfactory solution to the fishing problem with Trinidad until all these things, Sir, are seen as part of a general

problem. In a way, Sir, I do not believe that it falls within the competence of the Minister of Agriculture to get this matter resolved because he does not have any bargaining kit that can force Trinidad and Tobago to yield any ground on the present situation. We have, Sir, to make the connection with fishing, air-route and manufacturing and a total solution found to the advantage of the fishermen of Barbados.

But, I want, Sir, to speak as well about my constituency because in 1986 when the Barbados Labour Party left office the Democratic Labour Party inherited the project approved by the European Development Fund in which \$3 million in financing, half of which was grant financing had already been secured to construct a fishing complex at Speightstown. The Democratic Labour Party then guided by the philosophy that fishing harbours do not catch fish abandoned the project, Sir. We have not heard from the Minister what alternative uses had been put to those soft funds from the EEC. I don't know if Government has as yet identified an alternative usage for the funds, but I do know that in the current development plan, there is a statement about a northern fishing complex which was intended to begin in 1989. Nobody knows, Sir, anything about this northern fishing complex. The Government has not spoken about it in a forthcoming way, and I am using this opportunity therefore to press the Minister for some response as regards the Democratic Labour Party's position on fishing in the north in general. Is the so-called northern fishing complex of which the development plan speaks a substitute for the Speightstown Fishing Complex? Will it be built in Speightstown, or will it be built in St. Lucy? Where will the financing come from? Has the old EDF money, soft financing - \$1.5 million in grants and \$1.5 million in thirty-year, two percent money - has that soft financing that was earmarked for the benefit of the people of St. Peter, Sir, has that money lapsed and can the Government now indicate, Sir, an alternative use in the north and in Speightstown, in particular, that will benefit ... to which those funds can be put?

We are now a country that is going year by year to borrow from the expensive Japanese market, to borrow expensive money on the London market and I think it is a disgrace. It is a disgrace that a country can get grant financing for a project that has passed all tests of feasibility by international institution and Government agreed that the money should be lapsed.

Speightstown fishermen, Sir, face the same kind of problems, even greater problems than the fishermen in Oistins. The existing Speightstown fishing market, Sir, is located at the bottom of a watercourse. No physical expansion can take place at the bottom of that watercourse unless we are prepared to finance even greater problems of flooding in Speightstown.

I think that the Government made a tragic mistake when it did not see the wisdom of continuing with a project that had gone through all forms of valuation. There are some people who want a fishing harbour in central Speightstown. We believe that that would expose Speightstown to even greater problems in relation to drainage. For that reason, Sir, the decision was taken to carry the fishing harbour, not to remove it from central Speightstown where problems of flooding occur and not to build a dam, for instance, for Speightstown by constructing a fishing harbour, but to the south. I still think, Sir, that it is a worthwhile project. It is a project, Sir, that the Government should pursue and I must draw to the House's attention the problem in Six Men's. The landlord for Six Men's who has reacquired the land that this Government abandoned, has not only been posing a problem for the residents of Six Men's but also for the fishermen of Six Men's. The Minister should be aware that he has tried to close off the beach to prevent fishermen from having access to the beach, as if the beach belongs to him. He has tried to dig a trench, Sir, across the beach and it has led to violence. Mr. Broomes. He has gone to Six Men's and tried to stop the fishermen from pursuing their honest and decent living, Sir. 4.25 p.m.

We will deal with the politics of the abandonment of that land at Six Men's in due course. But I am drawing to the Minister's attention that the fishermen of Six Men's face a problem with going about their ordinary business precisely because a landlord believes that the beach belongs to him and that he can dig a trench across the beach to stop the people at Six Men's from being fishermen. I want to bring this matter to the attention of the House.

Aside.

Mr. O. S. ARTHUR: Not only him. Michael Simmons wrote a letter too on behalf of the man. That is a fact.

Mr. CHAIRMAN: Order.

Mr. O. S. ARTHUR: It is a serious problem, Sir, and one that can lead to violence because the manner in which the landlord has approached the matter has been one as to provoke people to see that their livelihoods are being threatened. I think this matter should be looked into.

In general, Sir, I intervened in the debate to hear the Minister speak in a more forthcoming way as regards what are the plans for fishing in the North. We know what are the plans for fishing in Oistins, good facilities, badly managed. We know about the situation in Bridgetown, good facilities, badly managed. We want to have in the North, Sir, good facilities that are properly managed.

I want to lead the debate on this point that, perhaps, the time has come, based upon experience, for the Ministry

of Agriculture to be involved in a different way of managing the complexes that are used not by Ministry officials *per se*, but are used by people whether they be fishermen or fish vendors, going about their legal and lawful business.

I believe that part of the problem with the fishing harbours at Oistins and Bridgetown is simply that they are still regarded as Government projects and they are still being managed as Government projects *per se*. What you need is where the Government appointed managers and the project people have a day-to-day responsibility for looking after these project whereas it seems to me that what you want is a situation where the people who make a livelihood through these institutions are brought more directly in the operation of these entities.

If you visit the Bridgetown Fishing Complex you hear endless complaints from the fishermen and the vendors on problems that are niggling little problems but do not go away because the project people are working from 6:00 o'clock, some working as project people." You hear sometimes that the scaling houses are closed at 6:00 o'clock and the worker has gone home. The fishing people want the house to be opened after 6:00 o'clock.

Mr. CHAIRMAN: The Honourable Member has one minute to conclude.

Mr. O. S. ARTHUR: You have to move away from treating these things as just Government projects. They must be treated as institutions that are marketing institutions, the principal purpose of which is to provide a living for persons like fishermen and fish vendors. You have to find a management system, obviously, that allows the people directly affected by the operations of the institution to have a say on how they are managed and operated. At present, Sir, that is not the case. The problems in Oistins and the problems in Bridgetown will persist as long as you have that cleavage, the Government managing on one part and people having to react on the other.

Mr. R. P. BYER: Sir, as far as I know there are about three or four fishermen in St. George South one of whom lives in my district and one of whom owns a boat that operates out of the Bridgetown Fishing Complex. That, Sir, is the foundation for my getting involved in this debate.

Now, Sir, in addition to what the Honourable Member for the City has said, and I am going to be very brief, I do not want to repeat what the Honourable Member said. I have listened to what he has said. But there is another problem which was brought to my attention and it had to do with the operations of the Complex and overall the manner in which the big importers of fish how they dump the fish on the local market to keep prices at a very low level.

It also has to do with the price which they are paid for their fish and the price which the vendors of fish are paid. It is out of proportion to what they get. It has to do with the fact that the importers of fish import the fish from St. Maarten where the price is very low there and they control the prices on the markets in Barbados in that fashion. They import the fish and they sell them to the vendors and when the fishermen in Barbados bring in their fish, they then have to sell them at a price that is lower than what they would normally get because the prices out of St. Maarten are cheaper than that.

Their concern is whether Government can get involved in regulation of the pricing of fish. I told them that it was essentially a market situation. I do not know what help Government can give in that regard. I do not know if the Minister can do anything. It would seem to me that if people are engaged in such a practice then the whole system of licensing should be examined and examined more thoroughly and those people who are unscrupulously selling fish in this way ought to be dealt with more severely. To my mind it is an artificial pricing of fish. They are artificially influencing the market by using the licensing system that Government has to bring about a situation that would redound to the disadvantage of the fishermen. I would like the Minister if he could, if he knows about it, to make some response to it.

More particularly, Sir, I was very heartened to hear the Honourable Member for St. Peter join in supporting the Honourable Member for Christ Church East in the whole approach that we have in relation to Trinidad and the problems that we are having with the Republic of Trinidad and Tobago in relation to fishing.

Now, when they had the uprising in Trinidad recently, the Grantley Adams International Airport was used as their temporary headquarters, if I may say so, for want of a better expression. I do not know if the Government of Barbados charged extra for landing 'rights at the Airport or for the fact that they occupied several of the parking aprons during that period. Of course, it led to a more efficient operation for the few weeks that it operated out of Barbados.

It seems to me, Sir, that we are selling ourselves short when we do not twin negotiations with BWIA with negotiations with the fishing agreements in Barbados. It is a principle of negotiation that you should always use your strongest card. Our strongest card in this regard is a route rights. If we continue to isolate BWIA and the whole idea of negotiating air routes from the fishing arrangements that we want to work out with them, we will always end up in a very bad situation. It is negotiation. There is no point saying that we continue to do it because we are always coming out at the short end of the stick in this regard.

We must always negotiate from a position of strength. I do not believe that as Governments in the Caribbean we

spend enough to understand the principles of negotiations and how negotiations ought to be seen. We are always coming out badly whenever we have to negotiate with international organisations or Governments outside of the Caribbean. Even in the Caribbean we have to pay more attention to negotiations and how to get people to say "yes". Therefore, a lot of time and some money ought to be spent in this regard.

I am calling on • the Government of Barbados to consider and reconsider their position in relation to BWIA and whether or not twinning the two in negotiating fishing and in negotiating air routes for BWIA, should look at them and see how they can work it out to our advantage. There is no point continuing to isolate the two of them. We have to reconsider our negotiation position in that regard.

Rt. Hon. L. E. SANDIFORD: I just want to make a brief intervention in this debate. The Honourable Member for the City temporarily occupies that seat and sought to speak about facilities at Browne's beach. But the point I really wish to make follows more from what the Honourable Member for St. George South has been saying. 4.35 p.m.

I want to clear the air on this particular matter, that discussions have been going on with the Government of Trinidad and Tobago on a number of matters, including fishing matters. We have not yet concluded the discussions on those matters, but I think we have to be very careful in trying to link up so many different things when we are talking about the bilateral relations between countries in a multilateral situation, when we are trying to develop the regional community.

While it may be necessary to think about some short term interest and to say "BWIA" and "fishing" and whatever else, I think the playing field on which these activities are taking place is much broader than that. There is no point linking in the use of the facilities at the Grantley Adams Airport into this. This was a regional security matter and I do not think it should be tied in at all with this particular matter. I think we have to understand something more. When we talk we have to take into account all factors.

There are very good relations existing between the Government of Barbados and the Government of Trinidad and Tobago. There is not a relationship based only on matters relating to fishing or whatever it is, it is over across a whole spectrum, and of all people, and of all interests in Barbados, the Barbados Labour Party should know that.

Asides.

Rt. Hon. L. E. SANDIFORD: I believe the Leader of the Opposition knows why they should know as well,

because in 1980 they raised on the Trinidad capital market a loan of almost \$40 million.

Aside.

Rt. Hon. L. E. SANDIFORD: I think the Leader of the Opposition should know better than try to confuse issues. To talk as though the relations are limited only to fishing and airlines is not true. We have financial relationships as well. When the Barbados Labour Party borrowed that money on the Trinidad market, they created an obligation that had to be repaid.

Aside.

Rt. Hon. L. E. SANDIFORD: There is not everything that should be discussed and developed in the glare of publicity, but I want to stress that in our approach to regional matters we should take a very broad view, because it is in the interest of Barbados to ensure that our relations are as smooth as possible.

I believe the Member for St. George South would not perhaps have remembered that particular aspect, because his Leader does not tell him what he is going to release in the Press, so I think he may have overlooked this and I am saying that relationships between Barbados and Trinidad and Tobago are much broader than the question of BWIA and fishing. I think we have to take all of these into...

Mr. R. P. BYER: On a point of order. Sir, I did not want to interrupt the Prime Minister, neither did I want to rise on a point of order as I have risen now, but I think the Prime Minister is not accurately reflecting what I said. He is trying to say that I said that the relations are limited to fishing and air routes. I never said that, Sir. I said that as part of our negotiating position, in relation to fishing and fishing rights, that the time is now right for us to rethink our position, to discover whether we ought not to use that as a negotiating position, our position with BWIA. That is what I said.

Mr. CHAIRMAN: Point made.

Mr. R. P. BYER: I am aware of the bilateral and other things.

Rt. Hon. L. E. SANDIFORD: I am just making a general statement and I would not like the Honourable Member to think that I am necessarily castigating him. I am just issuing a warning and a caution to all concerned that we must be balanced in our views and in our approach to these particular matters. Our memories must not be too short on these matters.

Mr. O. S. ARTHUR: Mr. Chairman, Sir, the fact that a matter is bilateral does not mean that a Government cannot put a whole series of economic initiatives together in a

package and deal with a number of issues simultaneously. The last time Barbados has had a real serious economic relationship with Trinidad was back in 1977, when a bilateral arrangement with Trinidad was worked out covering a whole range of things. We provided the basis not only for expanded trade, and not only regularised an air routes relationship, but also led to the creation of CARICARGO and the Arawak Cement Plant and things of this nature. So that when we hear the Prime Minister talking about how you have this playing field now, and you cannot link fishing to anything else, we now begin to understand why the country is facing the kind of economic problem that it faces.

You can have a full bilateral relationship with a country in which a complete package is worked out, that is, a package where you give in one direction and I take in another direction. Trinidad has as much need for the Barbadian market as our fishermen have for the fish from Trinidad waters. The same right of Trinidadian manufacturers to sell goods to Barbados, we are saying, within the spirit of regionalism, should allow our fishermen to feel that they can go to Trinidad as well, within a sensible framework and fish. Their right of access to our market is enshrined in a CARICOM treaty and I am saying that these things must all be linked. The Caribbean resources must be open to the Caribbean people.

The Trinidad Government has, in my view, taken a very intransigent position on the question of fishing, because this Government of Barbados in particular has been guided by the need to prove a political point. The political point goes back to 1983 when, despite all that was happening in the Trinidad economy, the DLP Government was of the view that the decline in our trade relationship with Trinidad was because of some quarrel between Tom Adams and Pitt. While I admit that Tom Adams, at the «*» height of a crisis concerning the Grenada intervention, called the Ambassador to his office, the Tom Adams that I knew...

Aside.

Mr. O. S. ARTHUR: You would know more about Tom Adams than I would, so you can speak for him. They would have the people of this country believe that Tom Adams would call an Ambassador to his office, at the height of an invasion, and would forget to tell him, when all the planes were at the airport; and this Government has had to prove a point that they must have good relationships with Trinidad. If you have that good a relationship with Trinidad, we are telling you to convert that good relationship into increased fishing rights for the people of Barbados. It is no point having good relationships with Trinidad but they have access to our manufacturing market without restriction, but our fishermen cannot have access to their fishing waters, unless we pay some of the most

draconian penalties that any partners in a regional movement have ever been asked to pay. 4.45 p.m.

We are saying, Sir, that the kind of conditions that Trinidad has been asking our fishermen to pay, Sir, are unconscionable. The Government feel so, we feel so in the Barbados Labour Party and the NDP feel so, and I feel that all of Barbados should tell Trinidad that we do not believe that in the spirit of regionalism, Sir, that any two sets of countries in a region should treat each other the way they are treating us, our people where fish is concerned, so all has, in our view to be linked. We feel that a strong bilateral relationship can be worked out with Trinidad, recognising that an economic relationship doesn't only involve fishing but investments in joint capacity as we had in the past and that you give on the one hand, we take on the other hand, but that it is a mutual relationship based upon benefits given and benefits received. And to the extent, we are saying, that the Barbados Government believes that you cannot connect fishing with anything else in our relationship with Trinidad, Sir, our fishermen will continue to suffer and you on that side will believe that you are getting bad terms. We will continue to believe that the terms are bad and they will too.

Dr. R. C. HAYNES: Mr. Chairman, we in the NDP, of course, will always wish to pursue the most cordial arrangements, relationships, with the sister state of Trinidad and Tobago. However, I cannot help but feel and say that where a country has an asset like flying fish and it is my understanding that the flying fish of Tobago bypass Barbados, anyhow... I am advised by my shadow Minister of Agriculture and Fisheries it just happens that the tides take them down to Tobago. The Trinidadians do not eat flying fish. Trinidadians don't know how to cook flying fish and they always wonder how Bajans eat flying fish.

The fact is that as an economic entity the flying fish industry would exist in Trinidad because of Barbados. Because they can sell the flying fish in Barbados and because of the whole international thing relating to flying fish. Barbados has been the country that has been promoting that. You can ask the Honourable Minister of Tourism and he could tell you that. It is the only country in the world that really promotes flying fish. So, basically, Trinidad has been more difficult than it need be in relation to the whole question of our fishing in Trinidad waters.

I really feel that it is not a major economic loss to Trinidad, because most of the fish would anyhow just not be caught and from my understanding of it, that even in relation to the importation from Trinidad that they are some elements of secret joint ventures with Barbadian capital. Those who are catching to export to Barbados have certain linkages with certain persons in Barbados.

So that, here you have an asset. Trinidad has an asset which it really puts no ... there is no capital outlay. The

flying fish drift past Barbados down to the Tobago waters. We are another CARICOM territory. The flying fish is important to us because we eat flying fish and we have an industry around flying fish and really, I don't think that the Trinidadians should be allowed to get away with the kind of strictures that they are putting on. I think that they could certainly be far more concessionary in their approach to the matter of fishing in relation to Barbados and I think they should be told that; because, as I pointed out before, whilst it is nice to have good and cordial relations which I hope will continue for the benefit of both countries. I think, as the Prime Minister pointed out recently, the TT\$40 million bond ... I believe that that matured a few days ago, had to be paid, and again the Central Bank of Trinidad, I presume as the agent for the Trinidad Government, lent a helping hand - so that, these things go both ways - to ensure that the private sector individuals who have loaned the money to Barbados would not be out of pocket. These are the kind of relationships that we want to encourage in the Caribbean.

Now, Sir, there are reports emanating out of Trinidad. I don't know, the Trinidadians say so. The Trinidadians say that that is an indication of cooperation between the two governments.

,The point I am making, Sir. I believe that we need to reach a situation with Trinidad and Tobago where they should recognise that their interests, to a large extent, are our interests and our interests to a large extent are their interests. For example, for a long time now I have subscribed to the view which, I think, was first articulated by a Barbadian, who at the time was working with the Caribbean Development Bank but is now, I think, at one of the international agencies, Dr. Byer, who has indicated that subject to appropriate security arrangements in respect of supply from Trinidad and storage in Barbados that this could be an important area of cementing relationships between the two countries, where we would be buying finished products from that area and that we would have a capital good underpinning our trade relationships, which is most important as distinct from a situation where I ... you sell shirts to me, I buy panties from you, or something like that. You have a substantial capital good underpinning the entire trading relationship between Barbados and Trinidad which, of course, would also have relieved us from the clutches of Mobil at one and the same time

I think that it is important that we look ;;; these bilateral relationships with Trinidad and Tobago. Tk,-o is much to be gained from it. But at the same time, I don't think that where we have an asset which we can make available to them at a reasonable cost, that we should seek to exploit that. We have an asset, a very important asset. You take for example, the viability of BWIA is very much dependent on the fact...

Asides.

I am sure that Barbados tourism contributes, and the travelling Barbadian public contribute substantially to the viability of BWIA. 4.55 p.m.

Having said that, it is important to recognise that our tourism is also, to some extent, dependent on BWIA. Fair enough! The point I am making is, when you balance these two things, if a situation arose where Barbados had to make some concessionary arrangements with BWIA as distinct from other carriers, I would support it because we have an asset that they do not have, namely, the number of our tourist arrivals. They would not have that asset at this stage. I would support that.

I think that Trinidad and Tobago has an obligation to look and see that here is a fishing industry that is of immediate importance to fishermen in Barbados and to Barbados also. In the long run, when you look and think of fisheries development in the context of CARICOM, when you look at feeding CARICOM, when you look at our food bill for CARICOM, when you look at our food plan for CARICOM, such a reasonable arrangement with Trinidad and Tobago could be a major platform on which you can start to build further development. You can start attracting capital, fair enough and it is something that we have to look at

I would think that in the next negotiations with Trinidad and Tobago, that one should stress that-Trinidad has an obligation not to be too unreasonable to the poor fishermen of Barbados. I think that there is a good case for that. If it was something that Trinidad was producing at a significant capital cost to Trinidad... I would not, for example, be arguing that Trinidad should sell us oil below cost or anything like that But you are talking about fish that come off the African coast, as I understand, and just drift down to Tobago. That is what the issue is. It just happens that the fish go down there and they by-pass the south-east of Barbados and go down there. So there is really a very strong case.

Now, suppose we decide tomorrow that we are not importing any fish from Trinidad at all and our fishermen are not going down there. What are they going to do with the flying fish? Eat them? They do not eat flying fish. They do not like the taste of the flying fish. They do not know how to cook flying fish.

I remember years ago a former Minister of Trade in this Honourable House in referring to the relationships between Trinidad and Tobago and Barbados at the time raised the question when the oil prices drop, what are they going to do? Drink it? I remember that question. The point I am making is that there comes a time when we all have to be reasonable in our negotiations and I cannot, for the life of me, understand why Trinidad is being so difficult. My suspicion is - I do not know - that this is largely at the level

of technocrats. I am not even so sure whether this is at the level of the political directorate, whether that difficulty arises there. I do not know. But my suspicion and one's understanding of what happens in dealing with Trinidad and Tobago is that technocrats can present all kinds of difficulties that could be resolved by effective ministerial intervention. For example, I understand the Honourable ^ Attorney General went down to Trinidad...

Mr. CHAIRMAN: The Honourable Member has two minutes to conclude.

Dr. R. C. HAYNES:... and was able to get one or two concessions. Am I correct or not? I may be wrong. I do not know. If I am correct...

Aside.

Dr. R. C. HAYNES: The Foreign Minister then went down to Trinidad and Tobago and got one or two concessions. I believe that this matter should be dealt with at the level of the political directorate and just by-pass the technocrats. The kind of issues involved here, I do not think that there are issues which technocrats would readily appreciate. I think that by insisting on these unreasonable impositions it might just interfere with negotiations in other areas. There are other areas which, I am sure, I do not know ^ if I should mention them but Barbadians have been facilitatory during the difficult days of Trinidad in one or two little areas in meeting certain deadlines and so. I think that there is a case.

I would urge the Minister of Agriculture to put pressure on the Prime Minister and ask him to take note of what transpired in this debate today and communicate to his counterpart in Trinidad and Tobago the feelings of this Honourable House. There are feelings of love and affection towards Trinidad and Tobago. There are also feelings that *• we should get a better deal in relation to our fishing which is of little economic significance to Trinidad and Tobago. I really do not think that this is something that Trinidad and Tobago should be sticking out on.

I think we should have a preliminary agreement for two or three years and review it in case it became a threat to their fisheries or something like that. But if we do not fish, nobody fishes. If we do not buy the flying fish, nobody buys the flying fish. I hope that some pressure will be brought on the Trinidadians in this area.

Hon. M. A. KING: Sir, I just want to deal with one small aspect of the debate which is currently taking place and this relates to the comments about the fishing agreement with Trinidad and Tobago.

A lot has been said about it how you should seek to bring the whole series of issues into contention and out of that seek to find an acceptable solution to the problems.

There is nothing wrong in looking at the total relationship between countries and trying to work out an acceptable solution to one or two knotty problems which may exist. I have no difficulty in dealing with issues in that way.

The point has been made that the matter has to be dealt with at a political level and I think that it ought to be known that out of political considerations difficulties tend to arise. It seems to me that the issue of the fishing arrangements in and around CARICOM countries can be best resolved in the wider context of trying to have a regime for fishing in the entire Caribbean.

Bilateral relationships tend to create difficulties precisely of political considerations. I think sometimes we tend to be too insensitive to the political problems of others. For us it is a serious political problem that our fishermen cannot get fishing rights into Tobago. The fish are in Tobago waters, as we understand it. It is a serious problem for the Government of Barbados but we cannot ignore the other dimension that from the point of view of the Government of Trinidad and Tobago it is for them a political problem as well because they take the position that they have to answer to their people in Tobago. The Prime Minister, as we all know, is the representative of Tobago. Political issues always tend to distort reality. We in this country and throughout the Caribbean should know that. - Throughout the world you know how political issues can distort and make issues out of issues if they are not real issues, 5.05 p.m.

Dr. R. C. HAYNES: On a point of elucidation. Can the Honourable Member tell me how many flying fish the people of Trinidad and Tobago catch per year?

Hon. M. A. KING: That is not a point of elucidation. Elucidating what? Part of your speech? I am not, dealing with responses to any question you ask, I have made a point that it is a political problem for the Government of Trinidad and Tobago. They see it is a political problem and are concerned that the political dimension of that problem as far as they are concerned be also addressed,

Aside.

Hon. M. A. KING: Tobago is the Prime Minister's constituency. Our understanding is, and the position of the Government of Trinidad and Tobago is, that the Tobagonians are very concerned about surrendering what they perceive to be the rights of the Tobago fishermen to Barbados.

Asides.

Hon. M. A. KING: There are rights, obligations and benefits on both sides in the BWIA arrangement. You have to take the total arrangement into account, so that if a

Government tells you they have a problem with this because of political considerations - Governments tend to look over their shoulders at their electorates - what are you going to do? Tell them they can ignore what their electorates think about them? Governments do not behave that way, and you should know that. You cannot afford to say "we are going to ignore what our electorate thinks and do as we like because it is in the interest of Barbados" ...

Asides.

Hon. M. A. KING: How do you mean selling out? That is such a ridiculous suggestion, it is not funny. You try to negotiate and get the best possible arrangement you can get out of the circumstances, and you behave as if we are acting irrationally in this. I think part of the delegation which went to Trinidad and Tobago to negotiate the agreement consisted of fishermen and the fishermen had a position. They indicated what would be acceptable, and it was within those parameters that the negotiations took place.

Dr. R. C. HAYNES: On a point of order. Sir, the Honourable Member keeps talking about political considerations, in Tobago and sought to link the name of the Prime Minister of Trinidad and Tobago with those considerations. I think that accusation is so serious that he should tell us what is the nature of those political concerns and not just leave it vague like that.

Hon. M. A. KING: You clearly would not be concerned. I understand your position, because you seem to have no concern about your constituents whatsoever, but all politicians are not that way. Most politicians are concerned about their constituents, and I would be, and am, concerned about mine.

The point I am making, Mr. Chairman, is that from the point of view of Barbados, clearly the agreement which has been arrived at may not be the best that we would like for Barbados, but what I am saying is that we tried to negotiate the best we could. The agreement is not for all time. The agreement we were able to reach was specifically for one year and we will review it thereafter to see if something better can be reached, so it is not an agreement which binds the Medes and Persians for all time. You cannot ignore the economic position of Trinidad and Tobago.

The point has been made that Trinidadians do not eat flying fish, they do not know how to bone fish, and all that foolishness. All of that is a bunch of foolishness, but Trinidad and Tobago exports flying fish to Canada. For Trinidad and Tobago flying fish is an economic resource just like anything else, so the only point I am making is that in all of it we have to be reasonable from the point of view of Barbados and the Barbadian fishermen, we have to be reasonable from the point of view of the Government of

Trinidad and Tobago and the fishermen of Trinidad and Tobago.

All I am saying is that we should not, for political purposes and for emotional considerations, let the debate get out of hand and recognise that both sides have concerns and seek to address those concerns in the context of something which is acceptable to both sides.

Mr. D. J. H. THOMPSON: Mr. Chairman, the debate has taken an interesting course. I believe that essentially all of us in here would like to see the matter of the problems relating to fishing off Tobago resolved. I agree with the Honourable Member for St. Peter, I think it was - that is the only part of his speech I agree with - that all of us believe that the matter should be resolved. The point is that in relation to all of these matters sometimes we have greater difficulty in solving small problems like that with our own regional partners than we have in solving problems with persons who know little about us, or with whom we have had little contact.

The relationship between Barbados and Trinidad is not something that people can just wish away overnight. There was a systematic erosion of that relationship. The Honourable Member for St. Peter is not good at history. He alleges he is good at economics and I have no problem with that, but history is not going to be kind to the Barbados Labour Party. The Honourable Member for Christ Church West would not make the speech that the Honourable Member for St Peter made, because he knows how much work he put in as Minister of Foreign Affairs to secure that Agreement between the Barbados Government and the Trinidad Government, and within months after that the Prime Minister of Barbados destroyed nearly every aspect of that Agreement by his position of bad faith in relation to Trinidad. Then the Grenada crisis came and he abused the Trinidadian High Commissioner.

Now, I am patriotic. I am willing, in a time of crisis, to go with my leader, but in that particular issue the level of abuse was such that any increment by way of this so called all-inclusive package that he heralds as some great treaty that was to save the Caribbean region and Barbados was demolished. Then subsequent to that we had the Deputy Prime Minister travelling to Trinidad and looking in the back of people's suits to see where the suits were produced, or something like that.

Asides.

Mr. D. J. H. THOMPSON: Bree St. John travelled to Trinidad and made some speech about what suits people were wearing. Then he became Prime Minister and two grave indignities, the gravest indignities that have ever been meted out to any country - I was living in Trinidad at the time and I know how Trinidadians feel about Barbadians because of that. The first thing he said was that we were not

trading with Trinidad any more, so the Trinidadians asked "who cares? We have money". They had a little bit of money then. He said we were not implementing aspects of CARICOM Agreements, we will cut off trade. 5.15p.m.

Hon. H. deB. FORDE: On a point of order. The M-Honourable Member is misleading the House, The former Honourable Member for Christ Church East Central has never said that he is not trading with Trinidad anymore. That is really not true and I expect the Honourable Member to build his arguments on truth, not half-truths.

Mr. D. J. H. THOMPSON: Mr. Chairman, I will rephrase it. He threatened that if they did not implement certain aspects of the CARICOM agreements relating to trade, that he would cease to trade with Trinidad.

✿

Asides.

It's a matter of interpretation. The point is that the threat was issued and then the second indignity. I was a student then at law school and I sat in my living room one night and put on the television and a report from ... I think the reporter was the same Debra Ransome, I don't recall... they showed this picture with no sound to it of George Chambers arriving in Barbados for a state visit and coming » out of the door of the plane, looking around and then somebody came and whispered something in his ears and he went back inside the plane. The reporter then said that Prime Minister Chambers came to this country on a state visit to open the Arawak Cement Plant or to be involved in negotiating further incremental benefits between Barbados and Trinidad and not one official from the Barbados Government was at the airport to meet him.

The Foreign Minister for Barbados then issued a report. It came on later in the news and said that he got held «* up in traffic. And the Trinidad reporter, herself, said: "That seems very unlikely", because she counted no less than five roads to the airport and if he was held up on one, it means he could have taken another. All of us in Barbados know that there is more than one road to the Airport. They then showed a picture of Barbados' Prime Minister, Mr. St. John, down in Government Headquarters, in a pair of dark shades, drinking some water and they said meanwhile Prime Minister St. John was waiting for him down at ^ Government Headquarters.

Asides.

I am only giving you some examples of the attitudes of Trinidadians to Barbados. Let's not fool ourselves. I am not making any excuses for that attitude. I am saying that ^ the blame for the attitude of Trinidadians to Barbados and even the attitude of technocrats, because I would tell you something. I went to a few cocktail parties. I met with many of the economists from St. Augustine and most

Trinidadians believe that they built Grantley Adams Airport and that we owe them something. Most of them believe that they built the ABC Highway. Most of them believe that they built the Central Bank Building. So, people to people, we have a problem with Trinidad that we do not necessarily easily recognise.

A Trinidadian Minister of Government or Prime Minister making any concession to Barbados has to make it against the background that they had made concessions before, and the Labour Party trampled on them and walked over them and wiped their feet in them. That's the first thing they have to consider.

In those days they were discussing BWIA. The same BWIA that he says should be used as a pawn or bargaining point. That was a feature of the agreement too. A question of regional carrier and so on. That has already been negotiated and the Barbados Labour Party eventually turned their back on Trinidad.

Now, as I said, there is a lot...

Hon. H. deB. FORDE: Point of order, Mr. Speaker. The Honourable Member is again misleading the House. For a young Member who really ought to know something, he is really very poor in producing arguments. The Barbados Labour Party has never ever turned its back on any CARICOM country, particularly, Trinidad and Tobago. The Honourable Member has not added to the debate in any way, by that remark.

Mr. D. J. H. THOMPSON: You know what happened a week after what the Barbados Prime Minister did? A gentleman came to Trinidad, a very respected historian and he might very well have been correct in his research ... but the week after the indignity was visited on George Chambers, a historian from Barbados came to Trinidad and was on television the night saying that calypso originated in Barbados. They brought' on an old calypsonian. I don't know if he was the Mighty Liar, or Lion, something so, somebody, a Trinidadian and, he said that was typical of Bajans. It was lucky they didn't claim the Pitch Lake. Those were his exact remarks. In fact, systematically, for the next couple of days, Barbados was being paraded before Trinidadians as a country that was arrogant, as a country that was indifferent and as a country that did not care about its relationships with Trinidad.

Asides.

Mr. D. J. H. THOMPSON: It is this Government then, that sought immediately to rectify the anomalies in the relationship and that was only achieved through the presence and the physical ability at that time of Errol Barrow, whose commanding presence in the Caribbean had some impact. I remember he came to address the students in St. Augustine and the response to him by Trinidadians was very favourable. Because for the very first

time, I think, he came out and frankly discussed the relationship between Barbados and Trinidad-All the noise is coming from there, Mr. Chairman. You have to ask yourself why. Because they don't want the public or anybody else to know that they are people in Barbados who have sat down and thought about it. Because they would try to fool you now, as the Honourable Member for St. George South said that they are washed in the blood of the lamb and all of a sudden they have all the answers to everything.

And people who don't even know. Imagine you. Where were you then? Mashing up the Jamaican economy or somewhere far from Barbados and you talking about some agreement as though you were involved and somebody invited you to fly up to Trinidad to discuss something. You don't even know what the contents of the agreement were and you talk about all-inclusive package and you have to sit down with people and have these wide-ranging agreements and sign it... And the worst indignity, the aspect of that very agreement that was so hilarious, is that when the picture was taken of Tom Adams and Eric Williams signing the agreement, people said Eric didn't have in any hearing aid. You remember that? You remember the picture at the front of the newspaper? And Trinidadians said that Tom went down and Eric signed the agreement but he didn't have in his hearing aid. And everybody is talking in some kind of vacuum as though Trinidadians are all of a sudden ready to welcome "Baje" with arms open wide.

I have lived in that society and I know just how they feel. It is not just the kind of rivalry that you feel in the other islands, where Barbadians were school teachers and policemen and therefore people feel a kind of resentment. It is not a strong resentment but they feel that Barbadians were always needed in their territories to enforce law or to enforce standards or so on. But in Trinidad the feeling is a lot different and I put that worsening of relations between Barbados and Trinidad squarely at the feet of the Barbados Labour Party and I'm saying it is difficult... 5.25 p.m.

They are now making all kinds of snide remarks, especially the Honourable Member for St. Peter who was brought into politics at his side as the brightest and the best of the brains of Barbados. But now all of a sudden he is being pummelled. He is now being used as the excuse...

Mr. CHAIRMAN: The Honourable Member has two minutes.

Mr. D. J. H. THOMPSON:...for all the problems of the Labour Party. They are now telling people Tom Adams was the man that did it, not us. The Honourable Member for Christ Church West has now come into his own because at last with impunity in his own party he can tell people "I was

not a member of the Cabinet" as though that was respectable.

Aside.

Mr. D. J. H. THOMPSON: "Adams was the one who was doing it I was not around. I was not at Cabinet when they did all the things they did". It is now that he has come into his own as a leader and is now telling people...

Mr. CHAIRMAN: Can we have some order, please.

Mr. D. J. H. THOMPSON:...he is ready to do this and that. In other words: I was not part of that old regime; I am a different fellow. In fact, to the extent that he would deny the views of the former Prime Minister because I could not believe that in 1990, so close after 1986, that a former Governor of the Central Bank, that their Prime Minister was ready to dismiss if we did not get rid of him, or if elections had not taken place - he was about to dismiss him. The Honourable Member for St. Michael South Central can confirm that, I am certain. He was about to get rid of him and all of a sudden he is pompoussetting up there at their Annual Conference.

Mr. CHAIRMAN: Order.

Mr. D. J. H. THOMPSON: The Honourable Member for St. Peter has more than once in here given us all the reasons why he should not have been allowed to leave gracefully but should have been dismissed. Yet, he introduced him.

Mr. O. S. ARTHUR: On a point of order, Sir. I have never in this House advanced any reasons as to whether any Governor of the Central Bank should be dismissed and I am asking that those remarks should be withdrawn.

Certain remarks made by the Honourable Member for St. Peter were ordered expunged from the records by Mr. CHAIRMAN.

Mr. CHAIRMAN: Both Honourable Members take their seats.

Asides.

Mr. CHAIRMAN: I am still waiting to be heard as the Presiding Officer of this Committee. I have asked for Members to be silent on numerous occasions. I will not tolerate this kind of behaviour. There can only be one person conducting the affairs of the Committee.

Mr. D. J. H. THOMPSON: Mr. Chairman, I know I only have a few seconds. The point is, I want to say that in debates in this House the question of the Caribbean Multilateral Clearing...

Mr. CHAIRMAN: The Honourable Member for Christ Church West is on a point of order.

Hon. H. deB. FORDE: Perhaps I did not hear you, Sir, but the Honourable Member for St. Peter rose on a point of order and I seek Your Honour's ruling to find out if you have ruled on that point of order.

Mr. CHAIRMAN: I ruled on words which I considered unparliamentary that the Honourable Member for SL Peter has used concerning the Honourable Member for St. John. Those are the words that I ordered to be struck from the records.

Hon. H. deB. FORDE: On a point of order, Sir. Then I will ask your Honour in fairness to rule as well on the point of order taken by the Honourable Member for St. Peter. There cannot be one law in here for the Medes and another for the Persians. The Honourable Member for St. Peter rose on a point of order. He withdrew the remark to which offence was taken and he continued on his point of order. In accordance with the best tradition of May's, Your Honour is due to rule on that point of order. He must rule. There cannot be one for them and one for us over here.

Mr. CHAIRMAN: Could we have some order, please.

As I understand it, the Honourable Member for St. Peter raised a question in relation to a comment made by the Honourable Member for St. John. I would expect that the Honourable Member for St. John would be responsible enough to make a responsible statement and that he should have reason to substantiate the statement that he has made. I would so ask him to substantiate those statements.

Mr. D. J. H. THOMPSON: Mr. Chairman, I will substantiate my statement and you can then rule. There have been debates in this Chamber in which the issue of the foreign reserves has come up and in which the question of the money owed to the Caribbean Multilateral Clearing Facility, or owed by it to the people of Barbados has come up, when the Honourable Member for St. Peter has made it abundantly clear that he and the political directorate then were not responsible but...

Mr. O. S. ARTHUR: Mr. Chairman, on a point of order. My exact words were to the opposite. I said I accept responsibility on behalf of the Barbados Labour Party. I have only on one occasion in this House reflected on anything said by the former Governor of the Central Bank on the occasion when he made a statement abroad and I joined with the Honourable Member for St. Lucy on the Floor of this House saying that his language was excessive and was not in the best interest of Barbados. It is the only occasion in this House, Sir, that I have ever reflected on the performance or the behaviour of the former Governor of the Central Bank. The Honourable Member is dealing in untruths. I am asking him to produce those Debates where I

held, not the Barbados Labour Party but the former Governor responsible for the CMCF. The Honourable Member for St. Michael South Central would have done so but never me. 5.35 p.m.

Mr. D. J. H. THOMPSON: Mr. Chairman, since the Honourable Member protests so much, I withdraw the remark.

Asides.

Mr. CHAIRMAN: I think both Honourable Members have put their positions and the Honourable Member for St. John has withdrawn the remark. I think that should be the end of the matter. The Honourable Member for St. John will continue.

Mr. D. J. H. THOMPSON: The point I am making is that it was a complete surprise to me to witness at the Barbados Labour Party Conference that the guest speaker could be the former Governor of the Central Bank.

Asides.

Mr. CHAIRMAN: Will the Member for St. John take his seat a moment? I detect that Honourable Members are trying to reduce the seriousness of this Committee by the behaviour that is exhibited.

Aside.

Mr. CHAIRMAN: I will not be questioned by the Honourable Member when I am speaking. I have made a number of complaints about the behaviour of Members so far in this day's sitting and I am not going to do it any further. If there are any further interruptions I will use the Rules of the House.

The Member for St. John will continue.

Mr. D. J. H. THOMPSON: Now, Sir, all I am saying is that I was flabbergasted to see on television, to read in the newspaper and to be otherwise told that a speech was delivered by the former Governor of the Central Bank at a conference....

Hon. H. deB. FORDE: On a point of order, Sir. The Honourable Member is in breach of one of the fundamental rules of this House. He is irrelevant. It has nothing to do with the Head being debated - Fisheries - and he must be relevant to the discussion going on, Sir.

Mr. CHAIRMAN: Let the Honourable Member continue.

Mr. D. J. H. THOMPSON: All I am saying, Sir, is that this ties in to the new Barbados Labour Party led by the

Honourable Member for Christ Church West. They have forgotten everything past. They have forgotten that teachers could not get study leave, they have forgotten that all manner of persons....

Hon. H. deB. FORDE: Again on a point of order, Sir. The debate must be relevant.

Mr. CHAIRMAN: I will give the Honourable Member two minutes to conclude his address.

Mr. D. J. H. THOMPSON: Sir, all the protests I am used to when it comes to the Labour Party and my dealing with them. They have forgotten everything that happened before in Barbados, and whenever you remind them, no matter how small it is, if your language is too excessive they take little objections. If you are conservative in your criticism they cannot take it magnanimously. If you praise them they do not know how to understand or to appreciate praise. That is the problem with the Labour Party now. I believe that particularly on this issue the Labour Party must stand condemned by their vicious policies towards the Government of Trinidad, and that they are visiting now on this administration all of the difficulties that we have had in negotiating any concessions, any positions of principle with the Government and people of Trinidad. They are the people who are responsible for it and we now have to work to correct it, and it takes time. It will take hard work, commitment, and most of all it will take the men who are presently on this side to do it.

Mr. CHAIRMAN: Time.

Mr. D. J. H. THOMPSON: Thank you, Sir.

Mr. D. A. C. SIMMONS: On a point of order, Sir.

Asides.

Mr. CHAIRMAN: The Member for St. Thomas was on his feet before the Member for St. John had concluded.

Mr. D. A. C. SIMMONS: As I am on my feet, can I contribute?

Mr. CHAIRMAN: Let me hear the Honourable Member for St. Thomas.

Mr. D. A. C. SIMMONS: I will be very brief, Sir. I do not understand what the difficulty is all afternoon. I missed a part of the debate, but since I have come back it seems to me that the substance of the debate that is relevant to the Order before the House can be dealt with in a rather narrow compass.

As I understand it, it is about the difficulty experienced between Barbados and Trinidad in coming to an agreement that could be reasonably acceptable to

Barbados. I think, Sir, having heard the Honourable Member for St. John and the Attorney General, that it must be clear to everyone that the present Democratic Labour Party Government lacks the capacity, indeed the intellectual capacity, to forge a meaningful agreement with Trinidad.

In the past, prior to 1966, there were certain trade-offs. The present Government is showing an unwillingness to trade BWIA's rights against Trinidad's interest in maintaining a disproportionate relationship for their fishermen. The House has not yet adverted to the fact that, even assuming that all of the untruthful things that the Member for St. John said about the Barbados Labour Party could have been remotely based in fact, prior to the elections on May 28, 1986 the Democratic Labour Party told all Barbadians that any difficulties which we had experienced with Trinidad would have been resolved. By November 1986 those difficulties had been so resolved that the Minister of Trade - who then was and still is Minister of Trade - told all Barbadians through the media that he had achieved a breakthrough in trade with Trinidad to the extent that before Christmas 1986 there would have been 3,000 jobs created in the garment industry. He has never denied that. I have never seen the 3,000 jobs reflected anywhere. They told the public a bunch of lies in 1986.

Aside.

Mr. D. A. C. SIMMONS: The Democratic Labour Party.

Hon. B. M. TAITT: On a point of order, Sir. I knew he was going to say the Democratic Labour Party. The Democratic Labour Party, as Your Honour knows, is a party that is founded on truth and I will not have anybody saying that the Democratic Labour Party told the people a bunch of lies in 1986. It is simply not true. I challenge him to demonstrate the bunch of lies.

Mr. D. A. C. SIMMONS: I have asked so many questions in here, Sir, arising out of their Manifesto - 37 in one day - that proved the point of lies. You do not want prior to 1986? Do you want since 1986? Since 1986 the Minister of Health himself has promised on three separate occasions the opening of the St. Joseph Hospital on different dates, and it is not open yet. 5.45 p.m.

That is a lie you told the people. Sorry, those are three lies.

Hon. B. M. TAITT: On a point of order, Sir. First of all, I know the Honourable Member is going to want to withdraw that I told three lies.

Mr. CHAIRMAN: He will withdraw them.

Mr. D. A. C. SIMMONS: I will withdraw the "lies"....

Hon. B. M. TAITT: Sir, I will demonstrate that the Honourable Member is now engaging in sophistry because if you say that something is going to open and it does not open, does that make it a lie?

Mr. D. A. C. SIMMONS: I expected it to happen. You misrepresented them. **

Hon. B. M. TAITT: Oh, his expectation... the expectation is no higher than what you told me and the Minister of Tourism at his place... when he was living up in the place, when he was working for Banks, you and him and Sir Gary Sobers, when you told us about Tom Adams.

Mr. CHAIRMAN: I don't think that constitutes a point of order but certainly the Honourable Member would wish either to rephrase the statement or to withdraw the remarks. ***

Mr. D. A. C. SIMMONS: It is entirely possible that at the Minister of Sports home at Barclays...

Mr. CHAIRMAN: I ruled that that was "not a point of order but I would wish the remark made that the Honourable Member told lies, three lies rephrased or...."

Mr. D. A. C. SIMMONS: You don't like the word - "lies"?

Mr. CHAIRMAN: No, I don't. Because it is not parliamentary, Sir.

Mr. D. A. C. SIMMONS: All right. I withdraw the "lies". He falsely misrepresented to the public of Barbados on three occasions.

Hon. B. M. TAITT: Point of order, Sir. I never falsely misrepresented anything to the public of Barbados at any time at all. **

Mr. D. A. C. SIMMONS: Or negligently misrepresented.

Hon. B. M. TAITT: I never negligently misrepresented, Sir, ever. On the advice of the technical people. If you go down Spring Garden, you would see there is a thing there being built and every week they change the *» opening date. Pass and see it, Sir. It was to open in August, then they went to the next month and they are now into October. Because, Sir, they are having something built and St. Joseph Hospital is having a sewerage plant put in which was built in Milwaukee and is being put in. I do not build sewerage plants nor do I install them and I take the advice that is given. Just like if he gives...as a lawyer he gives ** advice, the client takes it. If the consultant tells me it is going to be open, then I say it is going to be open. They say they are going to complete it, I say so because I do not do it myself.

Mr. D. A. C. SIMMONS: All right, Sir. I understand. You want me to withdraw 'false misrepresentation'.

Mr. CHAIRMAN: Yes.

Mr. D. A. C. SIMMONS: The experts fooled him....

Mr. CHAIRMAN: The words are withdrawn?

Hon. B. M. TAITT: They have fooled me no more than he as a lawyer having given his client advice loses the case.

Mr. D. A. C. SIMMONS: Three times. I couldn't do it three times.

Mr. CHAIRMAN: Let me say. Two Honourable Members are on their feet. Let me say that the time allotted for this debate is coming very closely to an end and if the Minister is expected to respond, then you will wish to give him some time to respond.

Mr. D. A. C. SIMMONS: Sir, I am serious about the point of misleading, if you don't like the use of the word 'lies', about it being something in the bosom. It's a characteristic then that is deep in the heart of that party.

When the Honourable Member for Christ Church East left them, he published at a public meeting over there in Independence Square that ministers had told him consistently a bunch of lies, not one of them ever sued for that, because it was true.

Hon. B. M. TAITT: On a point of order, Sir. The Honourable Member is a Q.C., Sir, and he is misleading this Committee, because he is suggesting that if someone says that someone told lies to them that that is sufficient on which to sue the person.

Mr. D. A. C. SIMMONS: He said a bunch of Ministers told him lies. He never....

Hon. B. M. TAITT: If he got up and said I told him a specific lie about something that is not true, I would sue him.

Asides.

Mr. D. A. C. SIMMONS: Sir, it is time that the Labour Party be not blamed anymore for the incompetence of this Government after four and a half years in negotiating a proper fishing agreement with Trinidad. The Attorney General seemed to be making two points. I may have had him wrong and if so, he can correct me.

I understood him to be saying that they could not get the proper agreement that we would want with Trinidad because of political considerations. He never embellished

those, but I suspect that what he meant was that because the Prime Minister of Trinidad represents Tobago and because the fish would be caught in waters near to Tobago, which Tobago fishermen would have a prior claim to, that the Prime Minister is careful not to offend his constituents in Tobago. That is one political consideration.

He is also....

Hon. M. A. KING: Point of order, Sir, I would prefer if the Honourable Member does not interpret my speeches. You can put what interpretation you like, but don't put words in my mouth.

Mr. D. A. C. SIMMONS: I would hesitate to do that. But since he left it so bare I could only be guessing at what he meant and he has a duty to spell it out. We are not little boys in here. He is talking to 28 people in this House of Assembly, Honourable Members, as they say. And we have a right to receive information on behalf of the constituents we represent. It's as simple as that. Don't come in here and talk your parable; for it seems to me that he was also suggesting, Sir, and as I say, if I am wrong again, get up and criticise it... It seemed to me that he was suggesting that - I have to be careful because I don't want to cause any diplomatic confusion - Trinidad, because of its adverse economic situation prior to the Gulf crisis saw the need to earn foreign exchange from whatever legitimate source and Trinidad and Tobago therefore, determined that the export of flying fish by them overseas would be revenue raising to Trinidad.

Asides.

Mr. D. A. C. SIMMONS: They want the foreign dollars. But if those are some of the considerations, come out and say it. I have sat down here and thought hard for almost an hour about what the Attorney General was saying. It is nothing to do with Tom Adams, St. John and the Barbados Labour Party. It has now come down to the nitty-gritty of foreign exchange and pure economic conditions. That is what it is.

The two speakers for the Government are at variance with each other.

Hon. M. A. KING: The Honourable Member can't say that two speakers are at variance with each other. I have put one dimension of the problem. If another Honourable Member chooses to put another dimension of the problem, so be it but it doesn't mean that the... Certainly, the points of view are not at variance. They are not contradictory. They can be supplementary, so that he can't say that we are putting different points of view.

Mr. CHAIRMAN: The Honourable Member will conclude in two minutes.

Mr. D. A. C. SIMMONS: The points of view are at variance with each other, because the Honourable Member for St. John blamed it on pre-1986 diplomatic problems between the two states. 5.55 p.m.

I believe, Sir, the problem - and it has been so reported in the Trinidad Press, you get very little about it here - has been the protection of the self interest of the Tobago fishermen. That is not new. They need to earn foreign exchange.

When they were trying to export carrots and tomatoes from Barbados into Trinidad, the then Minister of Agriculture, Mr. Kama! Mohammed refused to allow Barbados tomatoes into Trinidad because in his constituency there was a large proportion of fanners who were planting, selling and exporting tomatoes. It was all due to protection. Let us be practical about this. If that is the problem, say that is the problem. We have to weigh that self interest against the privilege that we have been asking Trinidad to grant in allowing our fishermen to extend the territorial waters and come into their waters.

Mr. CHAIRMAN: Time. I indicated that debate on this will close at 6.20 p.m. The Minister has to have time to respond.

Mr. R. L. MORRIS: The Honourable Minister does not have much to respond to so I will take the opportunity to speak for a few minutes.

Mr. Chairman, it gives me a lot of pain sometimes to hear people talking about technical areas in negotiations as though it is a Sunday afternoon walk in the park. All the answers to negotiating very difficult and very complex negotiations can come forward from people sitting down in these Chambers.

In Barbados we have simple negotiations over collective agreements that can go for two years sometimes. It might just be a matter of negotiating salaries and conditions of employment. To indicate that negotiations between two sovereign countries over an area that is as complex as a fishing agreement which is not a regular area of negotiation, that if it goes to four years that is therefore too long, that thinking characterises the minds of infants and children in negotiating matters.

I would like to suggest to you, Mr. Chairman, that there are different ways of securing agreement on anything. You can get compromise but to get compromise you have to get people who are willing to give up a lot just to satisfy themselves. That is one way of meeting an agreement.

I always hear the other side talking about doing this and that to Tobago. That is a position being coerced. If any of us in industrial relations in Barbados adopted that

measure, if the trade union used coercion, everybody would say that we are vagabonds and bullies. But you are suggesting that as the Government of Barbados we should do this and do the next, coerce them to get what we want. Some people can use emotion. I hear a lot of emotion coming from out there too. You do not sell agreements on emotions unless you are some Latin American or *, something, like that, get in there and thump your hand on the table. The one that we use particularly is negotiation.

Mr. R. P. BYER: On a point of order, Sir. As far as I can recall, nobody on this side for the entire afternoon and now evening, has advocated the technique of coercion, trying to persuade the Government of Trinidad and Tobago to come to any decision. As far as I can recall, we have all talked about negotiations and what positions can be taken, what can be used to bring about a successful negotiation, or what tools of negotiations. **

Mr. R. L. MORRIS: Mr. Chairman, I am using these terms in a technical way so if people misunderstand, I would not be surprised.

Mr. R. P. BYER: Mr. Chairman, on a point of order. I will not stand for any snide remarks coming from the Honourable Member. I understand the technical language that he is using so do not try to belittle anything that I say or ^ anybody says. It is foolishness.

Mr. R. L. MORRIS: Mr. Chairman, in speaking about coercion, I am not talking about use of force. You all do not understand what you are talking about. You can talk to the Chairman that way. You cannot talk to me because you are only bluffing. You do not understand what I mean by coerce. Do not be ashamed to say that you do not understand.

Mr. CHAIRMAN: Order.

Mr. R. L. MORRIS: By using the word "coercion" I am not speaking of physical force or otherwise, but aggression. If both sides do not understand, both the National Democratic Party and the Barbados Labour Party talking about using BWIA to do this and to do the next, you do not understand what you are talking about. This is not a discussion about you. You cannot throw me off what I am saying.

Mr. CHAIRMAN: Can we have some order.

Mr. R. L. MORRIS: Negotiation is where we have a position that we want to put forward. Trinidad and Tobago has one. We are far from each other and we sit down and try to use techniques to get there. There are a number of — phases in negotiations.

Mr. Chairman, save me from these bad-mannered people here. The Honourable Member for St. Peter and the

Honourable Member for St. George South are displaying execrable manners.

Mr. CHAIRMAN: The Honourable Member for St. Peter is constantly ignoring the pleading of the Chair. So does the Honourable Member for the City of Bridgetown.

Mr. R. L. MORRIS: Mr. Chairman, they do not have any manners. They do not understand what manners mean.

What I am saying is that anybody understands negotiations as complex as these. We understand it. There are three issues, the issue of the amount of boats that can be used to go down into the Trinidad waters, the cost of the licences and the area in which the Barbadian fishermen can go.

Now, I suppose that both sides would have set out their own target areas, their own fall-back positions and so on. Negotiation is a matter of putting up your strong positions, then prioritising how far you can go and trying to reach a settlement. There has to be an assumption that Trinidad and Tobago has as strong views over the matter as Barbados has. It cannot be a simple matter of anybody imposing an agreement on the other side.

What the Honourable Member for St. John was saying is quite right. In understanding negotiation in any context, you have to look at the background situation. He was quite right in suggesting that the Barbados negotiating position would have been affected by previous arrangements between Barbados and Trinidad and Tobago. I support strongly everything that the Honourable Member for St. John said. There is no conflict of position between what he said and what the Honourable Attorney General said.

The Barbados Labour Party was thrown out completely because of the reference to the Governor of the Central Bank, the fact that the leader of the Minority Opposition invited somebody who was at odds with the former Prime Minister, and the Honourable Member for St. Peter. That was only a fall-out from the real discussion. 6.05 p.m.

The fact that he might have made a technical error and said that he made certain statements in here which he might have made outside gave him the chance to get up on a point of order, or several points of order, to derail the position, but they were hurling from that. What he was establishing is that background situations will affect negotiations, and the point stands.

Thank you.

Mr. D. A. C. SIMMONS: On a point of order, Sir. It is not correct to say that we are hurting from any foolishness. Of the three political parties who had annual conferences, we were the only one able to attract a speaker from outside

the party. They had to hear the Prime Minister two days running, Sir.

Hon. W. O. FRANKLIN: Mr. Chairman, we have had quite a long debate and I will try very quickly to answer as many of the questions as I can.

Let me spend some time, first of all, to deal with the Trinidad and Barbados negotiations on a new fishing treaty. Most of the points have been agreed on and have been initialled. There is only one point of difference that has been referred to the Ministers, and that has to do with what is interpreted as the close season. Trinidad's interpretation of the close season is different from Barbados's interpretation of the close season. That is being negotiated and as soon as that is completed the whole agreement will have been completed to the satisfaction of both sides.

Let me make a point here. I have heard about 350 tonnes of fish. The agreement does call for the importation into Barbados

Asides.

Mr. CHAIRMAN: I am having some difficulty hearing the Honourable Minister.

Hon. W. O. FRANKLIN: The details of the agreement will be made known as soon as that last point has been agreed on.

The difficulty referred to by the Member for St. George South about the importation of fish *vis-a-vis* the local catch, for the first time this year we have had about six long liners that have been working in what we call the off season. Therefore there has been more fish in Barbados this year in the off season than is usually the case. Normally we import between 600 and 900 tonnes of fish per year from St. Maarten in order to supplement the local catch.

Aside.

Hon. W. O. FRANKLIN: There is a problem at Six Men's, but let me say that the Ministry is aware of the problem and the fishermen at Six Men's who have been using those facilities for many years will not be discommoded. If it is necessary, the Government will have to take the necessary action to protect the rights of the fishermen in that area.

In the Development Plan there is provision for a fishing facility in the north and we are now beginning to plan for that facility. A series of examinations has to go on to find the most suitable part of the north for that, but that is the next major fishing port that is under consideration for Barbados.

The point raised by the Member for St. Peter about the size of the supplementary was already explained. First of all, we had three private people and we can change the management. As far as this is concerned, we have just had a meeting with the fishermen's representative and some fish boners for the Bridgetown Fisheries Complex and we are beginning to look at a little advisory committee from among the usual people.

The original slipway at Tent Bay ran almost at right angles to the tide and created a problem. As a result of this, we have tried a temporary slipway that runs parallel with the beach and it has been satisfactory to the fishermen and we are now preparing for the slipway to be constructed. Two firms tendered for the construction of this slipway, since it includes some sea work - C. O. Williams and a firm in Christ Church - and of the two firms the only one which seems competent at the moment to do it is C. O. Williams. We have agreed on that, but we will be informed of the timing for the construction. As soon as that is known we will complete Tent Bay.

We are aware that there could be, or is, a drug problem associated with some users of the complex. I am not saying more, because our Security Guards and our management work very closely with the drug squad. All I can say about the security people, I have asked for the best that we had available to us. These were selected by the people in Defence and Security as the most experienced and better security people. They are the ones we have and they are working very closely with management and the drug squad to make sure that any problem that may exist or is likely to arise will be solved.

The situation about the small fishermen, to the extent that they are being deprived at the hands of the larger fishermen, is that there are two situations. In the fishing complex there are tie up positions. A day boat does not use any smaller tie up position than a big ice boat. This is how it has been designed. We have been looking at the possibility of some extension for the day boats that would move them from inside the present harbour position. This is being considered. If we can have a new layout of the tie up position to allow the day boats to use a smaller space, we would look at the cost. Representation has already been made to me about the cost, and we are looking at it.

The plans for Consett Bay and Skeete's Bay are coming on. Representation has been made about Martin's Bay and plans have been drawn for that small facility and as soon as the Ministry of Transport and Works gets around to it, that will be done.

Dr. R. C. HAYNES: On a point of elucidation. Is this part of the St. John plan that surfaced in the St. John bye-election?

Hon. W. O. FRANKLIN: Mr. Chairman, plans are far advanced for Consett Bay and Skeete's Bay. The Bay Street fish market is not going to be used as a fish market any more. Representations have been made by the Craft Guild to have that building converted into facilities for the craftsmen of this country and facilities will be made available for the people using the beach, as well as ^ storage of material for the fishermen who repair boats there.

Part of the agreement with the IADB for the construction in Bridgetown states that you cannot have landing sites within a particular area, and Bay Street is within that area. Secondly, we have identified a need for facilities for craftsmen in this country both to display and do their craft, and the Craft Guild of Barbados has proposed a plan for the use of the Bay Street centre. They will remodel it and we have agreed that they can use it. There will be facilities for the people using the beach, as well as ^ storage facilities for the people repairing the boats on that beach. There will be facilities for storing their timber, equipment, *et cetera*.

Mi. CHAIRMAN: The Minister has two minutes.

Hon. W. O. FRANKLIN: The situation with the bins at the Bridgetown Complex is that the big processors have their own bins, so when you see the big processors using bins they are their own bins that they themselves bought. If they want to rent from us, they rent at the same rate as anybody else.

We dealt at length with Oistins, but, very quickly, a breakdown of the \$600,000 was asked for. You not only have to bring in the ice machine that would cost approximately \$200,000, because it will be bigger, you have to build bin facilities to hold about 100 tonnes, which we do not have at Oistins but we have at Bridgetown. 6.15p.m. «.

You have to refurbish completely the cold rooms, as well you have to have a delivery system for the boats out at the end. It is a complete system you have to introduce at Oistins. This is what I am advised. If there is any way that we could cheapen it we would certainly cheapen if that is the situation.

The structural situation on the jetty, we are aware of the potential danger and we have asked the engineers to * look at that as soon as possible to offer a solution. Mr. Chairman with those remarks, I now beg that Head...

The question that Head 74 stand part was put and resolved in the affirmative without division

Hon. P. M. GREAVES: Mr. Chairman, I move that ** Head 81 stand part of the Resolution.

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

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

Rt. Hon. L. E. SANDIFORD: Mr. Chairman, the sum of \$1,400,000 has been provided in the approved estimates for the current financial year 1990-91. That sum has proved to be inadequate and by means of this resolution supplementary provision of \$600,000 is being sought. That would therefore bring the total provision to \$2,000,000 under this item Conferences, Head 15, Cabinet Office, subhead 3, Conferences and Delegations, object No. 12 operational expenses.

I should point out, Sir, that in the years preceding 1984-85, a sum of \$1.6 million was provided for Conferences and Delegations; for the year 1985-86 \$2,064,521 was provided for Conferences and Delegations and in 1986-87 \$2,186,312; in 1987-88, \$1,878,187; 1988-89 \$1.6 million and in 1989-1990 \$1.7 million.

We can see, Sir, that the amount of money spent over the years on Conferences and Delegations has varied between - going back to 1984-85, \$1.6 million and reaching just over \$2 million in the years 1985-86 and 1986-87. As I have indicated, with this particular supplementary being sought the total would still be less than was spent in the years 1985-86 and 1986-87.

I expect, Sir, or rather I would hope not, Sir, that we would not go through the usual contortions about spending on conferences and delegations and visits abroad. I believe that it is well recognised that in order to conduct the business of any modern government and particularly, to conduct the affairs of a small country like Barbados which is a very open economy, in order to get our goods and services sold abroad, to retain our relationships with other countries, to attract people to visit our shores, it is necessary to maintain contact, including personal contact.

I believe that all... I know that all Honourable Members over there in private or public capacities make many visits abroad in any one year and if in order to transact their own private business they have to make such visits, there is all the more reason why in advancing the interest of Barbados that the members of the Government and the Civil Servants of this country have to travel in order to transact such business. Perhaps, Sir, I should give some indication of some of the larger items of expenditure on which the funds provided have been spent. There was a meeting of UNICEF, an Executive Board Meeting in Canada. There was a Canada Commonwealth Caribbean Conference. There was the 28th Annual Risk Management and Employment Benefits Conference and Exhibition in Boston, U.S.A. There was a World Health Assembly meeting in Geneva. There was a Commonwealth Youth Affairs Council meeting in Zimbabwe. There was an International Labour Organization Conference in Geneva. There was the OAS General Assembly in Paraguay and

there was a visit by the U.K. Delegation of Parliamentarians and best cricketers. There was the CARICOM Heads of Government Conference in Jamaica and there was a meeting of the Standing Committee of Ministers Responsible for Science and Technology in Jamaica. 6.25 p.m.

These are but some of the conferences which have been attended either by members of the Government or by civil servants in the course of their duties.

I think, Sir, it is well to point out that as far as the allocations are concerned, of the total amount provided, somewhat under half has been spent as far as parliamentarians and members of the Government are concerned, and the remainder has been spent in terms of the travel of the civil servants.

Let me put it another way. Of this amount most of it has been spent in terms of the travel of civil servants on required business of Government. Less than half of it has been spent as far as the visit of Government Ministers and other members of Government are concerned. I think we need to point these things out. I am not really resting a case for the supplementary on that basis. What I am saying is that for a small open economy which must maintain contacts within the region and beyond the region, we have to make visits abroad and this is not anything that we are apologising for. We are saying that this is necessary.

We are saying also that the tired old arguments now at the end of the Twentieth Century when we should have vision...

Aside.

Rt. Hon. L. E. SANDIFORD: The action is there. You are getting nightmares. That is your problem.

So, Sir, I think we have spent quite a lot of time today discussing other matters. I know there is agreement on both sides. I travelled with my friend, the Honourable Member for St. Thomas, far afield and we know the...

Mr. D. A. C. SIMMONS: All that the Prime Minister has said, putting aside the conviviality of those trips together... He has not told us about the last one he made to China when he left me home. I want to know how much that cost?

Rt. Hon. L. E. SANDIFORD: I must apologise to the Honourable Member, Sir. I know that he is a very good representative abroad for Barbados. When he is abroad he speaks as a Barbadian and as a patriarch. I will make a promise to you. I will include you in one of the delegations next year.

Aside.

Rt. Hon. L. E. SANDIFORD: You have chosen the date. You gave a prediction - December 6. Something particular is going to happen on that particular day. I will make a prediction now and you can listen. I will predict that the sun will rise on that particular day. I am sure that has as good a chance as your prediction of being true so we will leave it at that.

With those few words, Sir, I beg to move that this Resolution do now pass.

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

Dr. R. C. HAYNES: Mr. Chairman, Sir, I must express my concerns that in a situation where Government has now admitted that it is faced with a revenue failure situation, and in a situation where Government's expenditure has been amounting to squandcrmania, that the Government should give this particular matter the highest priority, a priority over a large number of others which are already in the various ministries, and probably in the Ministry of Finance by now, amounting to millions of dollars which the Government owes its citizens for goods and services rendered.

One anticipates that unless the Government seeks to escape by means of an early election from the very serious economic and financial situation, both internally and externally, that we will be seeing a spate of supplementaries coming before this House. No. One is a supplementary for \$600 000 bringing to \$2 million the vote for Conferences and Delegations, the vote where the Government almost certainly has a total discretion in how that is spent. There is very little that comes up under this vote that cannot be avoided if there is determination to do so.

There is no point going back and saying what was spent in 1984-1990. It does not interfere with my freedom of speech since I have never managed this vote on the one hand, and I think only on one occasion did I present to Parliament an appropriation in respect of this vote. My views on it now are the same views that I have always held.

I think it is quite ridiculous that in a matter of largely discretionary travel expenses that the Government should have blown the entire vote of \$1.4 million in six months and then come back here for \$600 000 in all kinds of high flowing language. The fact is that the vote has been blown. I do not think that the (rip to China is included in this vote-in total. I am not sure.

Sir, I have been looking at one or two other things and it is important for Members to understand that this is not the only Head under which Government is meeting such expenses. In the 1991 Estimates, page 27, Ministry of Finance and Economic Affairs, you will see an item there, Sir, line 12 - Operating Expenses. The note provides for

postage, toiletries, cleaning supplies and miscellaneous expenditure.
6.35 p.m.

If you look under Actual Expenditure you will see that in 1988-89 that was \$6,658, which is a reasonable expenditure when you consider the Head. By 1989-90 that was \$396,737. As far as I know there was no gastro-intestinal epidemic in this country. It provides for postage, toiletries, cleaning supplies and miscellaneous expenditure. By the next year, Sir, it amounted to \$667,600. Dramatic, Sir, most dramatic. Six thousand, six hundred and fifty eight dollars in 1988-89, \$667,600 in 1990-91 under that Note, and the Note says "postage, toiletries, cleaning supplies and miscellaneous expenditure".

On the other hand, Sir, there would be no discretion if you were posting more, if you had to buy more toiletries or more cleaning supplies.

Aside.

Dr. R. C. HAYNES: Or if you "have more miscellaneous. The miscellaneous is what we are concerned about.

There is also the question of the Head - Charges of Debt. I am also aware of concerns within certain quarters of Government where certain persons wish to continue their previous habits and abuse expenditure under that Head. I believe that some attempt has been made to restrain certain persons in that particular area, so that this does not represent the sole area of expenditure for this particular purpose.

My submission to you, Sir, is that given the particular economic climate of Barbados, it is totally unreasonable to come to this Honourable House for supplementary expenditure of this nature. The Honourable Prime Minister, quite inappropriately but nevertheless worried no doubt about the economic situation, took the occasion of a visit to the St. Michael's District Hospital to call upon Barbados and the residents therein to cut and contrive. Where is the cutting and where is the contriving here? This is an area, if you are serious about sending a signal to the community, where you should be showing a reduction in this vote.

I do not believe for one moment that when Parliament was asked to appropriate \$1.4 million there was not some intention to try and control this vote. I believe it has got out of hand because of mismanagement and various other factors involved, and I think the time has come when as parliamentarians we have to set an example. We cannot call on our old people to cut and contrive, we cannot call on people who can reasonably except maybe pay increases of three or four hundred dollars, including back pay net of deductions, not to spend all and save some, when they already owe away more than the three to four hundred

dollars. You cannot call on them to do that and then set this kind of example. What is worse is that this kind of expenditure is almost 100% foreign exchange - airline tickets and various expenditures abroad.

The time has come when we have to examine our priorities and I believe that in the present economic situation the Government has an obligation to make sure that this vote is controlled, and even if Parliament approves the \$600,000, unless it has already been spent, the Government should do its best to send a signal out there. Nothing involved here affects the salaries of anybody, nothing involved here affects their capacity to eat, drink, meet their daily bills and obligations, this is all additional expenditure and the time comes when you get invitations to go off to Argentina or somewhere to attend this conference and that conference and the people in the international agencies put all kinds of pressure on you to say that Barbados must be represented, it suits them because it does a lot for their ego, they set up the conferences, and therefore they will be embarrassed if somebody from Barbados is not there. There is nothing wrong in telling them, very simply, "thank you very much but I cannot afford it". There is absolutely nothing wrong with telling them that.

I think it is most important that we begin to examine our priorities in relation to expenditure here, and the same thing not only in terms of Ministers but also in terms of Public Servants as well, to tell them that it is not going to be a routine matter year after year sending two and three people to the same conference. Very often you do not even see a report after the conference. Just make it clear that this is not your policy and a significant amount of savings can be effected. I am not saying for one moment that there are not a few items on the Government's calendar which would not require travel overseas, what I am saying is this whole business of Barbados must be represented here in this and that, that kind of thing is largely exaggerated.

When I look at the kind of conferences one is called upon to attend, or invited to, these are things that one has to watch and make sure that you keep this expenditure down to a minimum. Nowadays governments seem to think that they are administrators. They seem to think that they are managers and they do not understand that perhaps the most important part of your existence is that leadership component in sending the right signals to the community. You do not become a good manager simply because you have won a seat in Parliament and become a Minister of Government. You may have never managed anything or you may never have the capacity to manage anything, but you can still be a good representative and be a good Minister if you understand your role. 6.45 p.m.

Therefore, it is most important that we recognise more carefully what our role is in the whole process and make sure that at all times we set out to send the right signals to

the community. There is no way that anybody in Barbados can take this Government seriously about cutting and contriving....

Mr. CHAIRMAN: The Honourable Member will conclude in two minutes.

Dr. R. C. HAYNES:... when they hear today in the Parliament of the country a vote of \$1.4 million has been busted in six months and now has to be supplemented by \$600 000. Nor is it going to go down too well with the hundreds of people out there, people whose businesses have been compromised because they cannot get their pay cheque from Government, that this has been given a priority as a supplementary in Barbados today. Let us remember what we are saying to the people when we do things like this.

This is a year when there was a case to control this vote, particularly in the light of the fact that I know as a matter of fact that substantial expenditure has taken place under the Head of Charges of Debt, some of it. I want to be fair. I understand that there are certain responsible people who have been questioning the use of that vote by certain persons and other areas in the Estimates.

I urge on the Government to make sure that in these difficult circumstances in Barbados that they take the lead in cutting and contriving and not to ask our people to make sacrifices of that nature and then come into Parliament with a Resolution like this.

Mr. CHAIRMAN: Your time has expired.

Dr. E. A. SIMMONS: Mr. Chairman, I want to address this issue. I want first of all to start by disagreeing totally with the philosophy put forward by the Leader of the Opposition. I would recommend that some time in the near future that he gets hold of a very interesting book written by a leading economist, Pat Choate, called *Agents of Influence* and subtitled "How Japan Lobbyists in the United States Manipulate America's Political and Economic System". It deals with the present day world in which we are operating.

No independent country that is looking for political and economic advantage, or improvement, can sit at home in its own territory without intermingling in the international market and progress. The more the world is advancing, the more important it is for us to get out there in the international market. What is important is that when we go into the international market that we act and work hard on behalf of our country. That is what is the critical issue. I am going to take this opportunity because, seldom in this assembly, do we have an opportunity to discuss international and foreign affairs issues.

I have been assigned by the present Government to attend the meetings of the ACP/EEC Joint Assembly which is a 80 body member, 68 African and Pacific Countries and 12 European countries. I think it is incumbent on me to say what has been happening in that Assembly over the past three years.

Those of you who can remember would recall that the very first event of the 350th Anniversary of Parliament was Barbados hosting the ACP/EEC Joint Assembly Meeting. The records show that at that Assembly for the first time there was a record turn out of participants at the Joint ACP/EEC Assembly Meeting.

I have heard from very reliable sources that the European Parliament allocated approximately 2 million pounds to be spent on that Conference in Barbados. That is the European Parliament alone. When we talk about expenditure, we must also look at the possible benefits to be derived when we get involved with these international agencies. That 2 million pounds does not include the expenditure spent by the 68 African, Caribbean and Pacific countries represented in Barbados.

Dr. R. C. HAYNES: On a point of elucidation. Is the Honourable Member saying that 2 million pounds came into the Treasury of Barbados as a consequence of hosting the Conference here? If so, under what head in the Revenue Estimates can I find it?

Mr. CHAIRMAN: I am sure the Honourable Member knows that the Honourable Member did not say that.

Dr. E. A. SIMMONS: Mr. Chairman, I said that I have of certain knowledge that 2 million pounds was allocated to the European Parliament. Whatever that means, it is what it is. I said that is the information I have.

Mr. Chairman, I have to go on because I want to make clear the importance of Barbadians - parliamentarians, Government officials and civil servants - attending these international agencies and making a contribution on behalf of Barbados because I think it is very important. Barbados has been a Member of the Bureau for the past three years which is the Executive Branch of the ACP/EEC. Barbados has been playing a very active role in that Assembly.

Within the last year, Barbados has been given the job of rapporteur in putting together a working group on intra-ACP trade, trade between the African, Caribbean and Pacific Groups. At the last meeting held last month in Luxembourg we presented our first paper on Intra-ACP Trade. I want to make that preliminary paper which was presented at the Joint Assembly Meeting in Luxembourg a document of this House because I am not going to just get here and make statements. I am going to produce the evidence of what Barbados has been doing at that Assembly.

In addition, Mr. Chairman, Barbados has been given the very important job of being Vice President in charge of human rights violations for those 80 countries. There are only two Vice Presidencies in the organisation, one held by France and the other held by Barbados. At present there are four countries which have human rights violations accusations levelled against them and they are Malawi, Chad, Zaire and The Sudan.

Barbados finds itself in the very pivotal position especially in the case of Sudan - the European Parliament has suspended all aid to Sudan because of the accusations of human rights - where we along with the member from France are to make recommendations to the Joint Assembly with respect, first of all, to sending an investigative team into the Sudan to investigate their human rights and then recommending what should be done with respect to the status of restoring the aid to The Sudan. The Sudan is a * country of approximately 1 million square miles with some 25 million people. So Barbados finds itself in a very pivotal position in the international arena. When I hear people get up and talk about the travel of parliamentarians and Ministers, I want...

Aside.

Dr. E. A. SIMMONS: I have to make the contribution ' because I listen to the people in the international arena and I know about the comments that are made about Barbados' participation. 6.55 p.m.

I know that from the time the ACP/EEC Joint Assembly met in Barbados the favourable effect it has had on the image of Barbados, because despite what is said by Barbadians about Barbados on the Barbadian scene, the developing countries see Barbados as a model of development for developing countries. This is very, very important. This is why Barbados has been able to command its respect in a lot of the international agencies. So when people talk in terms of \$600,000 being spent on travel, there is much more to it than just the dollar figure you can put on it.

If we are to reap benefits in this country, we have to get out there in the international market. Barbados is a country that is full of brains and potential and you cannot just keep that potential within the country, you have to put that potential out there in the international market and display it where you can attract people of intellect and quality and get out there in the market place and sell your country. As I said before, the Japanese have demonstrated beyond all shadow of a doubt that this is a method that can be very beneficial in the international market.

I wanted to put that issue on behalf of this Government, because I know that with other Governments it has been said that the people who travel on behalf of

those Governments very often went abroad and never attended conferences, but I will say that to my certain knowledge the members of this Government who go abroad make sure that they go to the conferences and make their presence felt. The kinds of positions being held in the international organisations by the members of this party, especially on the back bench, demonstrate beyond all shadow of a doubt that you cannot be put in those positions unless you are working. I want to say that money that is voted for not only parliamentarians but also members of the Civil Service who go to represent Barbados and do a good job is money very well spent.

I thank you, Mr. Chairman.

Mr. O. S. ARTHUR: Mr. Chairman, I was very anxious to support the Government in this particular matter under this Head until the Member for St. Michael South East spoke. He presented an argument and a case which defeat the indiscriminate expenditure of public funds in support of certain types of travelling. No proper case has ever yet been put for having the Member for St. Michael South East defend Barbados' economic and financial interest in the ACP/EEC discussions. He argues that we have to go out in the international market place and fight for our share of the pie, and I really believe it is a case of having a square peg in a round hole to have the Member for St. Michael South East be the person who is putting Barbados' case in all those important discussions that are taking place now as regards the relationship between the ACP countries and Europe beyond 1992. My attitude towards this vote has changed somewhat now that I know that he is seeing it in that kind of way.

The point I wanted to make before his intervention...

Hon. E. E. GREAVES: Mr. Chairman, on a point of order. I think the Honourable Member knows better. The Honourable Member is saying that the Member for St. Michael South East has indicated that he represents the Government of Barbados in discussions between ACP and EEC and 1992. No such thing! As a matter of fact, I do not even think the Honourable Member mentioned 1992 and it is not fair to the Honourable Member.

Mr. O. S. ARTHUR: Mr. Chairman, I agree with the Member for St. Lucy when he says that the Member for St. Michael South East does not understand the significance of 1992 and what it means for ACP/EEC relationships. I take the point, Sir, but I do not wish to dwell on it.

I want to say that I will not support the position taken, in all fairness, that there is an element of runaway expenditure where this Head is concerned. I take the Prime Minister's statement to the House as regard the trend in expenditure on his word, and it would seem that there has obviously not been a tendency to have this Head accelerate, or even keep pace with the growth of expenditure. I take

him at his word that it was \$2.5 million before, it is \$2 million now, and in all fairness I could not put that case.

I also take the argument that it is incorrect to believe that all of Government's travelling is here represented. Take, for instance, the Ministry of Agriculture. The vote for the Plant Protection Division makes provision for attendance at conferences and seminars. In Town Planning you have that provision as well, and indeed in the block votes that we give to statutory institutions there is always a provision that this House presents, so the Minister may not want to see this vote as the only source from which Government travelling takes place.

I want, however, to make the point in all seriousness that a small developing country, the second law of thermodynamics applies, that all small systems left to themselves will tend towards a state of entropy, and then we have to relate to the wider world. Part of that transfer of knowledge and technology is how our people inter-relate with the rest of the world, except, Sir, that I want to say this not as a criticism negative of the Public Service but a constructive criticism, that the people in the Public Service who can make the most of attendance at international conferences and so on are not given as much opportunity in Barbados as they are, for example, in Jamaica.

There is an attitude, quite frankly, Sir, in the Public Service generally that travelling to conferences is not so much a way of developing expertise, but a way of establishing one's seniority. As a result there is an unfortunate tendency...

Aside.

Mr. O. S. ARTHUR: Yes. At the age of 25 I was attending the U.N. Inter-governmental Group of Experts on the transfer of technology, within my second year of working with the Jamaican Government. The Permanent Secretary or the Head of my Department did not necessarily want to go, that was my responsibility to go. The point I want to make is that this vote - Attendance at Conferences - attendance at seminars in particular is an important way by which the skills of young middle management people in the Barbadian Public Service must be built. The country has tended, in my view, not to be aggressive enough in the exposure it allows its young people at seminars as a way of letting them meet their peers and present papers at conferences. By the age of 27 I had written a book based on my experiences in the Jamaican Public Service. No Public Servant in Barbados is writing books or publishing articles, because they are not encouraged to see conferences in this capacity.

Be that as it may, Sir, I do not think there is an element here of runaway expenditure, based on the numbers the Prime Minister gave, although we still have to be careful within that \$2 million to weed out, for example,

only the Member for St. Michael South East going to ACP/EEC conferences to discuss matters of finance and economics which do not fall within his specialisation. That is a square peg in a round hole.

We also need as well to hear from the Prime Minister about what has really come out of that important trip that he made to the Far East, given the fact that it was presented to the public as part and parcel of a very important initiative to deal with potential investments coming out of Hong Kong and so on after 1997 and that he was intending to lay the wicket. The public needs to be told.

I also want to ask the Prime Minister a very specific question. I want to be sure that the \$600,000 we are being asked to approve will be enough to carry the Government down to the end of the financial year. Therefore I would be glad if the Government could say how this \$600,000 will be spent in terms of the important conference that the Government has on its agenda. 7.05 p.m.

I am very serious, Sir. I want to be sure that the funds are adequate for the purpose of Government meeting its attendance at conferences for the rest of the financial year. Therefore, the Government should tell us what are the conferences intended, which Members particularly of Cabinet and the House would be going to these conferences so that we can be sure that the funds we are being called on to vote here will carry the Government through the remainder of the financial year.

The Honourable Member for St. Michael South Central, I think, was a little bit wrong. This is not where the wastage is. There is wastage and squandermania in Government but it is not in this area. The wastage here is where you can send the Honourable Member for St. Michael South East to represent this country. That is the wastage because he does not know anything about economic or financial matters.

Generally speaking, Sir, I feel that we must adopt a wide and handsome approach to our relationship in the international fora, and that, in this respect, a lot of this money, generally speaking, is well spent.

Hon. B. M. TAITT: Mr. Chairman, I am going to join this debate because I think it is an important aspect of the life of this country. The Leader of the Opposition takes a position, I think it is a consistent position, with which I fundamentally disagree...

Aside.

I. TAITT: No. I have always fundamentally disagreed. The part of the Government's position which is acceptable is that there should be control of the use of this money, so that there should not be indiscriminate use of this

vote. But the philosophy which was enunciated following that position is at fundamental variance with what is necessary for this country Barbados, 166 square miles.

When Barbados became independent in 1966, one of the ways in which it has made the progress it has made is because it was able very early to project itself far beyond its economic resources by virtue of the kinds and contacts and methodologies it used in the international arena. The Honourable Member said in his speech that we should set out to send signals and I think it is important that we set out to send signals to the rest of Barbados that in the same way you have to invest...

Dr. R. C. HAYNES: On a point of order. There is a rule in this House which says that a Member should not repeat the speeches of other Members. He is repeating the speech of the Honourable Member for St. Peter and he is also repeating a speech that the late Tom Adams made in this House on one occasion.

Mr. CHAIRMAN: That is no point of order.

Hon. B. M. TAITT: I believe the Honourable Member was drinking manna from Heaven because he seems to be losing touch with reality in a way that I have not seen for a long time. I have never heard a more irrelevant intervention on a point of order than I have just heard. But, Sir, that is the virtue of constantly being out in the marketplace and catching nothing. He has now been at it for a year and the result seems to be that he is in the same position he was in when he started and so I can understand he is getting a little perplexed and confused.

Sir, he said that we should set out to send signals. I think it is important that we should send signals in relation to the foreign affairs and the attitude of this country. He said that there is very little that cannot be avoided if you wish to do so in the \$1.5 million. Now, Sir, we had a current estimate of \$990 551 266, and the Leader of the Opposition wants us to believe that if you spend \$2 million to promote the country at the fundamental level that somehow that is an expenditure that ought not to be made.

Mr. CHAIRMAN: Order.

Hon. B. M. TAITT: The Honourable Member is being disproportionately irrelevant. I was going to say something else but I realize it would have been unparliamentary so I had to use the "dis". He is trying to give the people the impression out there that somehow we are squandering money travelling up and down. He said that \$1.4 million was busted in six months. If you hear that kind of extravagant language you believe that the \$1.4 million was extravagantly used and we are rushing in here to get another \$600 000.

I want to tell the Honourable Member that I have earned the entire \$2 million already. I personally, as a Minister of this Government, got back the \$2 million for the Government. We have a grant from the IADB of \$3.5 million. They are giving it to us as a result of my negotiations with them in Washington, so we have earned it back.

Through one of the conferences we hosted here, the Prime Minister of Canada took the opportunity to forgive the debt at the Airport.

Aside.

Hon. B. M. TAITT: The grant that was used to build the Grantley Adams Airport, about \$23 million. That came in a conference that was organised here in Barbados that we paid for.

Aside.

Hon. B. M. TAITT: The Honourable Member who himself has been a foreign Minister would not want to suggest that the ambience of the conference was undesirable. I doubt that he would get up and say that. He could not have said that. You think it would have been warranted to get up in Ottawa and say "I forgive all the debts." The Honourable Members are not being realistic and fair to the people of Barbados to be advancing these...

Dr. R. C. HAYNES: The Honourable Member seems to have forgotten that a lot of the flap in Canada he got was because he did not make the statement in the Canadian Parliament.

Hon. B. M. TAITT: It is the kind of intellectual penuriousness that he suffers from that he will say that the Prime Minister of Canada suffered in Canada for making the statement in Barbados and, therefore, we ought not to have had the conference in Barbados. It is puerile. He is always trying to trivialise the importance of the work of the country. It is foolishness.

The Honourable Member who is a businessman and who makes very many trips to promote his business knows that we have to go out there. The Minister of Tourism does not travel enough. A Minister of Tourism of Barbados should be travelling at least once a month, he should be in the marketplace but because we cannot afford it, we curtail some of the movements of Ministers.

The people of this country need to know that you cannot promote tourism sitting at a desk in the Post Office. The Ministers' part of it comes from the vote, from somewhere else, from the Tourism Board that is voted for that purpose. It is not hidden. It is not in a sock under somebody's shoe. The Minister responsible for industry

should travel. We are never going to be able to lead and take the lead...

Aside.

Hon. B. M. TAITT: The point I am making, Mr. Chairman, is that discussion has made these Ministers on this side - these two Ministers do not travel as much as they should precisely because we have tried not to spend the money unnecessarily. What kind of Foreign Minister you could have who would not travel? What kind of Foreign Minister would be able to do foreign affairs sitting in his office somewhere in Barbados? 7.15p.m.

It is disgusting that 20 years after Independence we are discussing \$2 million of travel as though somehow we are raping the Treasury. I can speak with authority on this. I do not like to fly, but I understand it is necessary, so I do it.

Aside.

Hon. B. M. TAITT: Yes, at the Helmsley. I stay at the Helmsley, but you would not want me to tell them where you stay. I stay at the Helmsley and everybody knows my habits. They are clean and pure.

Aside.

Hon. B. M. TAITT: Yes, in the lobby of the Helmsley while you were waiting for the man who is now going to run in Christ Church. We went through this before, we do not have any conspiracy.

Dr. R. C. HAYNES: I do not wish to deny who I was waiting for, nor will I disclose who he was with.

Hon. B. M. TAITT: I was with a lady, my banker. It is no secret. A friend and banker from the very first time we opened an office in New York in 1965.

Aside.

Hon. B. M. TAITT: It has to do with truth and integrity. The Honourable Member is always talking about truth and integrity and trying by innuendo to give the impression that I was doing something nefarious. Honourable Members in here and those outside know it was my banker who had come on a Saturday to assist, because for the last 25 years...

Aside.

Hon. B. M. TAITT: Yes, I have a foreign banker because I was the Consul General for Barbados in New York.

Aside.

Mr. CHAIRMAN: Let us have a little less interruption. Let the Honourable Member proceed.

Hon. B. M. TAITT: There is never going to be anybody inside or outside of here who will be able to find me between a hard place and a rock on matters of these kinds, because when you speak the truth you do not have to remember what you said yesterday. The Honourable Member, the Leader of the Opposition, is always seeking to give impressions. I saw him in New York. He wants to come in now and give impressions.

Dr. R. C. HAYNES: On a point of order, Sir. I am not going to disclose, or be drawn into any disclosure, of anything that transpired between myself and my good friend in New York. Whatever took place was honourable and I am not going to bring it into the public domain.

Mr. CHAIRMAN: That is not a point of order.

Hon. B. M. TAITT: Whatever took place was honourable. Those are the important words. We had a conversation in the lobby, the Honourable Member was waiting, with his coat over his arm, for someone who was coming to see him, I was sitting having a drink with a lady and we spoke. That is all we said.

Mr. CHAIRMAN: The Honourable Member has two minutes to conclude his speech.

Hon. B. M. TAITT: I think it is important. He said there is nothing here in this \$600,000 that will affect the salaries of people in Barbados.

Aside.

Hon. B. M. TAITT: That is what you said, and talked about the priority of bringing this vote to the House. The fact is that the Government's business will always affect the salaries of persons in Barbados, because the image and the attitude which the Government has is important to the economic and social welfare of the total body politic, and therefore when Barbados has to host conferences or send delegations abroad to conferences, the salaries and wages of people are affected by the results they get.

I was making the point, Sir, that I had got \$3.5 million in an IADB grant via discussions with the Ministry of Health. We got \$100,000 extra-budget from PAHO for a project in Barbados, again as a grant. We got from the Isle of Man 10,000 pounds as a gift, as a result of exchanges between their Minister and the Minister of Health. They wanted to make a contribution to Barbados and they sent a cheque for 10,000 pounds. Barbados has been elected to be a member of the general programme on AIDS, and as a result we have been able to get more than a half million dollars in assistance for our AIDS programmes in

Barbados, and we can go on and cite a large number of grants.

Sir, I am making the point that out of these movements out into the international community Barbados does not only get the intangibles, Barbados gets tangible gifts. Not only loans, but actual grants have been got by * Barbados because a Minister was able to discuss the issue in a particular way with the person who is responsible for the grants.

I am very grateful to the Honourable Member for St. Peter who has shown a high measure of maturity in the discussion of this matter, and I commend it to other Honourable Members in this House. I feel that there are some signals which we should send to the community, where we should join together as Members of this House. So long as the Prime Minister and Minister of Finance is able to demonstrate by the information which he provides a pattern of expenditure which is consistent with what we say is the policy, then all sides of this House should be able to support a measure like that and send the proper signal to the people in the community that we have to spend money in order to get money.

Mr. CHAIRMAN: Time.

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On the motion of Hon. P. M. GREAVES, seconded by Hon. B. M. TAITT, Mr. CHAIRMAN reported progress and asked for leave to sit again, and Mr. SPEAKER resumed the Chair and reported accordingly.

SUSPENSION OF SITTING

Hon. P. M. GREAVES: Mr. Speaker, I move that this sitting be suspended until 8.15 this evening.

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

The question was put and resolved in the affirmative without division, and Mr. SPEAKER suspended the sitting accordingly. 7.25p.m.

RESUMPTION

Mr. SPEAKER: This sitting is resumed. When the Suspension was taken, the House was in Committee of Supply, to that it shall revert.

Hon. H. deB. FORDE: Mr. Speaker, before we go into Committee, on a point of privilege, Sir. Members are '* entitled to a little comfort in the House. I think I mirror the sentiments of Honourable Members on both sides that this House is extremely cold today, despite the warm words which have passed.

Mr. SPEAKER: I have taken note of that. I just spoke to the Deputy Marshal and asked him to see if he can have something done to adjust the temperature at a much more comfortable level.

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

COMMITTEE OF SUPPLY (RESUMED) Mr.

CHAIRMAN: The Committee is resumed.

Mr. R. P. BYER: Sir, the Minister of Health when he made his contribution to the debate in this Committee sought to, in a sense, diminish the debate by suggesting that we were talking about a mere \$2 million in an estimated expenditure of \$990 million and that to argue and debate a \$600 000 increase was not a very sensible approach to the debate, bearing in mind that Ministers of Government and other people representing the Government of Barbados must travel.

Now, Mr. Chairman, if this were so, if those were the only questions involved, I would not have entered the debate because I, too, would be in agreement with him that Ministers of Government should travel, that the Minister of Tourism and the Minister of Trade should travel more often in an effort to promote Barbados. But it is not so much about what the percentage of \$1 billion or \$2 million is in terms of expenditure for travel.

I think there are, in the Estimates, many areas where expenditure of this nature is hidden. For example, if you look at page 38 of the Approved Estimates the explanatory note to the page, Subhead 1 - Debt Servicing, it is described there and (i) of the Subhead says "All expenses including legal fees incurred in raising new loans".

What I would like to find out under new loans what component of this aspect of the expenditure is related to the whole idea of travel, entertainment and accommodation. For example, when the Minister of Finance went to China to raise a loan, what component of the servicing of that debt that was created would have been incurred in travelling expenses, entertainment and accommodation expenses? We would be talking here about all expenses including legal fees. Now, I do not know if a part of the expense was related to travelling, in other words, whether a part of the expense in raising a new loan is travelling, accommodation and entertainment expenses, that is what I want to know.

In addition to what the Leader of the Opposition said when he referred to the explanatory note on page 27, Subhead 12, Operating Expenses, Object No. 12, we have to look very carefully at our expenditure in this area. It is not only \$2 million that we are talking about. There are many other costs that are added to this \$2 million and it might be a proper thing for us as a House to know, the

actual expenditure that we vote to cover travel, accommodation and entertainment when Ministers and other members of Government go abroad on the business of Government. It goes beyond the \$2 million. It goes beyond the \$600 000 that we are debating today. It is more than that.

Now, Sir, for example, when we hosted the Commonwealth Parliamentary Association Conference in Barbados we spent \$1.2 million on coaches. To my mind, that would be part of the conference vote because it was an expenditure directly related to an aspect of Government business. That has to be added to the \$2 million that we are talking about here today as well, Sir, so it goes beyond that.

I have no quarrel with spending money to go abroad but as the Leader of the Opposition says, it has to be controlled and sometimes in certain areas we must say "No". I have no difficulty in having someone go to the ACP to look after Government's business there because it is important in terms of our relationship with the African, the Pacific and other countries of the Commonwealth. That is very, very important that we have a representative there. But I do not see the need to spend Government funds as the Honourable Member for St. Michael South East was trying to suggest, to lobby.

The Japanese spend a lot of money yearly, millions of dollars, in lobbying on Capital Hill, in Washington and a lot of benefits are derived from this. As far as I know the Government of Barbados employs a lobbyist for this purpose. So even though I can understand his argument for the need to have lobbyists, I do not think he did his cause any good in trying to argue that we must vote expenditure to send people abroad to lobby on our behalf. I do not think that he did his cause any good there at all.

I think we ought to consider what the Leader of the Opposition said in this regard that we have to be very cautious. I do not think that he was saying that we should not spend money for this purpose. I think he was very careful in trying to say "Yes, we should spend money but we ought to be very careful in how this money was spent. We ought to be very discerning. We ought to be very discriminatory in how we spend Government's funds for this purpose." He was also making the point that a lot of the expenditure is hidden and that we really do not know in a lot of ways where all of the expenditure is hidden. We can only guess by the notes we see in the Approved Estimates.

A lot of benefits can be derived when people travel abroad on Government business. I have no difficulty with that at all. But, at the same time, I believe when there are many firms out there to whom money is owed, for example, I know for a fact that the Barbados Drug Service has not paid some of the pharmacists for the months of August and September; it is a question of releasing monies. It is a question of priority and that was the argument that the

Leader of the Opposition was advancing just now. Why should we be debating this \$600 000 supplementary when you have other people there who are waiting to be paid by Government?

Aside.

8.25 p.m.

Mr. R. P. BYER: What I can understand is that the money already voted has already been paid out in respect of what I was talking about just now. For example, a lot of money is owed to Arthur Contractors. Government bills are outstanding in this regard and that is affecting the cash flow position of many people, so I do not want the argument on this side of the Opposition to be distorted, *Sir*.

We are saying two things, *Sir*. One, that when it comes to spending money for this purpose you should be very careful how the money is spent, you should be very discriminating in relation to how this money for Conferences and Delegations is spent, because when you look at the Head in the Estimates in a lot of regards the Head does not really tell the full story. We are saying \$2 million, but, for example, \$1.2 million has already been spent for coaches and so on.

Mr. CHAIRMAN: I can understand the comparison you are drawing, but it appears to me that you are going frightfully close to the specifics of something that does not relate to the Resolution.

Mr. R. P. BYER: No, *Sir*. I am saying that we are debating a Head here, Conferences and Delegations, but I am saying that there are things that are tangential to Conferences and Delegations that we do not look at when we are looking at the amount of money we spend on it. That is the point I am making. Then it has to do with priorities as well, *Sir*. That is the argument we are trying to advance, and then priorities in so far as Government's commitments go in relation to other people, contractors, people who supply goods and services to Government.

That is our argument, *Sir*.

Mr. O. S. ARTHUR: Mr. Chairman, since this is the last item we are going to be discussing tonight, I think that the Honourable Leader of the House will agree that the matter of Government asking the House to approve an increase in the loan limit by \$100 million....

Mr. CHAIRMAN: The Honourable Member must clearly understand that we are dealing with something far different from that.

Mr. O. S. ARTHUR: I think, *Sir*, that the House will understand that the whole question of Government's finances is a matter that has properly to be considered in view of the kind of contrivances to which Government has

had to be put. I want to enter this debate again to look in greater depth at the financial implications of this supplementary.

Aside.

Mr. CHAIRMAN: The Chair wants to clearly understand what is said when the Honourable Member is on his feet

Asides.

Mr. O. S. ARTHUR: Mr. Chairman, I cannot hear myself.

Mr. CHAIRMAN: I am not hearing you.

Mr. O. S. ARTHUR: I was saying, *Sir*, that I was very concerned with the size of the supplementary, not because of the comparison with former years....

Asides.

Mr. CHAIRMAN: Order!

Asides.

Mr. CHAIRMAN: The Member for St. Peter may continue. Can we have some order, please?

Mr. O. S. ARTHUR: Mr; Chairman, from time to time I have had to draw....

Asides.

Mr. CHAIRMAN: Earlier this evening I spoke about Members speaking across the table when Honourable Members are on their feet. I do not want to speak about it again. The Honourable Member for St. Peter.

Mr. O. S. ARTHUR: I am embarrassed for the Government that they would want to discuss a matter as serious as raising the loan limit by \$100 million, *Sir*, as if in the dead of night nobody in Barbados is to hear the case that is to be put by the Opposition in relation to a matter that can so compromise the future of this country. I feel that "*** if this Government had the courage to defend its economic position they would want a full debate on this matter.

Mr. CHAIRMAN: Is the Honourable Member speaking on Head 15?

Mr. O. S. ARTHUR: Yes, *Sir*, but I am concerned about the drift in Government's finances and the kind of contrivances that now put us in a position where at a time when we have to impose a credit squeeze...

Mr. CHAIRMAN: Specifically your intervention should be on Head 15.

Mr. O. S. ARTHUR: Yes, Sir, and that it is part and parcel of Government's false economies and Government's false budgeting that we now find ourselves in a position where they have to come to the House to raise a supplementary by as much as \$600,000 for this Head. Government was in a position to know that as recently as financial year 1988-89 \$1.6 million was spent by the DLP Government on Conferences and Delegations. By some false method of financial accounting, this Government contrived this year to show an artificially low level of intended expenditure, and although they know that the Minister of Finance and Planning was committed to a large number of trips, including a trip to the Far East - a slow boat trip to China, Sir - to raise funds that have not materialised, the same Government that spent \$1.6 million on this Head in 1988-89 came and in my view, Sir, indulged in some false economies to show that they are strict guardians of the public purse, and an item, of expenditure that amounted to \$1.6 million two years ago, with increased inflation, they thought they could have spent \$1.4 million today.

I am saying, Sir, that the fact we are here now to discuss a \$600,000 supplementary is part and parcel of the false economies of the Democratic Labour Party. Year by year we have to come back to this House to supplement Heads, which if the Government was doing its work properly and in advance it would have known that \$1.4 million would not have been sufficient to meet this Head. Therefore, Mr. Chairman, we are very concerned that these matters just cannot be discussed in isolation from the overall financial picture that faces Government.

At the start of the financial year, Sir, we warned that Government expenditure was not being so much accounted for but being properly respected, that Government was bringing items to the House on the understanding that some time later in the financial year they would come to ask for unreasonable expenditures. One of my biggest concerns about this request for supplementary is that it takes place at a time when Government's revenues as well are dropping, and as the Central Bank Governor would have had to indicate today that Government's revenues have fallen by as much as over \$40 million for the financial year. 8.35 p.m.

Not only Government's revenues have been dropping, Sir, but Government's foreign exchange reserves have also been dropping. While, therefore, this \$600 000 may seem small, and I agree with the Honourable Member for St. Michael West that it is small, and whereas the overall vote is relatively modest, less than 1% of overall Government expenditure, the truth of the matter is that this expenditure is taking place within the context of a rapid declining Government's financial position. These are the kinds of

concerns that we feel, on this side, that we have to bring before the House and to highlight.

Aside.

Mr. O. S. ARTHUR: There has been no collaboration between members of the Opposition on this particular matter.

I want also, Sir, to come back to the whole question of our relationships with the EEC because this matter has been brought into this debate by the Honourable Member for St. Michael South East. He was very careful to discuss his participation in those exercises, Sir, only with reference to his membership of a committee dealing with human rights. Surely, Mr. Chairman, larger issues remain to be addressed as part of our overall participation in the ACP/EEC rounds of discussion.

I cannot believe that the House must accept from the Honourable Member a report which discusses ACP/EEC relationships as far as Barbados is concerned only in terms of human rights violations. I even begin to wonder if the Honourable Member is the kind of person that we would want to have on that kind of commission. What is the member's perceptions on our future relationship with the EEC? What happens, for example, to our agricultural status in the Caribbean after 1992 in the context of a rapidly changing trade environment featuring an agreement particularly on the part of the leaders of the seven developed countries in the world to drastically reduce agricultural subsidies?

If they are reducing their own agricultural subsidies, is it not true that the future for sugar and bananas will, as a result, emerge as being dim? Why are we not hearing the Honourable Member for St. Michael South East who rationalises expenditure on this vote by reference to the extent by which it allows him to participate in these international fora, why are we not hearing him making a connection between his present discussions at those fora and the future of the Caribbean economy? What, for example, Sir, does the 1992 change in Europe have to do with investment flows in the Caribbean? What is the likely impact on the growth of services in the Caribbean region? These are the kinds of matters that must be focussed on and must become relevant given the contribution made to this debate by the Honourable Member for St. Michael South East.

Hon. P. M. GREAVES: I move that Your Honour do now report progress and ask for leave to sit again.

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

Aside.

Hon. P. M. GREAVES: I am only postponing it. I am asking that the question be put. I am Leader of the House and I am directing the Chairman.

Dr. R. C. HAYNES: I am entitled to speak on that motion. I want to make it absolutely clear that this Opposition will not be party to any arrangement by the Government to bring in important financial bills involving loans against the Consolidated Fund late at night when the Press is not here on three consecutive occasions.

I think that it is an insult to the entire democratic process of Barbados to attempt to conduct Government business in that manner. This is the third time in succession now involving \$290 million that would have been debated in this House late in the evening.

Mr. CHAIRMAN: The Honourable Member is totally aware of the fact that he is not speaking on a motion.

Will the Honourable Member for St. Michael South Central please take his seat?

Mr. CHAIRMAN stands.

Mr. CHAIRMAN: There is a motion before the House that I report progress and ask for leave to sit again.

Hon. H. deB. FORDE: Mr. Chairman, since the Honourable Member, I assume, has concluded his speech I would like to speak on the motion.

Mr. CHAIRMAN: The Honourable Member has not concluded a speech in terms of the motion that is before the House, neither was he addressing the motion that we were discussing previous to that motion.

Hon. H. deB. FORDE: Mr. Chairman, at least the Committee would be entitled to a reasonable explanation from the Leader of the House and the seconder of this motion as to the reason why the Government wishes, at this > stage, to postpone the motion which is before this House in Committee dealing with a Committee of Supplies.

I expect that the Government must have considered the item on Conferences and Delegations of sufficient importance to have brought it early in this debate. If there is something more pressing than that the Government wishes to address on the Order Paper, one would have expected that the Leader of the House would have brought that matter a bit earlier, not only for the convenience of the Government, but for the convenience of the Opposition and for the convenience of a proper debate on matters of public interest.

The Government cannot so organise the business of this House as to railroad through the House important bits of legislation affecting a wide circle of persons in this

country and to wait late in the dead of night in order to move the postponement of the House on a matter of this nature so that the debate is, therefore, hidden from the public view when other Members would want to contribute.

It is obvious to me, Sir, that there is only one other item remaining on this Order Paper of any significance. The Government has not said whether it wants to bring the motions before the House dealing with compulsory acquisition. Normally you would expect some consultation between the Leader of the House and the Leader of the Opposition, and he has the practice that he would consult as well with the Leader of this Opposition on matters organising the business of the House in a proper manner when he wishes a particular measure to be taken. Obviously, Sir, one would have expected that.

If the Honourable Member is going to contend that any of the other remaining items is of prime importance and must be passed today in this House for any reason, one would have expected that the Honourable Leader of the House, after his years' experience, would have given the priority in its place. Either that is the reason or I must look for another one. What is the reason? The Government has given no reason.

I hear a lunatic talking in this House *sotto voce*. I do not know who it is, Sir.

Aside.

Hon. H. deB. FORDE: What is the reason that the Leader of the House should therefore want at this moment to postpone the motion? Is it that the Government has had enough telling blows from the Opposition on this motion that it does not want to proceed with it? I hardly believe that it is because the Minister is unprepared to answer any of the questions that have been posed from the Opposition this afternoon. I am sure he has the answers, Sir. Why is the House not being given the answers?

I really believe that the true reason why the Leader of the House is moving for this item to be postponed is because the Government wants to push through the motion on the Loans Act late in the evening when it has not got the clear publicity attached to it and that the Government is running away from a debate on the economy at this state. That is the real reason, Sir. I can find no other valid reason. If that is not the reason the Minister must get up and give the House the reason.

If the Honourable Member for St. Michael West was over here, Sir, he would be parading, his full 6 foot and 3 would have risen to 10 metres. He would have been jumping up on a matter of this nature. 8.45 p.m.

Therefore, I believe that the House is entitled to hear from the Government at this stage why on such an important measure - and I am very serious about this, extremely serious about this - we are entitled to know the real reason why the Government now wishes to postpone this measure in order to deal with another measure at this hour. Normally the statutory period for the expiry of the House, even putting aside the Standing Orders, is 10 o'clock.

Aside.

Hon. H. deB. FORDE: Your Honour has heard a voice *sotto voce*. I understand that to mean the voice of a foolish person, and normally anybody who wants to talk sense stands on his feet in this House. I am hearing noises, but they are probably from outside the House. Anyway, Your Honour would be well satisfied that you have to protect the rights of the Opposition in this House.

Mr. CHAIRMAN: I have been doing that for the entire day.

Hon. H. deB. FORDE: When people are talking, interruptions that are irrelevant are kept out of the debate, Sir. I am really asking the Leader of the House to give to the Committee the true reason why the Government wishes at this stage to postpone debate on the item under consideration by the Committee of Conferences and Delegations. I believe that the Minister has within his possession all relevant information as to this matter, and I am sure that he will be in a position to give us true reasons and all explanations that have been called for in Committee up to this stage. In the circumstances, Sir, I would ask that the rights of the Opposition be protected on this measure and that the Leader of the House do the only decent thing I would expect from him, which is to withdraw his motion.

Mr. R. P. BYER: Sir, I take it that this is what you call a dilatory motion. Very often when the Member for St. John is speaking I listen. On other occasions I choose to....

Hon. B. M. TAITT: On a point of order, Sir.

Mr. CHAIRMAN: The motion before the House is one for the Chair to report progress and ask for leave to sit again. On that motion the Member for St. John has not spoken.

Mr. R. P. BYER: When he speaks in Asides, Sir.

Certain remarks made by Mr. R. P. BYER were ordered by Mr. CHAIRMAN to be struck from the record.

Hon. B. M. TAITT: On a point of order, Sir. I have some difficulty and I would like some guidance from Your Honour. We have before us a simple motion that you do

report progress. This is not a matter that is open for debate. It is not a dilatory motion, it is nothing other than a motion for us....

Mr. CHAIRMAN: I will read Standing Order 35.

Asides.

Mr. CHAIRMAN: I do not wish to be interrupted by Honourable Members. Ij. is not mannerly. I do not want to say that again.

"1. A dilatory motion is a motion made for the adjournment of a debate or of the House during any debate or, in Committee, that the Chairman do now report progress and ask for leave to sit again or do leave the Chair.

2. The debate upon such a motion shall be confined to the matter of the motion. A Member who has made or seconded such a motion shall not be entitled or second any similar motion during the same debate."

Those are the parameters of Standing Order 35.

Mr. R. P. BYER: May I continue, Sir? Mr.

CHAIRMAN: Go ahead.

Mr. R. P. BYER: Sir, I have no intention of speaking for half an hour, I just want to make a very simple point, because at the end of the day the majority will still win out in our system of parliamentary democracy. When I used the words which were subsequently withdrawn not too long ago, what I was meaning to say was that the Leader of Government Business in the House was so using the authority he has as to railroad, as it were, Sir,....

Mr. CHAIRMAN: I am not very clear. Would you want to repeat that for me? You said when you used it before.

Mr. R. P. BYER: I said when I used the words which were subsequently withdrawn, Sir, I was meaning to say that the Leader of the House is so using the authority which he has as to railroad the Opposition into a position....

Hon. P. M. GREAVES: I am not railroading anybody anywhere, Sir, I am merely using the rules of the Chamber which we have adopted. I have not gone outside the rules to do anything. I am not railroading anybody anywhere.

Mr. CHAIRMAN: The point is made.

Mr. R. P. BYER: The point I am making, Sir, is that the rules are being used for the purpose I am giving, that the Leader of the House is so using his authority as to railroad

the Opposition into a position that they cannot do anything about what is happening. The rules are there, but in my opinion there ought to be a fair interpretation of those rules. The rules are not laid down to be used for the purpose the Leader of the House is seeking to use them at this moment. That is the point I am making.

I am in complete agreement with the Member for Christ Church West in the remarks he made not too long ago. I believe that if you are asked to report progress at the height of a debate that was proceeding, we, were not breaking for lunch or tea or whatever, there was no need in my mind to ask for leave to sit again. I am certain that the debate on the matter that was being debated before the motion was made would have expired very shortly. If the Government wanted to get through with other business, then I believe that they ought to have brought that business earlier in the day. 8.55 p.m.

I am all for having full ventilation of all business of the House but the point has to be made, Sir, that if we are not very careful, eventually parliamentary democracy will be eroded. We are entering in the phase or we are already there of Cabinet Government. We merely come in here, Sir, and rubber stamp. Sometimes we think it is a waste of time coming here when the days come because everything is already decided in Cabinet on how things should go. It is only fair that the Rules ought to be interpreted in a way that the Opposition should have the opportunity to fully ventilate the views on matters and important matters of state.

At the end of the day, Sir, if I even talk for half an hour, nothing that I said would make any difference because it is very clear, from the remarks that are coming from the Other Side, especially from the far left-hand corner of the Chamber, foolish remarks, are of the kind which show the scorn and ridicule that Government has for the Opposition in the matter that is being debated at the time.

Nothing that the rattish voice that I am hearing, Sir, says will in any way disturb me. I can deal with the Member who has just spoken any time in my own way. I do not have to rely on any pretty pretty talk to deal with him. A few choice words at the right time, in the right place and in the dead of night will keep him quiet. But that is not the point, Sir.

Aside.

Mr. R. P. BYER: The point that I made about the Leader of the House? I am surprised today at the behaviour of the Leader of the House. I never thought that he was a man like this. I always thought that he was a very decent and fair man. I am surprised that he is using his power in this....

Mr. CHAIRMAN: To whom is the Honourable Member referring.

Mr. R. P. BYER: I said the Leader of the House, Sir. But he is using his power in a way today that I never saw. For all the time when I was in a position to, I would always give him my co-operation. What is happening today is that he is opening a new chapter on the relationship between the Government and the Opposition. There will come a time when there will be no agreement. There are many times that they want things approved and the Opposition has said, "okay, we will not debate it in an effort to let it pass". That is not going to happen after today. They are using their power to, as it were, railroad us into a position that we should not be interacting.

Aside.

Mr. R. P. BYER: There is no point talking about occasionally you have to do it. You ought not to do. It is not a question of filibustering. It has nothing at all to do with filibustering. It has to do with interpreting the rules of the debate, the Standing Orders of this House where the Opposition can benefit from debate and they ought not to be....

Aside.

Mr. R. P. BYER: I am very disappointed. I never thought that the Democratic Labour Party Government was a Government like this. They have gone now to new heights of disappointment in my books. I am very surprised at this behaviour today, Sir.

Mr. CHAIRMAN: Let me make a position very clear at this point. I think I have given a lot of latitude where I probably should not have given it on a matter of the sort because it is purely....

Aside.

Mr. CHAIRMAN: The Honourable Member for St. Michael South Central, I have spoken on this already. I do not wish to be interrupted when I am speaking.

I am saying that a motion that I report progress and ask for leave to sit again is really not available for debate because it is a matter of procedure. Therefore, it is my intention to put the question. I am putting the question immediately.

Mr. R. P. BYER: If I may remind you, Sir, of Order 35, Rule 2:-

"The debate upon such a motion shall be confined to the matter of the motion."

The Rule assumes that there can be a debate....

Mr. CHAIRMAN: Being confined to the matter of the motion means the matter of a procedural motion and it is confined to that and that alone. I cannot see the scope for the debate that we are having on this matter.

The Honourable Member already heard that I am not entertaining any further discussion on this motion. Let me hear the Honourable Member for Christ Church West.

Hon. H. deB. FORDE: Sir, you know that I have never been disrespectful to the Chair, but I have always been firm when I understand the Chair may not be looking at the same books as I read on these matters, or following the same understanding that I know is in the literature on these matters.

I believe that to rule that Honourable Members cannot debate this motion, as I understood Your Honour to be about to rule, would be a wrong interpretation of the Rules of this House, Sir. It is obvious that this is what is well known as a dilatory motion on the part of the Government. On such a motion it is open, in my humble submission, for Honourable Members within the terms of the motion, to debate that motion.

I go further, Sir, and I submit that the privilege of the Member is to speak to the motion and to speak for 30 minutes within the normal Rules of this House, if he so wishes.

Mr. CHAIRMAN: I am advised that the motion on which Members are supposed to be confined to the matter of the motion means the motion of a procedural motion. Debate on a motion to report progress is not available for debate on the substantive measure which is, at the time of the motion, under consideration nor to introduce comment on the debate or the merits of the dilatory motion, or of the postponement of the substantive debate. It is merely procedural. On the basis of that advice I now put the question.

The question is that I do now report progress and ask for leave to sit again. 9.05 p.m.

The Honourable Member for St. George South.

Aside.

Mr. CHAIRMAN: What happens with me is that I will ask you to leave the Chamber if you cannot behave better than that.

Dr. R. C. HAYNES: Mr. Chairman, I was on my feet on a matter of privilege.

Mr. CHAIRMAN: You are not permitted to be on your feet now, because I am awaiting the arrival of His Honour the Speaker.

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

Dr. R. C. HAYNES: On a point of privilege, Mr. Speaker. I believe that the rules of this House indicate that whenever there has been a breach of privilege that the matter should be brought to your attention at the earliest time.

Whilst the House was in Committee a dilatory motion was put before the House, in Committee, and Members of Her Majesty's Loyal Opposition attempted within the rules, as clearly set out under Standing Order No. 35, to debate that motion. The debate was proceeding, Members had confined their remarks within the four walls of the Standing Order, 35(2), which clearly stated that the debate upon such a motion shall be confined to the matter of the motion.

Sir, the debate was being conducted smoothly and in accordance with that rule. The debate was, in my view and in the view of Members of the Opposition, rudely interrupted, without any regard whatsoever for the rights of Her Majesty's Loyal Opposition, and terminated by the Chairman of Committees.

I therefore would like to submit and bring to your attention, Sir, that there has been a serious breach of the privileges of the Members of the Opposition here in Parliament, and I would urge that you give an immediate ruling, if at all possible, or a ruling as soon as possible on this the worst breach of the privileges of this House that has ever taken place in my presence in this House for over 12 years.

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SUSPENSION OF SITTING

Mr. SPEAKER: I am going to suspend this sitting for five minutes and then I will return to give my ruling. 9.10p.m.

RESUMPTION

Mr. SPEAKER: This sitting is resumed. I promised to give my decision on the matter raised by the Honourable Member for St. Michael South Central.

Rule 35 says:

"1. A dilatory motion is a motion made for the adjournment of a debate or of the House during any debate or, in Committee, that the Chairman do now report progress and ask for leave to sit again or do leave the Chair."

The major point here is that the debate of such a motion shall confine itself to the matter of the motion. In reporting to me for leave to sit again, the Chairman did not indicate to me any matter for discussion. However, having reported progress to sit again, and leave was granted, it therefore means that the substantive motion is still before the House and that Honourable Members would still be able to make their own comments. That being the case, the Member's right or privilege in the debate has not been infringed upon, since the debate has only been suspended for a purpose to sit again.

I therefore rule that it was not a breach of privilege in the circumstances.

ORDER NO. 2 - THE LOCAL LOANS (AMENDMENT) BILL, 1990

Rt. Hon. L. E. SANDIFORD: Mr. Speaker, the purpose of this Bill that is before us is to increase the Local Loans Act from its present level. There is nothing new in this, Sir, I would like to give the background to it.

In 1961 the Public Loans Act was enacted by Parliament and this Act gave the authority for money to be borrowed up to a limit of \$24 million for the purpose of offsetting the cost incurred in the Development Programme and for matters connected therewith. That related to the period 1960 to 1965. Between 1967 and 1986 that Act was amended on a number of occasions in order to increase the limit. 9.25 p.m.

The Public Loans (Amendment) Act was increased in 1967 and the statutory limit was set at \$30 million. It was again increased in 1971 by the Public Loans (Amendment) Act and the limit was further increased to \$50 million. There was a further increase in 1973 when the statutory limit was increased to \$100 million. It was further increased in 1977 by the Public Loans (Amendment) Act when the statutory limit was set at \$150 million. It was again, increased in 1986 when there was both an amendment and a validation and I will, perhaps, come back to the validation although I do not really wish to spend too much...

Aside.

Rt. Hon. L. E. SANDIFORD: I know you do not wish to hear about the validation.

The statutory limit was increased to \$250 million. There were other Acts which had been used over the years and which had become dormant. These included the General Local Loans Act, Cap. 96, the Local Loans Act, Cap. 98, the Local Loans Act, Cap. 99, the Public Loans Act, Cap. 100, and the Public Loans Act Cap. 101. During 1988 these Acts were consolidated into the Local Loans Act

1988 and the statutory limit was set at \$350 million. It is that Act that we are amending to increase the limit further.

What we have had is that Parliament has from time to time and on at least six previous occasions since 1961 increased the statutory limit under the Loans Act. Therefore an increase in that limit occurs from time to time. It is expected that as the level of economic activity in the country increases as the demand for additional funds becomes greater, then the limit on the amount which may be borrowed on the local market will increase from time to time.

The point I am making, Sir, is that Parliament has recognised the need to increase that statutory ceiling from time to time and on at least six previous occasions the limit has been increased. Indeed, Sir, it should have been increased in 1981. Action had actually commenced for an increase in the Public Loans Act and there was a draft 1981 piece of legislation which went to the Minister of Finance and Planning on May 12, 1981. I do not know if there is any significance in the date. But, Sir, there was a Minute from the then Prime Minister and Minister of Finance to the effect that this matter - that is the increase in the Loans Act at that time - should be deferred until further notice. What happened, Sir, is that loans continued to be raised, the statutory limit was exceeded and it was only in 1986 that legislation was brought in to validate what had taken place.

Let me stress again, Mr. Speaker, that the increase in the ceilings have taken place from time to time and, indeed, on an occasion which it should have been increased it was not increased and the loans continued to be made.

Aside.

Rt. Hon. L. E. SANDIFORD: I really have not been able to research why it was deferred but that action took place. I know that these things happen but I believe I will hear all kinds of arguments during this debate so I am just laying the foundation and setting the background against why the loan has been increased.

Sir, at October 15, 1990 the instruments outstanding under the 1988 Local Loans Act amounted to \$346.2 million of which \$47.6 million were being held in Treasury notes and \$298.6 million in debentures.

Honourable Members will recall that the 1990/91 Estimates showed that there would have been an unfinanced gap of \$132 million made up as follows: Current revenue - \$1 000.2 million, current expenditure - \$990.6 million with a current account surplus estimated of \$12.1 million. Capital expenditure was estimated \$242.1 million with a fiscal balance of \$230.1 million. From projected funds \$98.1 million was expected, leaving an unfinanced gap of \$132 million. In the memorandum to the Estimates it was

clearly stated that the unfinanced gap would have been made up by borrowing.

Sir, since the Estimates were approved, there have been changes on the domestic and external scenes. The Government's fiscal position has had an impact as a result of these changes. There has been an impact on Government's revenue which has seen a reduction of about 5.3% at the end of September compared with the same time in the previous year on the revenue. 9.35 p.m.

Government's expenditure, Sir, has increased. It is to be recalled that there was a regrading exercise and a reclassification exercise involving some \$33 million for the years 1988, 1989 and 1990, and on top, in addition to that, this year there is an impending salaries settlement which will give rise to at least \$25 million.

It is clear that, as was indicated in the Estimates and as a result of the developments which I have indicated, it is necessary to raise additional funds. It is clear, as was indicated in the Estimates, that the gap would have to be financed and that includes borrowing. We have sought to raise a substantial part of the funds on the local market - this is what this amendment is seeking, to go to the local market - for an increase from \$350 million in the statutory limit to \$450 million, and this will enable the Government to continue the financing of the local components of some of our development projects. It will also enable the Government's cash flow problems to be evened out, because, as is known, from time to time Government's expenditure does not run along the same course as the revenues to Government. The inflows are not on the same path as the outflows, and all Governments from time to time do borrow money in order to deal with those matters.

Mr. Speaker, without any more words I will recommend this particular measure to this Honourable House and certainly seek unanimity on this particular matter. I am sure, against the background I have set out, that from time to time it is well recognised that it is necessary to borrow. I believe all Members in this Chamber know that if they are carrying out development programmes at a personal level, or at a business level, that they resort to borrowing, except the Leader of the Opposition, Sir, but we all know that this is necessary from time to time and I believe that these matters are well known.

If there are queries which are raised, I think we can put the heightened tempers behind us and let us really deal with this particular matter which is definitely in the interest of our economy. It is nothing we are trying to ram down the throat of anyone, but it will be recalled that last week we did indicate - it was not any dead of night, it was mid afternoon - that we would be willing to deal with this particular issue and the Members of the Opposition indicated...

Hon. H. deB. FORDE: On a point of order, Sir. The Prime Minister cannot mislead us all. Last week the Government brought the measure, gave notice of it and wanted to debate it late in the afternoon before the Opposition would have had the opportunity, if it wanted to make a proper contribution, to study the implications and to do research, so the Prime Minister cannot cite that. Today he had all day. He only brought it in the dead of night, Sir.

Rt. Hon. L. E. SANDIFORD: That phrase is suitable for conventions, annual conferences and so on, Sir, but in here all the time of the House of Assembly is quality time. Proper notice on the Order Paper, acting under the rules, and in other Chambers they work throughout the night in order to deal with matters. I believe we all watch what is happening in the United States when they are trying to deal with their particular budgetary process. They work throughout the night. We brought it, we were very accommodating, the Opposition gave some indication that they did not wish to deal with the matter last week and the Acting Leader of the House...

Hon. H. deB. FORDE: On a point of order, Sir. The Honourable Member, like myself, has been in this House since 1971 and the Honourable Member knows that it is not a question of the Government being accommodating. The Government could not have introduced the measure like that last week and Your Honour in your independent position would have allowed them to go through without the House agreeing on it. The Honourable Member knows that, Sir. He must not give a different impression, he is too long a parliamentarian, Sir.

Rt. Hon. L. E. SANDIFORD: I am saying, Sir, while I believe in consensus Government...

Asides.

Rt. Hon. L. E. SANDIFORD: You tell me about Howell, the one you sent to run against me one time.

Asides.

Rt. Hon. L. E. SANDIFORD: Sir, we understand the points raised by the Opposition. We were very accommodating, but I am saying that it is necessary for us to do this particular measure and I therefore beg to move that this Bill be now read a second time.

Hon. B. M. TAITT: Mr. Speaker, Sir, I beg to second this motion and reserve my right to speak.

Dr. R. C. HAYNES: Mr. Speaker, in all of my life I have always objected very strongly to the activities and the proclivities of those who come like a thief in the night to perform their various acts. 9.45 p.m.

Now, Sir, when faced with such circumstances, one keeps one eye open until the dawn. Therefore, Sir, without making any connection at all whatsoever I think that it is always a wise precaution moreover not to go to sleep when faced with that kind of situation.

This Bill before us, Sir, entitled

"An Act to amend the Local Loans Act enacted by the Parliament of Barbados as follows:

1. This Act may be cited as the Local Loans (Amendment) Act, 1990.

(Amendment of section 4 of Cap. 98).

2. Section 4(1)(b) of the Local Loans Act is amended by deleting the words "\$350 000 000" and substituting the words "\$450 000 000".

The first point I would like to raise is there were no words after "words." It says "deleting the words \$350 000 000" and all I see are numbers. I do not see \$350 000 000 in the form of words. I just saw numerals of \$350 000 000 and \$450 000 000. I do not know whether that is consistent with modern techniques of drafting. I do not know. That may be the case but I am quite sure tomorrow when the Attorney General gets the opportunity to make a contribution then he will be able to clarify that particular point. It was the first thing that struck me as I looked at the Bill.

The second point, Sir, is this. This particular intervention by the Government in the local money market, given our domestic monetary and financial situation, and given the external position of Barbados, has the potential of being extremely damaging to the economy in two ways - and I shall set this out in detail later on. I am just setting up the parameters in which my speech will take place at the moment.

At the domestic level, Sir, it will deepen the recession > in the economy, throw thousands more out of work, cause the closure of more and more businesses, particularly small businesses, and, generally speaking, lead to further economic contractions.

At the external level, Sir, it will be a situation where the Government will be seeking to obtain funds on the local market without any foreign exchange liquidity available to it and, therefore, such expenditures must make an already disastrous position in respect of our foreign exchange much worse.

It is in these circumstances that I regard this measure as being very much against the public interest of Barbados and, therefore, it is mandatory that I take every opportunity to go through in every minute detail every single aspect of

our economic, fiscal and monetary matters as it is affected by this Bill.

In my judgment, Sir, I think it is common knowledge now that Government, perhaps, for the first time, has been unable to meet a foreign exchange commitment in relation to private holders of bonds in a foreign market and has had to seek the assistance of the Central Bank in that particular territory in order to meet its obligation last week. Barbados has never, in the history of this country, been presented with that situation before.

Aside.

Dr. R. C. HAYNES: Yes. It was a private bond placed on the Trinidad market. I will go into details of that later on.

Rt. Hon. L. E. SANDIFORD: On a point of order. The Honourable Member for St. Michael South Central has made a statement to the effect that Barbados was unable to meet some commitment to some private bondholders in Trinidad and Tobago. I would like to say that is untrue. There was a loan due for repayment which was raised in Trinidad and Tobago, which I said earlier today, and that loan was repaid and the bondholders in Trinidad and Tobago have been paid to the best of my knowledge.

That is not, in my view, a correct situation. I consider it such an important remark made by the Honourable Member and one that is potentially damaging to the economic and financial reputation of Barbados that the Honourable Member should be called upon to produce the evidence for the statement that he has made. I am saying that the information available to me does not indicate any such position and that such a statement, because it is so potentially damaging, that he should substantiate the statement made and I will have it examined right away. I think it one of the most potentially damaging statements I have heard in my life in Parliament and I do not think it should go unanswered.

Dr. R. C. HAYNES: When the Honourable Member has stopped parading, I will give him the information that he wants. The bond issue for private placement which was raised 10 years ago in the Trinidad and Tobago market for \$40 million as a result of the subsequent devaluations of the Trinidad dollar amounted to U.S. \$11.29 million which fell due for payment on October 16 this year or thereabouts.

The point that I wish to make, Sir, and I believe that the Honourable Member does not quite understand what I said. I did not say that the bondholders were not paid. I never said that. What I am saying is that the Central Bank of Barbados was not in a position to put its hand on \$11.29 million on that day to pay that money.

I am further saying that it paid \$5 647 000 in U.S. money and that it made an arrangement with the Central

Bank of Trinidad and Tobago, or the Government of Tobago, I do not know, for the bonds to be paid out in T.T. dollars and with a \$5.6 million liability against the Government or Central Bank of Barbados. It depends at what stage the accounting is at. That is a completely different thing from saying that I said that the bondholders in Trinidad were not paid. They were paid but I am saying this is how they were paid and there is no way that they could have been paid otherwise because the foreign exchange would have to be borrowed from Trinidad or by increasing the lines of credit at the Central Bank because there is no foreign exchange there.

I will give you further information. On the same day, October 16, 1990, the gross reserves of the Central Bank of Barbados amounted to \$194.5 million. The short term lines of credit amounted to \$98 million. When they are subtracted, you get the figure of \$96.5 million from which should be subtracted the bad debt of \$140 million under the CMCF which leaves a net negative foreign exchange position at the Central Bank of \$43.5 million. 9.55 p.m.

Where on earth are you going to get foreign exchange to pay, if on that same day you were net minus \$43.5 million, unless you are borrowing it from somewhere? Where would it come from? They are the straightforward facts. I never said that the bond holders in Trinidad were not paid, what I am saying is that the Government borrowed to pay, in other words, because they did not have any foreign exchange. Let that be quite clear. I have never known a Government of Barbados having to enter into any such composition before, if you want to put it so, in order to satisfy that kind of situation. I think this is the first time in 350 years that the Government of Barbados has ever had to enter into that kind of composition, so when the Honourable Member rises with righteous indignation, always recall that this Honourable Member does not make statements unless they can be supported by firm data. Always remember that I am never without sources of good information, no matter how tight the vaults may close,

Mr. Speaker, we have been regaled with the background to this particular piece of legislation set out in years, 1961 \$24 million being the borrowing limit, raised to \$30 million in 1967, raised to \$50 million in 1971, raised to \$100 million in 1973, raised to \$150 million in 1977, raised to \$250 million in 1986, raised to \$350 million in 1988 and now \$450 million.

Sir, I wish to submit two things. These figures are largely irrelevant in financial terms, because the reality is that these things all have to be deflated if they are to be taken into any consideration. When you talk of \$350 million in 1988 and \$24 million in 1961, in order to accept the relevancies, you have to look at the movements of prices and that kind of thing, so it really is not helpful. You cannot even look at these and say that there has been in real

terms an increase. You do not know, unless you are given the appropriate deflator to apply to these figures. That is the term the economists use in these circumstances.

What is important as far as background is concerned, Sir, is that the Honourable Member did not tell us whether or not the economic or social or fiscal background was the same when these increases were made. I submit that this country has never been in a position where it has gone to increase the local loan limit at a time when all economic indicators point to the fact that that is the one thing that you should not do. Secondly, Sir, it has never gone to the loan market in a situation where the Government is absolutely broke. This has nothing to do with any development programme, this is for the payment of Civil Servants. Let us not fool ourselves.

Barbados has never had a cash flow problem any time after the end of September. The cash flow problems that the Government of Barbados has always had were always between the beginning of April and the end of September, or even July to September. That is when you had the crunch. We are having a cash flow problem now all year round and we are going to have to set out the reasons for this. One reason, of course, is the fact that certain adjustments were made in relation to the payment of corporation tax, which is no longer payable, as you know, twice during the year - October and March - but is now payable on the anniversary date of incorporation of the company. Which means that your cash flow position can no longer be corrected with those two humps in Government revenue from corporation tax.

Also coincident with that is the fact that due to the fiscal and monetary policies pursued by the Government, with the significant contraction in the profitability of those companies who in fact pay probably 90% of the corporation tax in Barbados, the net effect is going to be a net reduction in corporation tax plus of course you are going to get the problem of not being able to get that boost to revenue at those two times of the year. So the Government is caught in a bind.

I would want to do later on an analysis of the impact that has had on the foreign reserves of Barbados when I set out clearly to this Honourable House some time tomorrow morning, as I continue speaking exactly the state of the foreign reserves at this point in time. The point I am making, Sir, if one were to look and see the sources of payment for the regrading and the reclassification exercise, one only has to look at the Central Bank of Barbados and look at the special deposits section. I refer you, Sir, to the Economic and Financial Statistics, September 1990. You will see a very interesting phenomenon there, that the special deposits, those deposits being the proceeds of foreign borrowings, which are largely insulated, sterilised, with a clear understanding that they should not be used to finance Government's current expenditure because of the

significant timing difference between this notation as a receipt and the fact that the foreign exchange component of it might well have been spent long ago, as was the case when you look at the movement in the foreign reserves, that payment of \$33 million or thereabout came from the special deposits. It was \$88 million in March, down to \$7 million in August Blown!

Responsible management of this country has always indicated that those special deposits should not be used in that way, or if at all used, then only at times and in small amounts when you have very healthy foreign reserves and very healthy foreign exchange available to you to absorb any impact that may have on the foreign reserves. 10.05 p.m.

This was done at a time of rapidly declining foreign reserves in Barbados and that has contributed significantly to the damage. Now, there are no more special deposits here.

Sir, when we look and see what has been happening to Government's overdraft at the Central Bank of Barbados, again, Sir, I refer to the same document, Central Bank of Barbados Economic and Financial Statistics, September 1990, you will see the most alarming position in this country. Where Government's overdraft has been running this year between \$93 million in January....

Aside.

Dr. R. C. HAYNES: The end of the year. I want to deal with this carefully. There is the end of the month figures. I happen to know that within the month on several occasions the law was breached. In February you have a figure of \$103.3 million, a clear and distinct breach of the Laws of Barbados. Whenever you see that as an end of month figure, then you know what has been happening during the month because if any cosmetics can be done at all, it would be done to bring that figure down below the legal limits so it would not be published. Not only was it above but there were not even any reserves within the system in order to bring it down by a few million dollars before the last day of the month when these figures would have been posted by the Central Bank of Barbados. It was \$85 million the next month, \$96 million the next month, then it dropped to \$65 million in May, \$75 million in June, in July it was back up to \$98.2 million and in August \$95 million. So there is no scope for the Government to lend them one cent further unless they are going to breach the law. Now, are you beginning to understand why we see the hurry with this Resolution?

The Government has already been in breach of the Laws of Barbados, in breach of the Financial Administration and Audit Act which sets under the Laws the ceiling in relation to estimating financial criteria as to how much money Government can borrow within the Law.

Here we have a Government borrowing unlawfully from the Central Bank of Barbados. That was not the only occasion because I happen to know that there were other occasions when the Government was breaching the law consistently in borrowing.

I also happen to know, Sir, that this was only one of two alternative proposals that the Government wanted to come to this House with. I happen to know that the Minister of State in the Ministry of Finance has been advocating, not only in the Ministry of Finance but outside of the Ministry of Finance that Government's overdraft limit should be increased so as to facilitate the Government in further borrowing. So we were anticipating either legislation coming down here to provide for an increase in the overdraft limit or for this. Whichever way you go, Sir, it is equally disastrous.

The first one, an increase of the overdraft limit of the Central Bank would be no other than trying to legalise illegality by printing money in this situation legally. That is all it would have been. That was one of the proposals being canvassed. I happen to know that there are several people in the private sector who are knowledgeable who said that this would have to be madness. That would destroy Barbados. Am I not telling the truth?

I want to assure you, Mr. Speaker, that what I speak is nothing but the truth, the naked truth and the whole truth. I shall essay it. Throughout my presentation tonight I am going to stick to the truth and nothing else.

I go back, Sir. We talk about the background. Within my knowledge, apart from the slight possibility in 1973, and I do not even think that was the case because the Central Bank would not have assumed that size of responsibility in relation to the economy where you had an increase in the local loan limit for those kinds of purposes or with this kind of economic background.

Normally, Sir, my recollection is that when the Government has intervened in the market before, it has done so with a specific object in view. It has never done so purely to compete with the private sector for what money is available. Usually the Government intervenes in the market at a time when there is excess liquidity in the system. Therefore, the governmental intervention is not only to mop up some of the liquidity which it may use for its own purposes, of course, but it also does so as a regulatory factor in determining the money supply situation in Barbados and help in the apportionment in the resources according to what particular policies it is pursuing. Never have I known this limit to be increased purely to accommodate a situation where the Government is broke.

I do not know what influenced the situation in 1981 but, quite clearly, looking at these statistics here, it would seem to me that in May there was no significant need to go

to the market and, in any event, to have gone to the market then would have been totally undesirable as you are talking of advances by way of overdraft of only \$48 million and the Treasury Bill limit was only at \$53 million. Why was a decision taken to go or not to go?

All I am saying is that there is no objective evidence here that would suggest that there was any need to go to the market. If it was being considered, it would only be considered in a regulatory framework, that is, to mop up money even if you do not need it in order to have certain desirable effects on the balance of payments and the foreign reserves of the country.

Now, Sir, if I may continue. I want to look a little more carefully at some of the confusing statements made by the Honourable Minister of Finance when he introduced his Bill. He claims that he has an unfinanced gap of \$132 , million. Therefore, by a remarkable *non sequitur*, he must raise the money by this route. I am submitting to you, Sir, that given the logic of Barbados' external position, then the only reasonable route to seek to finance this is to reduce Government's expenditure and if a small gap still exists, then to seek to borrow that on overseas markets.

During this night, Sir, I shall proceed line by line - this is so important - each item of Government expenditure we will have to examine so that this House can come to a reasonable conclusion as well as if it is not within the powers of Government to reduce its expenditure rather than to commit this suicidal act. 10.15p.m.

Let us be clear and let us be plain about this. One of the reasons why we indicated that this matter should be debated in the full light of day is because of the seriousness of Government's financial position and the impact on the economy and the impact of the economy on Government's fiscal position.

The Honourable Member has now confessed to this Honourable House that Government's revenue has fallen by 5% or thereabouts. I wonder if the Honourable Member clearly understands what he is saying. What you are saying is that Government's revenue has fallen by 5% in the first half of the year, and for the second half of the year you are not going to have the effect of the corporation tax, so that differential is going to be much higher in the second half of the year. Indeed, it would have been partially concealed, because some corporation tax was paid in the first half of the year. So that for the first time again in the history of Barbados we are looking at a situation where Government's revenue has declined in a fiscal year. It has never happened before.

When you talk about a 5% reduction in Government's revenue, you have to bear in mind that even if there was no real growth in the value of the dollars that Government took

in, there would at least be a nominal growth which would reflect the level of increases in the level of prices and inflation in the society. When you get the reverse of that - prices, inflation, even if things are static - you will see a 5, 7, maybe even 10% increase in Government's revenue, with things being static. When you get a 5% decline, you are not just talking about 5%, it is against that background, that is a very significant drop in revenue and is totally attributable to the severe economic decline in Barbados. Nothing else could have done it. Members may recall that even with the severe tax lashes in 1986 we still had a 2% growth in revenue, and we are facing here, in the context of over taxation, a fall in revenue.

But, Sir, I will during the course of the night, if I can get hold of my 1988 reply to the Budget, show that everything I predicted then has come to pass. It is not surprising. When you over tax an economy, by sheer brute force, once the people are law abiding and they pay their taxes, as Barbadians are and do, you get an immediate significant increase in revenue. It does not take long for that to translate itself into a reduction in economic activity, and when that happens whatever level you have the taxes at you are still going to get diminishing returns in terms of revenue.

It is like the man who is running a shop in Bridgetown who, because of special circumstances, whatever he is selling, he jacks the prices up, makes some quick bucks over a month or two, but after that people get to realise that they can get the goods elsewhere at a cheaper price and his revenue also falls. The converse always happens when you have an appropriate level of taxation, then Government's revenue always rises, so what you are seeing here are the ultimate consequences of over taxation, its impact on economic activity which has translated itself into drastically reduced revenues on the part of the Government. That is now further compounded with the foreign exchange situation.

That is a matter I will have to deal with in some greater detail at a later stage, but I want to go through, Sir, in further detail the various points made by the Honourable Prime Minister. I pointed out that it is a *non sequitur* to say that because he has an unfinanced gap, then the appropriate way to finance it is to seek to raise the money on the local market. Then, Sir, he makes reference to the Estimates and I am very glad that he did that, because by referring to the memorandum he has imposed on me the very important responsibility of going through those Estimates in order to see the relevance of that memorandum. Then he goes on to say that Government's expenditure has increased. Mr. Speaker, you cannot just come into this Honourable House and say that you have falling revenues and Government's expenditure has increased. It is your job as Prime Minister and Minister of Finance to make sure that that does not happen. You cannot just sit idly by and see expenditure in Barbados in 1988-89 almost 50% higher than it was three or

four years earlier and not recognise that something drastically wrong has happened. You are talking of some \$300 million or so in Government expenditure which you are asking a contracting foreign exchange generating component of the economy to cope with. How can it happen? There can be no alternative but disaster. Within that time frame there could be no alternative but disaster.

When the Honourable Member says that Government's expenditure has increased and the gap has widened, what I am saying is that that is an indication of serious mismanagement of the fiscal situation in Barbados. If a Government was faced with maintaining its expenditure at a given level, or if a Government had set about to reduce its expenditure, and despite that, because of revenue failures, then you could say the Honourable Member has tried his best. But he has clearly made no effort whatsoever. He comes in here now and tells you that he is confronted with revenue failure, which he knew was taking place since January of this year. You may recall, Sir, that in the June Quarterly Report of the Central Bank of Barbados, which I do not have at hand at the moment, but which I take the liberty to refer to, there was a clear statement in there that Government's revenue had fallen to \$47 million in the six month period. 10.25 p.m.

It was clear and unmistakable evidence yet nothing was done about expenditure and that is what we are supposed to consider to be good management of the Barbados economy.

Then he refers to, he did not say it but he tries to blame it on the regrading and reclassification exercise amounting to some \$33 million. I have already pointed out that nothing that is happening now in this fiscal gap could be due to that because it was financed from special deposits in the Central Bank of Barbados. In other words, that has not altered the integrity of the revenue expenditure patterns of Government. If that pattern has been in any way altered > for the worse, then it is not due to draw down on special deposits. It cannot be because special deposits were never in the system. They were brought into the system so they could have only have improved as a result of that move. So there is no way that paying that \$33 million from special deposits could be blamed in any way for a worsening of the fiscal situation.

I want the public servants of Barbados to clearly understand that the money that they received from the regrading and classification exercise has not in any way contributed to the burden on the Treasury or to the deteriorating fiscal situation. If the Government had borrowed it, if the Government had paid for it out of money that it had collected, it would be a different matter. But here it was, a sterilised deposit in the Central Bank that they picked up and paid and by using that deposit they did not

have even to increase Government's overdraft by using that deposit. Let us be clear about that.

We do not want to hear any further suggestion during this debate that this situation in Barbados has anything whatsoever to do with the \$33 million paid to the public servants of Barbados who deserve the money that they received. My only complaint about that is that almost all of the money went to those at the top and almost nothing, and in many instances nothing, to those at the bottom.

Then, Sir, the Honourable Member spoke about the impact on the local market of foreign and local economic situations. The impact has been very simple and straightforward. He has created the difficult problems that he finds himself in now by a budgetary exercise in 1988 and 1989 which was totally inappropriate and which has nothing to do with what is going on overseas. The local market conditions are a direct consequence of what he had done. This I will set out very carefully.

He says that Government has a cash flow problem. All along we were told that the situation in Barbados was rosy, that there was no problem, that there were prophets of doom stalking this country trying to spread lies about the Barbados economy. Those who exercise a little common sense and foresight based on their own experience are deemed to be prophets of doom.

Only recently has the Prime Minister of this country even as much as suggested to Barbadians that they are faced with a serious economic situation. Only very recently, and in the most indirect ways, no confrontation, no taking the people in its confidence. How, on earth does he expect even to go to the market successfully and not take the people into his confidence? It cannot work that way.

I happen to know that the Government has had shortfalls in one or two Treasury Bill issues. It has had to make a supplementary intervention in the market at one stage earlier this year. I think that is a reflection of two things, the tight monetary situation on the one hand, Sir, and on the other hand, it is also a reflection of a ever deteriorating level of confidence in the Government when those two things begin to happen.

I will repeat what I said, Sir. The Government is increasing this limit by \$100 million. I am also saying that the Government had shortfalls in its Treasury Bill offers in the market this year. I will further say that on one occasion in order to relieve the panic there had to be a supplementary issue.

Sir, I read my newspaper. A lot of people do not look at those Treasury Bill issues. I look at them and by looking at them you can work out what is happening. There are a lot of people who believe that you have to have inside information in order to come to certain conclusions. This

document is really all you need. All you need is one or two figures at one point and if you go through this carefully, all the information that has come to this House so far, nothing is privileged. It can be worked out from here. I could pick this up and I could tell you what the state of the Central Bank of Barbados was at the end of the month. When I look at the international reserves section under the monetary authorities and I see at the end of July 1990 the foreign assets of the Central Bank are \$224 million and its foreign liabilities adjusted, that is low as under a year, and they are the short term liabilities, you know that the net position must be negative. When you subtract 75 from 224 you end up with 149, then you take 140 out of that, then you subtract the known \$6 million or \$7 million of IMF tranche and you see exactly where you are.

There are people who believe there are people in the Central Bank that give information. You do not have to get information from the people in the Central Bank. I do not know who has been telling the Government that you cannot get information on the Central Bank or on the Government's foreign reserves purely from this document. When you subtract from that now the net holdings of the difference between the foreign liabilities and the foreign assets of the commercial banks of Barbados and exclude the sinking fund for foreign debt, you know whether the country has reserves or not. It is all given there on one line. So with all of this witch-hunting you would have to tell the Central Bank to stop publishing information if you do not want people to have access to the information.

There is nothing that one can say in this House that you do not have information on. Our information is public. It is a question of knowing how to use the information before you and what those numbers mean. One could read about 10 books' on a series of these documents on the economy of Barbados simply by looking at the numbers. They tell a precise story. Numbers is language. Mathematics is a language and when you take these documents over 10 or 15 years it is far more specific history of the Barbados economy than anything else you can find in Barbados or anywhere else. What other people might say might be a matter of opinion.

Mr. SPEAKER: We are going very well. No cross-talking.

Dr. R. C. HAYNES: What others might say, might be a matter of opinion. What these say is a matter of facts. The only difference is that it is a language of numbers. Have you noticed that there are a lot of mathematics scholars who turn out to be users of the English Language? I often wondered why it was until it suddenly struck me some years ago that this thing is, in fact, language.

Now, Sir, the Honourable Prime Minister proceeds to moan about his cash flow position. But if you spend the money irresponsibly, then you will have a cash flow

position and there is nobody who can help you. Long ago, on numerous occasions in this House, one indicated that the only way to avert this present situation was to control Government expenditure. 10.35 p.m.

Members on that side sought to interpret that as suggesting that we want to cut back on social services, not recognising that there is such a thing as establishing priorities of expenditure within an overall economic planning situation. That is the kind of situation you have, and year after year, speech after speech, they felt they were making maximum political mileage by calling us all sorts of names because we said you should make sure that your expenditure is reasonably controlled. Therefore, the sole measure of their performance was by the amount of money they could spend. As a matter of fact, I recall one of them saying "if this is squandermania, I want some more squandermania".

Now, Sir, the very interesting thing about that whole exercise is that the Government has always failed to recognise that the levels of public expenditure have serious consequences far and beyond the dollar bills spent. In other words, Sir, if I may explain, there is little point taking \$50 million from taxpayers, passing it on to the Government and then the Government spends it in areas which generate a loss of foreign exchange. Two things happen then. You have lost the foreign exchange and you have deprived those who constitute 75% of Barbados' economy from functioning. Worse yet, when you compound that kind of thing, with the kind of printing of money that took place in Barbados in 1989 in particular, then you realise what the Government is doing to the country.

Aside,

Dr. R. C. HAYNES: If I may continue, Sir, I believe that we are not only faced with a foreign exchange disaster, as I said before, but we are faced with a fiscal disaster in Barbados from a Government standpoint.

Let us look carefully and see the background of this Bill which has come before Parliament. We have in Barbados a credit crunch. We cannot call this a credit squeeze. When those restrictions were imposed, they were imposed almost with retroactive effect. My recollection is that some time in September or early in October they were imposed, but the limits had to be the end of August of that particular year. When translated forward, that amounted to almost a 40% reduction in the level of credit outstanding on December 15 last year. That means that there is no money available to 75% of the economy.

I do not propose at this point to translate that down into what it has done to people like yourself and myself in terms of the prices, in terms of the difficulty in getting a few dollars from the bank to borrow, in terms of the

significant unemployment that that has caused. It impacts all around. It is one of the factors, for example, that has impacted on the capacity of persons to meet their obligations to the NIS, because if people cannot borrow money, how are they going to conduct their businesses? In a country like Barbados, Sir, where for 99% of poor people in particular who launch into any kind of business activity the equity/debt ratio is always unfavourable, and that is because they are coming from the bottom; when you deprive those people of access to money to run their business, it is the worst thing you can do to poor people in this country. Over and above that, Sir, you have extended that also in the personal sector.

Mr. SPEAKER: Are you suggesting that the two of us are poor?

Dr. R. C. HAYNES: I am, Sir. I am sorry if I link you with that, Sir.

At the other end, Sir, you impose that credit crunch, so that people cannot buy the goods or make use of the services, particularly that the small business men offer to this country, because they cannot get any credit.

Now, Sir, in this situation there has been a modest attempt by the economy itself to put some liquidity back into the system. Guess what has happened, Sir. Would you believe that the Government itself took up over 95% of the available liquidity?

Aside.

Dr. R. C. HAYNES: Almost 100% of the money that was generated out of their own monetary strictures, and then they spent it. Now on top of this they dare come to this House and seek to persuade us that it is a desirable thing to go to the market for another \$100 million. This is fiscal oppression of the worst order. Fiscal oppression involving over taxation, fiscal oppression involving the elimination of credit availability from the citizens of this country, fiscal > oppression now in terms of going to the market to mop up whatever little available funds there are.

Sir, it is interesting. I do not know who is going to take up these Treasury Bills or debentures. I have a problem with that. If you look at this document, you will see there is no money available. I was trying to get a \$2,000 loan.

Aside.

Dr. R. C. HAYNES: I am being very serious about this. Normally, Sir, I am quite sure that I could have made some kind of arrangement, but believing that the sum was small, and when one considers that I was about to offer adequate security, it is because of the location of the institution that I wanted to go to that institution, but do you know what they told me? That they were above their

lending limit and that they were being pestered to get what they had outstanding below that limit. Therefore they could not lend me the money. This is going to have a serious effect on the whole banking system of Barbados. Make no mistake about it, because what it is going to do eventually is to make sure that the established banks in Barbados are further fortified and strengthened at the expense of all the newer banks. You watch it. Keep that in place for a while and see what is going to be the ultimate effect of that. 10.45 p.m.

Now, Sir, here again against a background where there is no credit availability, where there is a liquidity problem, where the Government has appropriated all the money that became available as a direct consequence of its monetary measures, it now comes, as I say, for more money. It also is about to compound this because they must know that there has been no significant easing in the liquidity situation in Barbados despite certain statements emanating from persons who should know better. Nor indeed, Sir, even the back pay being offered to the public servants now and the increases, that is not going to help in the usual manner.

I will tell you what is going to happen. Almost every single individual will owe away more than he is going to get. Normally what would have happened, people would have been using the financial institution and although they may have an undertaking with a financial institution, they would still go and make a deposit so you will see a rise in the savings of the system and a gradual increase in the liquidity situation. What is going to happen now is that people are going to operate outside of the system. Who is going to go and put \$300 or \$400 in a bank that tells them they cannot lend them money? Both at the domestic level and in relation to foreign currency the Government is, in fact, creating its own parallel market. That is what is going to happen.

I certainly would not put one cent in a bank that refuses to lend me \$2 000. Suppose I had \$2 000 and I put it inside there today, then tomorrow I want to borrow some money and they tell me they cannot lend me the money. The point I am trying to make is that the whole financial system of Barbados has been distorted, has been mutilated by the policies pursued by the present administration. Then to compound it, they have continued to maintain a high interest rate regime in Barbados.

Yesterday I saw in one of the newspaper a builder hoping that mortgage money would become available. He is going to remain hoping for a long time because to start off with, the money is just not available and whatever little might be available will be further transferred to the public sector, so there will be no money for bridging loans, no money for housing. This is what is going to happen as a result of this particular measure. It is going to further depress the housing market in Barbados. It is going to make it impossible for those people who want money either to

buy homes or build homes, to get any kind of financing in Barbados. This is what they are inviting this House to create; the conditions precedent to, in order that they can go to the market by means of this Bill. There is no way that we can even think of supporting this particular measure.

They have further compounded it, Sir, by the impact which the taxes have had on the increase in prices. That has also removed a lot of money from people's pockets. Now they have gone on top of that now and put increased energy costs on the economy and coming for more money. You have the increased interest rates, the increase in taxes, the increase in prices, the increase in energy costs and you are going to have a further automatic increase in the deficit of the Government because the Government has to pay the energy bills too. That itself is going to have a significant impact on any efforts to close or reduce the deficit. What on earth are we being asked to approve? Are we being asked to approve a line of finances of Government operation which we know must be destructive?

Mr. Speaker, there is one thing you can be sure about that economic events just do not happen overnight. Economic events occur once you are fully aware of all the parameters that you can pretty safely predict what will happen to the Barbados economy if any Government embarks on a particular course of action because strangely enough, nothing new happens. There are elements, although none has ever come together in this way, where you can look back and see what happened in this area, and in that area as a result of a particular action.

I have never known any Government that took all the wrong decisions in all the areas that would result today in a situation where at the domestic level everything is depressed and externally everything is depressed. It has never happened in Barbados before. Are we surprised, Sir, that we have this kind of crisis? Let us go through these things and I want to get the record straight. Let us look and see what has been the level of Government's borrowings down the years.

Let us go to the levels of advances of Treasury Bills and you will see what exactly has been happening here in Barbados at the moment. They have total claims on central Government up to \$107 million. We know we are comfortable when that is between \$40 and \$50 million. One would like to get it a bit lower but I do not think that is achieved too often below \$40 million. When you get to \$170 million you are in a lot of trouble.

I am convinced that this particular measure is going to lead to further serious distress in the Barbadian economy and it is not necessary. I am going to point it out to you, Sir. Only six months have gone so far in the financial year and I believe that we have a golden opportunity at this stage to do something about this situation. Now, Sir, what can be done about it?

I think the first thing we have to focus on is to restore the integrity of the Central Bank of Barbados. My contention and the linkage I am making is that this measure is going to further damage the integrity of the Central Bank of Barbados. The Government has found itself in the appalling situation where it has gone to the foreign markets to try and raise money and in that market they are going to have a balance sheet of the Central Bank of Barbados showing a loss.

Now, Sir, I do not know of anything that could be worse for a Government going to international markets to borrow money with a balance sheet of the Central Bank showing a loss. Make no mistake about it, Sir. When you go to those markets, the first thing they are going to look at is the balance sheet of your Central Bank. You have gone there with a Central Bank that recorded a loss last year for the first time in the history of central banking in Barbados. As far as I am aware, I do not know of any Central Bank that has made a loss. The implication of this is serious as it relates back again to this level of borrowing and it will be worsened by this Bill because the Central Bank is the bank of last resort.

If tomorrow one of the large companies in Bridgetown should present a cheque to a commercial bank and we do not have the cash to honour it, they will do one or two things, Sir. They will resort to interbank lending or they would first call on the other banks. If that money is not available, they go to the Central Bank and it has, at all times, to be able to honour demands made on it similarly, in relation to foreign exchange.

What is happening now is this, that even when the Central Bank is honouring demands for local currency it is worsening your foreign exchange position because it does not have the foreign exchange. That is the kind of situation that you have. There is absolutely no room within the Barbados economy at the moment for the Government of Barbados to be exercising any option of going to the market to raise money. 10.55 p.m.

Sir, I want to look at one or two of the consequences of this. I believe there are at least one or two businessmen who, when they heard about this action...

Aside.

Dr. R. C. HAYNES: No, I will not be finished until tomorrow morning. I will be finished by about 5 o'clock, because I have to go through here line by line to indicate to you the areas of savings. It is up to you. The choice is yours.

Therefore, Sir, what will be the impact of this kind of intervention in the market on the domestic economy? I have not spelt it out in any detail, I have just dealt with it in very

broad terms. As I said, Sir, at the moment the Barbados economy is credit starved and I have to demonstrate to you how this intervention is going to make it worse.

I believe that earlier on I adverted to the impact it is having in the area of distribution. We have pointed out that the impact has been quite severe particularly on the smaller business houses, but it is also having an impact on the larger business houses in Barbados, in this respect, that with the escalating cost of funds via the interest rates, because of the scarcity of funds, many of them have been laying off people and very often this is not reported in the Press. I am telling you that there have been large scale lay-offs in the distributive sector in Barbados. Very quietly they let go two at a time and so on, but this has been going on now in Barbados for some time, particularly since about June this year.

Aside.

Dr. R. C. HAYNES: I want to talk until tomorrow morning. What effect is this having on the manufacturing sector of Barbados? What effect will this have on the manufacturing sector of Barbados? Let us be clear what effect it is going to have. I know of several small manufacturers who have already folded up because they could not get access to credit. Let me give you an indication of what is happening. Many of these small manufacturers manufacture for Government. The last time I spoke of this on the Floor of the House I knew about one person who is owed money by the Government. They would not pay them their money. They say they cannot pay them, they say their instructions are to pay wages and salaries only and these small people cannot get their money. On the other hand, the people have orders and they cannot go to the bank and borrow money because the banks cannot lend them money. The banks are refusing even to accept the fact that the Government owes them money as collateral against further borrowing.

Now, Sir, it is unfair to a small business man for the Government to do that to him. The Government says it has no cash, so it would not pay them. The Government has introduced monetary measures to ensure that they cannot borrow money, so they have these two things operating against them and they go under. This is wrong. There is one man whose house might be sold out now because of what was done to him as a result of the kind of measures that Government has put in place.

Aside.

Dr. R. C. HAYNES: I am speaking until I finish dealing with this Bill. If you want to adjourn the House,

fine. If you do not want to adjourn the House, I am going through this page by page. Take your pick.

Aside.

Dr. R. C. HAYNES: I have known you for many, many years. Your word has always been your bond. You have always been a decent man. You did something here earlier this evening that is quite uncharacteristic. Never mind, I will give you the benefit of the doubt and I will sit down on the clear understanding, and in the presence of His Honour the Speaker, that my speech is not concluded.

On the motion of Hon. P. M. GREAVES, seconded by Hon. M. A. KING, further consideration of the Bill was postponed.

RESUMPTION OF COMMITTEE OF SUPPLY RESUMPTION OF ORDER NO. 1 (c) - HEAD 15 - CABINET OFFICE

On the motion of Hon. P. M. GREAVES, seconded by Hon. M. A. KING, Mr. SPEAKER left the Chair and the House went into Committee of Supply, Mr. L. L. BRATHWAITE in the Chair.

Mr. CHAIRMAN: The Committee of Supply is resumed.

The question that Head 15 stand part was put and resolved in the affirmative without division.

On the motion of Hon. P. M. GREAVES, seconded by Hon. M. A. KING, Mr. CHAIRMAN reported the passing of one money Resolution in Committee of Supply, and Mr. SPEAKER resumed the Chair and reported accordingly. 11.05p.m.

On the separate motions of Hon. P. M. GREAVES seconded by Hon. M. A. KING the Resolutions were read a first and second time and agreed to.

SUSPENSION OF SITTING

Hon. P. M. GREAVES: Mr. Speaker, I move that this Sitting be suspended until Friday October 26, 1990 at 10.00 a.m.

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

The question that the Sitting be suspended until Friday, October 26, 1990 at 10.00 a.m. was put and resolved in the affirmative without division and Mr. SPEAKER suspended the Sitting accordingly. 11.08p.m.

RESUMPTION (Friday,
26th October, 1990)

LOCAL LOANS (AMENDMENT) ACT (RESUMED)

Mr. SPEAKER: This sitting is resumed. The Honourable Member of St. Michael South Central may continue if he so desires.

Dr. R. C. HAYNES: Mr. Speaker, when the House was suspended last Tuesday evening, I was addressing it on the question of raising the ceiling for local borrowing from \$350 million to \$450 million. Since I last spoke, we have had confirmation that all that I was saying about the Barbados economy over the past 18 months was absolutely true and by no less a person than the Governor of the Central Bank of Barbados. The information that is now available makes it even more imperative that we take the strongest position against this Resolution before the House. I shall seek to demonstrate the need for that stance in the public interest. It is therefore necessary, Sir, for me to take fresh guard and continue my innings.

I had indicated, Sir, that one of the problems presented by this legislation was the fact that it comes against the background where the Government has been showing little or no respect for the Laws of Barbados and I believe that it is essential that the Government should set an example and obey the laws. I have indicated that the Government has breached the laws on several occasions as indicated in the monthly statistics of the Central Bank and elsewhere by exceeding the overdraft limit as established under the Laws of Barbados. I believe that both the Government and its bankers and I mean the Central Bank of Barbados...and I am calling on them to respect the Laws of Barbados; that there is no legal basis for lending the Government by way of overdraft over and above the limits established by Law; that it is an offence under the Act and that action can be taken against those involved in that kind of activity.

It has been an on-going activity on several occasions during this year. We can never, Sir, be able to deal with issues of disrespect for the law if the Government of Barbados itself breaches the law. Fortunately, it happened at the end of the month and is now recorded in a public document and we know that in between the first of the month and the end of the month it has happened on several occasions.

Now, Sir, I will point out how later on this attitude towards government expenditure and failure to comply with the strict provisions of several laws of Barbados have been one of the reasons why we have before us this piece of legislation which will be harmful to the people of Barbados. Now, Sir, I shall make this a document of the House, if you so wish. It is a statement put out by the Central Bank of Barbados dated October 23, 1990 and if one wishes to find good reason why the Government should not proceed with this bill, Sir, it is found in this document relating to the

Barbados economy. The very first statement and I quote Central Bank of Barbados Economic Review for the third quarter, 1990, the very first line:

"Real output for the first nine months of 1990 is estimated to have declined by 3 percent before the same period of 1989."

Now, I believe that the Government would be aware that where there is a recession in the economy that the Government cannot intervene in that market in order to utilise what funds are available, because for a variety of reasons, as I said earlier, it diverts the limited funds available from the major sector of the Barbados economy. We must bear in mind that all the foreign exchange earning sectors of Barbados' economy are in the private sector, not in the public sector and therefore when the Government intervenes in the market in this way it further depresses the economic activity in Barbados and makes it difficult for the economy to recover.

In addition, where such intervention is for the purpose of paying existing bills and paying wages and salaries of public servants, it cannot be in the interest of the public.

I go further and say this, that when you look at the elements which constitute that decline, and by the way, Sir, now that this report has come out, it means that there is one person and one person only on this rock called Barbados, that is the Minister of Finance, who does not think that the economy is in decline.

Now it is true, Sir that this part of the world was discovered....

Asides.

Dr. R. C. HAYNES: Now it is true, Sir, that Columbus who discovered this part of the world ... Let me rephrase that. It is true Sir, that there was a time when Christopher Columbus was probably the only person who believed that the world was round whilst the rest of humanity thought that it was flat and he turned out to be right. I submit to you, Sir, that that was probably the only occasion on which something of that nature should happen in the past two thousand years and it is very unlikely that with the Central Bank of Barbados, the Ministry of Finance, the Ministry of Economic Affairs, the entire private sector of Barbados, the two opposition parties, the Economic Society of Barbados and all persons in this society who are knowledgeable on economic matters recognise the fact that the Barbados economy is in recession. And they also recognise that this Bill if passed by Parliament can only worsen the situation and I am calling on the Minister of Finance to stop misleading this country by trying to suggest to the people of Barbados that all is well with the economy. This was the position taken until a few weeks ago and the

first time you changed your tune was a statement in New York a few weeks ago, outside of Barbados.

Rt. Hon. L. E. SANDIFORD: Mr. Speaker, a point of order ...

Mr. SPEAKER: Just one moment There is a disturbance at the entrance of the Chamber.

Rt. Hon. L. E. SANDIFORD: The Honourable Member for St. Michael South Central has said, and he has been repeating it that I am the only person in Barbados who believes that nothing is wrong in the economy and that I have been stating that there is nothing wrong in the economy. I would challenge him to substantiate that particular view that I have ever said, not only in this year, or any other year, that there is nothing wrong in the economy of Barbados. He must stop misleading the Chamber and I would challenge him. He has made a statement and I would challenge him to produce chapter and verse that I have ever said so whether in this year or last year or anytime that there is nothing wrong with the economy of Barbados.

Dr. R. C. HAYNES: I want to give the Honourable Member an assurance that in due course I will let him have copies of his own speeches. 10.15a.m.

You may recall all the talk about prophets of doom and gloom, that all is well, that there was no foreign exchange problem, that the stock of foreign exchange held by the Central Bank of Barbados was healthy, all these statements. I will get the whole lot put together and let you have copies of them.

Rt. Hon. L. E. SANDIFORD: Mr. Speaker, I am asking him to withdraw the particular statement until he can produce the documents. He has today made that statement and he must substantiate his statement.

Mr. SPEAKER: Now, if the Honourable Member has objected to a statement made based on the fact of lack of information and accusation, then the Honourable Member has a right to assure the Chair that he is in a position, during this particular debate, to substantiate those remarks. If they cannot be, then I will ask the Honourable Member not to persist with them until such time.

Dr. R. C. HAYNES: If I may continue, Sir. This report also says that tourist arrivals declined by 7.6%. Now, Mr. Speaker, as we all know, this is the time of year when the hoteliers need the credit in order to purchase stocks for the tourist season. With the tight credit situation in Barbados and with the Government intervening in the market at the moment, it is going to create even more problems for the tourist sector. When I speak of the tourist sector, Sir, I not only refer to hotels. I refer to places like

restaurants, many of which come under the heading of distribution as far as the credit restrictions in Barbados are concerned. So this Bill is going to compromise the activity of the tourist sector even more. If there was any doubt about what is happening in tourism, I am not going to go through this, it is all now clearly set out by the Central Bank of Barbados.

It is also clear, Sir, from this document and it states "industrial activity fell by 2.6%". He goes on "the garment industry collapsed to about 1/3." A whole section of the manufacturing sector of Barbados has collapsed. The term used is "the collapse of the garment industry". "The wooden furniture industry is now down to about one half of its level a year ago, whilst electronic components fell to about 12.6%." My contention again, Sir, is that this collapse of the garment industry is due significantly to the absence of credit in the personal and distributive sector of Barbados. This Bill will make it worse.

Aside.

Dr. R. C. HAYNES: One Member, quite interestingly, *soito voce*, talks about the suitcase trade. What the Honourable Member does not realize is that the suitcase trade has been stimulated by measures taken by the present Government in terms of its tax policies on imports and in terms of its credit policies. As soon as you have driven people on the parallel market, the suitcase trade is just a manifestation of the development of an informal market in the area of garments in Barbados which is expanding. If it is expanding to the point to cause the collapse of the garment industry in Barbados, it means that it is far greater than any of us may think it is.

The point I am making is that the garment industry would be made worse by this measure because, as I said, if the shops in town cannot get access to credit to purchase the products of the manufacturers, if individuals cannot borrow money in order to buy those things from the shops, then the industry must collapse. I have been urging on the Government that it is most important that the Government should not be entering the market at this stage because it is going to make manufacturing worse.

Then we go further down. This particular document sets out very clearly that Government's finances are in chaos with the deficit rising by \$123 million over the same period last year whilst revenue has declined significantly. Let us look and see what is happening here. The Government intervened in the market in order to appropriate for itself a larger amount of the money that was available through taxation. It did so in a matter of two years increasing consumption taxes in Barbados by a figure of 80%. What do we see today? We see that the revenue from consumption taxes are down 39.5% but imports are only down 3%. Do you know what has happened? Let me

explain to you why we get the consumption taxes down 39% while the imports are only down 3%.

Consumption taxes comprise of the taxes charged on imports and the taxes charged on domestic production. What it says here is that there is a virtual collapse in domestic production in Barbados. It is not only the garment industry and the wooden furniture industry, but many other areas of manufacturing activity in Barbados which have declined significantly in order to result in that fall in consumption taxes. A 35% reduction in imports could not lead to a 39.5% reduction in the yield from consumption taxes. The major burden of that would have to be the domestic component of the consumption taxes. Most of those taxes domestically arise in the manufacturing sector. That means that there has been a very drastic reduction in activity in manufacturing in Barbados.

Where it relates specifically to this Resolution, Sir, is that it is a clear case where by the Government seeking to appropriate more and more of the money available to the society, that you reach the point where you get diminishing returns. It has happened in the fiscal area and it is now going to happen in the credit area because as it takes up more and more of the available money in the society, then what is going to happen is that Government's revenue is going to have a further tailspin and the deficit is going to continue to expand. It is not going to fall. Even in the fiscal area you have a situation where this particular Bill would worsen things as far as the fiscal deficit is concerned.

Sir, despite the increase in inflation and the increase in price levels in the past year, the Central Bank was able to report that loans by commercial banks for distribution and personal sectors declined. What this means is very simple that the people of Barbados have far less access to credit. The Government has intervened already and appropriated most of it. It is proceeding now virtually to destroy the lives of every single person in Barbados.

I do not know how Barbadians can survive without access to credit for very long. Most of our people have very small wages. Most of the price structure in Barbados is high and to meet basic needs almost on a weekly or monthly basis, people have to have access to credit and this is being denied to them. 10.25 a.m.

Yet, instead of the Government saying if \$100 million comes on the market we will appropriate X amount and allow the people to have X amount of credit available to them, they have kept the ceilings on from last year, they have not adjusted it for inflation or taken into account the rise in prices in Barbados, which means that in real terms there is far less credit available to Barbadians than when those measures were put in place last year, and now on top of that they are going to remove whatever funds were available in the system.

This business of there being liquidity in the banking system again, there has been some improvement on last year from the negative situation, but the country is still starved of liquidity and the banks are still struggling at every month end to try to meet the ceilings established by the Central Bank of Barbados. Let us get that clear. Furthermore, there is no even distribution in the banking system in relation to available liquidity, and from time to time you might find that one or two banks might be in a reasonable position but all the others are scrambling. Let us get the record straight. Those banks that are struggling could not meet the credit requirements of a substantial proportion of people in Barbados.

Then, Sir, again, the question of residential mortgages, estimated at \$45 million, was slightly lower than last year. In real terms that means a substantial drop in the amount of money available for mortgages because of the increase in prices and so on. Then we hear the remarkable statement that foreign reserves are estimated to have declined by \$59 million during the first nine months in comparison to a fall of \$103 million during the same period last year. What was omitted was that there was a \$40 million borrowing earlier in the year, so that in fact the true underlying trend in the reserves was that there was a fall of \$99 million, if you exclude the \$40 million that was borrowed on the markets earlier this year.

Now, Sir, what the Government does not understand is that that has happened despite the draconian credit measures they put in place a year ago, and that by simply tightening credit in this way this is not the solution to the foreign exchange disaster that exists in Barbados today. We could go on television at night if we like and tell people that Barbados has met its obligations to the bond holders in Trinidad. That may be true, but it is a fact that the Central Bank of Barbados was only able to meet half that obligation and the Government of Trinidad, or its agency, had to meet the rest in Trinidad dollars. The Governor of the Central Bank comes out and says that Barbados has had to make an accommodation and now you get a deceptive statement suggesting again that nothing was wrong.

Hon. B. M. TAITT: On a point of order, Sir. Since the Honourable Member is addressing this Chamber and he has said in essence that the statement is made at night, it can be reasonably presumed that he is referring to the Honourable Member for St. Michael South. The Honourable Member then goes on to talk about a deceptive statement. I submit that in the context "deceptive" is a word he would wish to withdraw. I so submit, Sir.

Dr. R. C. HAYNES: That is a bogus point of order. If I may continue, Sir.

Mr. SPEAKER: The Honourable Member for St. Michael West has made a request in respect of a statement made. I think it is a logical conclusion that one person could

not have made both statements, in that the statement was prefaced by the Central Bank making a statement and then continued to say that a deceptive statement was made. The Honourable Member has to determine whether he is attributing both statements to the person he has named or to whom is he making the second statement

Dr. R. C. HAYNES: I wish to be absolutely clear. I say that the Governor of the Central Bank was telling the truth when he said that there was an accommodation made with Trinidad and Tobago. That is what I am saying.

Mr. SPEAKER: So that the deceptive statement was not also made by the same member.

Dr. R. C. HAYNES: By the same member. That is correct.

Mr. SPEAKER: It was made by the same member.

Dr. R. C. HAYNES: I said no. I never accused the Governor of the Central Bank. What I said was that there was a statement made on television, I am not talking about the Governor's statement. No, Sir.

Mr. SPEAKER: What I am clarifying here is if the Honourable Member is not making reference to any Honourable Member in the Chamber. That is the point I want to make. If the Honourable Member is making reference to any Member in this Chamber, then in my submission it is a statement to be withdrawn, so the Honourable Member will have to be very clear as to whether both statements were in reference to the Central Bank Governor or if it was in reference to a statement made by a Member in here, and that would settle the problem.

Dr. R. C. HAYNES: Sir, the statement I made was with reference to the TV, not reference to individuals,

Mr. SPEAKER: In other words, the Honourable Member is saying he is not making reference to any Honourable Member in the Chamber.

Dr. R. C. HAYNES: Let us put it this way, Sir. If the word "deceptive" is causing concern, I withdraw the word "deceptive".

Mr. SPEAKER: I am not interested in that, I am interested in whether the Honourable Member is making a reference to a Member in the Chamber. If he is not so doing, then he proceeds, but if he is making reference to a Member in here then I will ask him to withdraw it.

Dr. R. C. HAYNES: Sir, I did not watch the television proceedings, I just heard about it. In that case, I think to be absolutely clear in this matter, that there can be doubt or that anyone will be left to believe that I would even try to say or do anything in this Honourable House that is not

consistent with the rules, I will withdraw, although I am not asked to do so by you, Sir, the word "deceptive" and substitute the words "not consistent with the total truth".

Now, Sir, if I may continue. What alternatives are there available to the Government? I do not think we should just come in here and criticise, I believe we should examine the kind of alternatives available to the Government in terms of trying to deal with this major fiscal problem, with this runaway fiscal deficit and with the serious problems affecting the foreign exchange of Barbados.

I believe, Sir, that we can begin to focus on certain things that are going on right now in order to see how we can reduce Government expenditure and in this way obviate the need for this particular piece of legislation. Government derives its revenue in some measure from the profits of some statutory boards. One such board is the Barbados National Bank where the profits are apportioned between the requirements of the Bank for equity satisfaction and transfer to the Consolidated Fund. I believe that all Barbadians are somewhat alarmed by the fact that the profits of the Barbados National Bank have nosedived this year. 10.35a.m.

Furthermore, I am alarmed by the fact that it would have shown a loss if the position of the auditor that the \$6.5 million stolen from CARSICOT should be set aside and provision be made for it. It will come up next year in the accounts of the Bank and the Bank will make a loss the next year-- so long as provision is made for that \$6.5 million. I therefore would urge Government to take immediate steps to examine the leading policies of the Barbados National Bank because when its profit is reduced or when it makes a loss it impinges on the revenue of Barbados and therefore we find ourselves inside here now being asked to support a Resolution to raise money by borrowing when in point of fact the Treasury has had the benefit of the revenue.

I believe, Sir, that in this day of public accountability we should want to know why sums of that order were advanced to a statutory corporation without the usual instruments, corporate instruments being made available to the bank in order that it can on-lend to another company. All of these things need to be examined.

So this is one area. Instead of looking for \$100 million now we should probably have had \$6 or \$7 million being transferred to the Consolidated Fund, in which case we would be looking for \$94 million instead of \$100 million. That is one place to start.

If you look at the trends in the National Bank since 1984, 1985, 1986 and 1987 then the profits should be somewhere in the region of \$7 million this year that should be available for transfer to the Consolidated Fund, but instead \$6.2 million was spent on CARSICOT. We are not

making sport about this. Now over and above this \$6 million, this House has guaranteed the borrowings by CARSICOT. It is against the Crown ultimately. I am ashamed to see the taxpayers of this country being landed with another \$2 million - and the bailiffs in yet another public corporation. That is \$8.5 million less than they should be coming for.

I think that it is quite wrong, Sir, that we come in here and then a whole lot of people over there can go and claim charges against the Consolidated Fund. It has to stop. Now, this, Sir, is \$8.5 million in this fiscal year created against the Consolidated Fund by persons... Not one of us inside the House here who is not a Minister can go outside and order an old stove for an old age pensioner for \$20, but there are people I will identify who will create liabilities against the Consolidated Fund.

What has happened at CARSICOT should never again happen in this country and what concerns me even more is that in this year we may well be saddled with another \$75 million to \$100 million liability in the same kind of guarantee arrangement. Yesterday, I asked to have certain computer information sent to me by fax from one of the overseas markets and I was shocked - my eyes almost popped out, Sir. I had to hold them back when I saw listed on that print-out a deal which this House may be asked to guarantee somewhere between \$74 to \$100 million for a project in Barbados by private sector people. All I say is, if this ever... You want me to go further? It was listed with the Natwest Westminster Bank. You all don't know what is going on. It came out on computer and was "checked out thoroughly by me. But after the \$10 million with CARSICOT we will be looking to see...

Hon. B. M. TAITT: On a point of order, Sir. The Honourable Member is about to curse the Government for something which he says may happen. The Honourable Member is behaving and saying he has become aware of a deal that may happen and which the Government may be something and now proceeding to curse me?

Dr. R. C. HAYNES: The computer print-out says "awaiting signature and Government guarantee".

Certain remarks made by the Honourable Member for St. Michael South Central were ordered to be expunged from the record by Mr. SPEAKER.

Dr. R. C. HAYNES: I was also surprised to note... I have always said that the Government needs in this critical situation a significant foreign currency loan which is what the economy needs at this point in time. I have said so over and over. We know that the Government was in the markets and scouting around the Euro-dollar markets for some time. The Prime Minister has not said a word. He has not told this country of any difficulties it might be having and the reason why I raise this, Sir, is that as an alternate to this Resolution

the Government should be seeking a loan on the foreign exchange markets to prop up the foreign exchange and obviate the kinds of problems that will be created by borrowing on the domestic market. I don't know whether the Government has got a \$100 million or not. I have not made any such statement. All I know is that the Orion Bank has not been lending money for about 20 months. What I do know, again this appears as a print-out on the computerised fax that was transmitted from the markets, is that a bank was only recently mandated to go to the market to try to syndicate a loan for the Barbados Government after months of trying unsuccessfully.

Asides.

Dr. R. C. HAYNES: I will not call the name of that bank. I only called the name of the other bank because there was pressure being brought on me ... questioning my veracity. I will get further information before this day passes. So, Sir, let me say this. With better management, it would not have been necessary to go to the foreign loan markets. If the Government goes and gets a loan at reasonable interest rates and consistent with the dignity and standing of a sovereign country, I would have no difficulty with supporting it because it will make life easier for us when we take over the Government in a few weeks or a few months. When we, the NDP, win the Government, it will make life a lot easier. 10.45 a.m.

It is not only in the national interest but also one's self interest happens to coincide with the national interest in this situation and we have no difficulty in supporting it.

I would not even call the name of the bank that was mandated to syndicate the loan because I do not wish to do anything whatsoever or say anything to stop the Government from raising a public sector loan of that nature. The other one relating to any public guarantee to private sector interest of money amounting to between \$75 and \$100 million, I want those people to clearly understand that no Parliament can bind another Parliament in respect of any guarantee of that nature particularly if such a thing is done in the closing stages...

Hon. B. M. TAITT: On a point of order, Sir. Without prejudice to any information and/or knowledge that the Honourable Member has I think the Honourable Member just made a statement which is inaccurate in the context of this Parliament. It would be atrocious if the people outside of Barbados believed that a Parliament cannot bind another Parliament in relation to the guarantee of debt. I think the Honourable Member is misleading this House.

This Parliament guarantees a debt but with the next Parliament the debt has to be certain otherwise Barbados would not be able to borrow money anywhere. The Honourable Members have to understand that it is one thing

for us to make a little sport in here attacking one another but the international community will take what a former Minister of Finance and Leader of the Opposition says.

Aside.

Hon. B. M. TAUT: I tell everybody. I do not have to tell you but I am telling you, Mr. Speaker as a Member of this Parliament. I am sure the Honourable Member does not wish to send abroad information that is not accurate.

Dr. R. C. HAYNES: Mr. Speaker, let me tell the Honourable Member what the law is. You are a lawyer, I am not one. I recall this issue surfaced in this Parliament sometime in the 1980's when various persons involved in captive insurance businesses insisted on a Government guarantee in respect of their future operations.

I recall that the legal opinion given and brought to this Parliament was that one Parliament cannot bind another Parliament legally in respect of any guarantee. Therefore, if the people insist on the guarantee, we will give them the guarantee and we bring down the guarantees here to Parliament on a regular basis. What I am saying is that if the Government enters into any guarantee at this stage in its life like the CARSICOT guarantee with private operations which ended up in a major scandal of corruption, I do not see why any future Parliament should endorse that kind of thing.

I am not talking about guarantees for recognised public debt. I am talking about where the Government gets into some kind of arrangement giving a guarantee or letter of comfort to private investors in order to enhance their capacity to borrow, then they carry away all the money in three months' time. Do you think the Government should be committed to that? You are making sport. There are two different things altogether. That has been clearly researched and established in law here in Barbados.

I remember at the time Tom Adams was Minister of Finance and although he advised the people that the legal opinion given to him in relation to binding subsequent Parliaments with guarantees was y and x he also went on to say that given the general standards of Government in Barbados, then a circumstance would not arise where a Government would not meet an obligation of a previous Government. On top of that the question arises. If we have things like International Seafoods, if we have things like CARSICOT and if we have any other scandal of that nature, what is the status of a Government guarantee?

Hon. M. A. KING: On a point of order. The Honourable Member is using a legal principle to distort a situation. You start with the premise that one Parliament cannot bind a subsequent Parliament. That is a correct legal statement but when you are dealing with Governments in the context in which we talk about Government, you deal in

honour as well. Parliaments deal in honour. In strict legal arrangements, any subsequent Parliament can, in law, abrogate guarantees made by a previous Parliament. If that is how we are going to run the business of this country, we are in a sad state and we may as well cease to function.

The misleading aspect of your argument is when you base an argument on a whole lot of suppositions rather than on facts, that is where the distortion is created. I submit that what you should, be doing is addressing specific issues so that distorted positions and impressions are not created in the international community so as to prejudice the good name and the honour of this country and of this Parliament.

Dr. R. C. HAYNES: I am not criticising the good name and honour. What I am telling you is this. We came in here and passed a guarantee for borrowings by CARSICOT. We know now that it has been a totally corrupt exercise and the taxpayers have to pay. I am saying that if in the dying days of this Government it enters into any similar arrangement, then any future Government has the right and a duty to the taxpayers to review their position in relation to that. I am sending the warning out front. When that whole business of CAP 31COT came here, and I warned, they told me to take money out of my pocket and go to Canada if I want to and check out the *bona fides* of people. You recall that, Sir. I say no more.

We are going to go through these one by one. Take the Central Bank of Barbados. The Bank has always made a contribution, however slight, to the revenue of Barbados. That, Sir, would reduce the need for \$100 million. You are talking in areas of about \$4 to \$6 million a year. That was a lost position last year and no contribution whatever to the public purse this year. What I am saying is that it reflects the revenues that you have not received from these institutions that have contributed substantially to the need to come here with this Resolution today.

If I may go further, Sir, and say this. I was shocked this week to read that the manager of the cement plant was saying that their bill would go up by something like almost \$200 000 a month. Understand something, Sir. This is what often people do not realise. When the cement plant loses money, its banker is the Barbados National Bank. When the National Bank cannot accommodate it it comes to the Ministry of Finance. Government has to pick up money and put into the cement plant whenever it loses money. When their bill increases to an extent as a result of the inept energy policies of the Minister of Finance, then eventually they will either collapse or the taxpayers have to foot the bill. 10.55 a.m.

Again, Sir, on a calendar year that would reduce borrowings by another one to two million dollars if that fuel oil was not affected in that way. How can a Minister of Finance not only increase energy prices that would increase

Government expenditure, but go on television and not tell the public that he had increased the surcharge on fuel oil used by the Barbados Light and Power Company by 666%? It went from 0.75 cents to 5.75 cents, or something like that, and when you work out the percentage that is 666% per litre, and you are talking about hundreds of thousands of litres being used per day by Light and Power, the Cement Plant and so on. That is a fantastic increase, a massive increase. How can you go on the television and tell people about diesel, about gasoline, about bottled gas, about Saddam Hussein, about Mobil, and you do not tell the people of this whopping increase, 666% increase in the surcharge on fuel oil?

I would think my calculations would indicate that on the electricity bills of people that would translate immediately to a 25% increase in the cost of electricity per kilowatt hour. I happen to know that the fuel oil charge was 8.1 cents per kilowatt hour in October and it will now be $W^{1/2}$ cents per kilowatt hour, and the people of Barbados were not told. I asked for a statement in Parliament, we got a statement on television, and the statement on television excluded the most important aspect of the whole exercise, the fact that the cost of fuel oil was increased by five cents per litre. In other words, the 666% increase in the surcharge translated into an increase in the cost of fuel oil from 32.5 cents to 37.5 cents.

We are talking about equipment at Light and Power and these other places that use hundreds of thousands of gallons of this, and we are talking about Government expenditure and electricity alone will go up by hundreds of thousands of dollars. Again, Sir, I am showing you how with alternate policies there would be no need to borrow this money. In other words, the Government could withdraw this Resolution today and take the free advice being given. There would be no need for it with the appropriate set of policies, but what is quite clear is that this country urgently needs a new Government and a new set of policies. That is the problem.

Sir, all the information is here and it is going to come out more and more. In this fiscal year, or certainly in this calendar year, the Government threw away U.S. \$6.6 million on an aircraft that was sold at auction in Miami. The aircraft was valued at \$7 million. I happen to know that if they had moved quickly a firm in Holland would have been able to purchase the aircraft, but another agency of Government went to the same bank to get a short term accommodation of U.S. \$5 million and the bank decided it was \$5 million one way or \$7 million the other way, it was less risk in that direction and they let them have the money. When an aircraft for \$7 million is auctioned for \$400,000, it is the taxpayers again who will shoulder the burden.

We will take this step by step if it takes me to stand here until Hell freezes over in order to get some common sense and some fiscal integrity in the Government.

Now, Sir, we only have to look and see all the areas of waste taking place in Barbados. Sell the coaches that they brought in here for \$1.2 million, or whatever it was, and get back some of that money you threw down the drain. We are down to about \$70 million minus \$40 million. I believe that this is a matter which all of us in this Chamber should be concerned about.

I know that from time to time Members of this Honourable House have expressed concern that although they have been elected to Parliament, if they are not Ministers of Government they have absolutely no access to Government's finances in terms of the allocation of Government money in their constituencies. I happen to know that the Ministry of Finance, including me, has taken the view that it would be very difficult to monitor these things. I have seen and heard of a proposal coming from a very wise person for a very small sum of money, not giving MPs money to spend, but at least allowing them to be able to recommend certain things in their constituencies. In the long run that would save a lot of money and help to satisfy the needs of constituents. It is something that should be looked at, but nobody on this side or sitting back there, except one Member who did not quite understand the financial rules and got himself in some problems - however, I will not deal with that today - but he has ministerial cover.

What concerns me, Sir, is what is happening in the Statutory Boards of Barbados today. People are appointed to Statutory Boards who are not Members of Parliament. We come in here and vote X amount of money for the financial year, they go out there and do whatever they like with the money. We come back here and pass supplementaries, and when this is compounded with a Chairman of a Statutory Board, who is also a Democratic Labour Party candidate, going around constituencies in Barbados spending Government's money here, there and all over the place, then one begins to wonder.

Aside.

Dr. R. C. HAYNES: That's right. Sending people to work with nothing to do, repairing homes that are not even the homes of pensioners by mistake, all that kind of thing is going on right now. First of all, these people are acting in breach of the Financial Administration and Audit Act. They are acting in breach of the Immunities and Privileges Act. They are acting in breach of the Representation of the People Act. Under each and every one of those Acts they can be prosecuted for nothing less than corruption, and that is going on on a daily basis. What has happened in the past will not happen again. On this occasion I am collecting affidavits up front so that when the time comes appropriate action can be taken. Sir, we have reached the stage in Barbados where candidates, and I believe some other politicians, do not even understand the nature of corruption in politics.

One of the problems, Sir, with escalating Government expenditure over the years has been the abuse of authority in those Statutory Boards. I recall this matter surfaced again in the 1980's... At that time there were several Chairmen of Statutory Boards who were also Members of Parliament and at least they were Members of Parliament and at least they participated in a vote. You are talking, Sir, of millions upon millions. My estimate, Sir, is that at the end of the year, you are talking about \$30 to \$40 million blown like that, looking at the supplementaries that are coming back here. Thirty to forty million dollars by people who have never been mandated to spend a cent of public money. 11.05a.m.

You all think that this is a joke. Some people... No, no I am not preaching ministerial interference, what I am saying is that when a Minister is confronted with a situation where a Chairman of a Board has created charges against the public funds, what he should do is to make it clear to him that he would not be coming here for any supplementary and report it to Parliament. That is what should be done. Not try to say that this Statutory Board is in my Ministry and they have spent the money, what are we going to do? We are going to have to come for more money here. This goes on, Sir, on a daily basis right through Barbados.

What I am saying, Sir, is that instead of taking this step that will be further destructive to the economy then the Government can start by looking at what is happening at the Statutory Boards in Barbados and make some effort to control expenditure in that area.

Sir, I won't even mention what is going on at the N.C.C. That is a scandal of enormous proportions. I do not have time to deal with that today nor do I have time to deal with what is going on at the National Assistance Board at the moment. We know what has happened in the past. We know what happened in 1976. We know what happened in 1986. We know what happened in 1981 and each election year. It is significant, Sir. You know, Sir, there are some countries which have very strict laws as to the amount to which a government overdraft can be increased in an election year and the penalty for breaches of those laws are severe and the reason for that, Sir, is to try to protect the public purse from the activity of politicians seeking re-election. In Barbados, we are very lax in these matters and it is not surprising, Sir, that in an election year. I am taking April to May, as the election year. You find this kind of thing surfacing again when the Government has serious cash flow problems, but as far as spending is concerned you wouldn't believe the Government has any problem at all.

Where is the money coming from? Sir, you realise, with the Government's overdraft up to the hilt that the Government can only raise this money by way of Treasury Bills or debentures. When we pass this Bill, if the House

passes this Bill, it means that the Government has to go out there now and borrow at something like over 7%. I think the Treasury Bill rate at the moment has rocketed up over 7%. I haven't checked it, Sir, but I think it must be in that area. Seven point two, over seven percent... So they have to borrow money at over 7.2%. But if they cannot raise the money, who is going to take up the Treasury Bills? The Government's expenditure has already been committed. I ask you, Mr. Speaker, will the Central Bank bounce the cheques of Government. It will not and therefore who is going to take them up? The Central Bank.

I have already indicated, Sir, that the net foreign exchange position of the Central Bank is in the red. When they take up Treasury Bills what is that going to do with the external position of Barbados. It can only make it worse. So there you are. We are in fact, contributing to a significant worsening of the economic situation in Barbados by giving the Minister authority to borrow this money.

I will not be party to it. We are going to vote against this. No question about it. Because by any standards, it is the worse thing that could probably be done in Barbados. If, Sir, they print money and they burst the overdraft outside the law and break the law and we give them the cover of law now, what is going to happen? We know, Sir, they don't have a cent. We know, Sir, that they have already <* with significant damage to foreign reserves of Barbados exhausted all the special deposits of the Central Bank of Barbados to pay for the reclassification exercise. We know they have done that - \$33 million. We know, Sir, as I said, that they have so restructured corporate tax payments that would not get any significant benefit from a large payment this month or next month.

I wonder what is happening to tax refunds? I haven't heard much about them yet. I haven't had any. I don't know what is happening to them. But, Sir, I want the public of Barbados and this Honourable House to fully appreciate that we would be giving the Minister of Finance an instrument in his hand with which he can continue on his destructive path as far as the Barbados economy is concerned, and we cannot do it. If he has failed to observe the law in respect of Government's overdraft, what would make him observe any more constraints in recognizing that you cannot borrow from a Central Bank that made a loss last year and whose balance sheet is a disaster. What would » stop him from doing that? What would stop him, Sir, from putting the Governor of the Central Bank and the Central Bank in a situation where we have issued the cheques, you bounce them.

Mind you, Sir, anytime the Central Bank sees Government's overdraft reaching the legal limits, I am quite «« sure they would prefer not to honour any further cheques because then they are party to the lawlessness and they prefer not to do it; but, they have to do it. We are being invited, Sir, to participate in a suicidal exercise where for

the first time, Sir, and this is interesting, for the first time since I have been in this Parliament have I seen a financial measure come before the House and people in the private sector have been issuing warnings in the press of the dangers that it would do to the economy and to the lives of individuals. It never happened before this financial measure.

We have had other legislation, Sir, of a social nature where there have been many comments in advance but for the first time I have seen persons intervening in the debate up front and saying 'no', the Minister of Finance must be stopped. 11.15a.m.

Aside.

Dr. R. C. HAYNES: That is your friend. He is still your good friend, always your friend. He is a better friend of him than you. You had better remember that. They talk every day, first thing in the morning.

Now, Sir, if I may continue. I believe that I have covered most of the points. I have been speaking for over two hours now almost three hours. I consider this matter to be of such importance that I have tried to stay very firmly within the four walls of the matter before us. I can only urge the Government of Barbados in the interest of the overall economy of this country, in the interest, particularly, of the poor people who will suffer as a result of the job losses consequential of what we are doing here today, who will suffer as a consequence of the closure of many small businesses as a result of what is being asked, if the Government has no sympathy for any other sector of the population, I urge them, since they claim they are a caring and sharing Government - and all the evidence today when interpreted means that they care for themselves and they share among themselves - that they should begin to put the interest of the country first.

We intend to vote against this Resolution. We intend to put Barbados first. We intend to vote not only against this Resolution but any Resolution coming to this House for unreasonable expenditure between now and the end of the financial year will be voted against.

The Honourable Member for St. Peter made the very valid point that he has risen from time to time and criticised items of expenditure, has warned the Government of squandermania and yet, because he did not proceed to vote against the particular measure, that the Minister of Finance on the Floor of this House pointed over and said "You are also responsible for it because you did not vote against it." We would not get trapped into this.

This year, I can assure, that any item of unreasonable expenditure that comes before this House will be voted against. I think it is about time that somebody takes a stand

in this matter. The NDP will take a stand. We have already set out our policies on matters relating to integrity legislation, anti-corruption legislation and this would go a long way in helping this run-away expenditure and to make sure that those of us who are elected to represent the people of Barbados have access to even minimal resources to meet the needs of the electorate when you consider that so much can be done for so little and yet we squander money day after day.

Mr. Speaker, I urge the Government once again to look at its policy positions. I urge the Government to abandon this measure, go back to the Ministry of Finance and see how you can trim Government expenditure, then you would not need to raise this money which is going to destroy the country.

Sir, I think that I have done my best. The only further thing that we can do here is by our votes to express our displeasure. I will continue this debate and I invite all present here and all Barbados to come to Six Roads on Sunday night at 7:30 p.m. where this debate will continue.

Thank you very much, Mr. Speaker.

Mr. O. S. ARTHUR: Mr. Speaker, shortly after May 28, 1986, and on the first occasion that a matter pertaining to a Government loan came to the House, I indicated that it was going to be the policy of the Barbados Labour Party to support all borrowings by Government where we deemed that such borrowings were in the national interest. That is still our policy. We have consistently followed that policy. The only occasion on which we showed a reluctance to support the Government was on the occasion of the last day of the Budget debate, if the House would recall, Government brought a Resolution to the House seeking authority to borrow up to \$160 million in Japan. We objected to the very late notice that was given as well as to the fact that Government had not indicated fully what it intended to do with the funds. But it has always been our policy and will be our policy to support the Government if we deem that the loans are necessary and the course of action is in the national interest.

We do not believe that this present arrangement that Government is committing itself to is in the national interest and without emotion I want to explain why we are in this position. The Government is not raising \$100 million in loans. It is really creating the possibility that if it wanted to, it could raise an additional \$100 million by way of debentures.

The Local Loans Act is not the only instrument available to Government to raise local loans. You can also raise additional local loans through the Treasury Bills and Tax Certificates Act. It has under that legislation the latitude to raise an additional \$150 million in new loans as well by way of the issue of additional Treasury Bills.

Seeing as a totality what the House is being asked to do is to give the Government the latitude if it were to exercise the authority vested in it under the full range of local loan instruments to borrow an additional \$250 million, I am very careful, Sir. The Government is not borrowing the \$150 million. It is asking the House by implication to give it the authority to borrow an additional \$250 million.

Aside.

Mr. O. S. ARTHUR: It is not a distortion. I am saying, Sir, that the House is not being asked to borrow...

Mr. SPEAKER: I am asking Honourable Members to do two things: (1) obey the rules of the House...

Aside.

Mr. SPEAKER: Will the Honourable Member let me explain the position so as to avoid any further interruptions? When an Honourable Member is speaking the House remains in silence. The second point I want to raise here is that asides are not considered part of the debate. I am asking Honourable Members to desist from bringing asides as part of the debate.

Certain remarks made by Mr. O. S. ARTHUR were ordered expunged from the records by Mr. SPEAKER.

Mr. SPEAKER: The Honourable Member is addressing the Chair. I will ask you to address the Chair.

Mr. O. S. ARTHUR: The point I am making, Sir, is that we would by implication be giving Government the authority, if it so wished, to borrow an additional \$250 million on the local market. I am saying that as a matter of policy, we can agree to additional Government borrowings and large scale Government borrowings on the local market, if two conditions held (i) if there was liquidity in the banking system or (ii) if you had a reasonably secure[^] external position such that Government borrowing on the local market was not going to create any further difficulties in servicing private demands for loans. Also if by borrowing locally and increasing domestic spending power that you will not be putting pressures on the balance of payments. 11.25a.m.

In my judgment, and the judgment of the Barbados Labour Party, this type of local borrowing comes at a time when those two conditions are not operative, when we have a very tight liquidity position in the local market, and as well the balance of payments position is very precarious. As a matter of national interest, Sir, the increase in this loan limit cannot serve the interest of Barbados and on these grounds we cannot support the action to be taken.

Before I come back to that in greater detail, Sir, I need to react to some points of issue that have been raised in this debate, particularly points coming from the Government side. The point was raised that the Democratic Labour Party had to bring legislation in 1988 to validate the raising of loans under the old Local Loans Act to cover infelicities occurring since 1981. I sat and wondered why would it be that the then Opposition would have sat down and conspired with the Government to allow the Government to borrow in excess of the limit.

Aside.

Mr. O. S. ARTHUR: The limits are always published. They are in the Appendices to the Estimates. The fact is that it is wrong to say that the limit of the Local Loans Act was exceeded at any time between 1981 and 1984. If you go back to the point that you raise debentures under the auspices of the Local Loans Act - debentures are now Treasury Bills and Treasury Notes - the fact is that between 1981 and 1984 no use was made of local debentures. The total outstanding in 1981 was \$142 million and the Government in May of that year, during the course of elections - it did not come to the House because there was an election on - did not change the limit, but in 1982 the amount of debentures outstanding was \$137 million, in 1983 \$134 million and in 1984 \$139 million. The problem really arose only in the latter part of 1985 and into 1986, including part of the period under the Democratic Labour Party.

Aside.

Mr. O. S. ARTHUR: There is a collective responsibility here in this House. I make the point, Sir, because it is wrong, and the reason why it was not changed was because for a long period of time, between 1981 and up to the end of 1985, there was no need to change it.

Aside.

Mr. O. S. ARTHUR: Again, I was not here, but your father told me about it. It is here published in the Central Bank Reports, so let us be accurate when we make these statements. There was the intention in 1981 to change the ceiling of the Local Loans Act, because it was up to \$142 million, but between 1981 and 1985 there was no need to change it and in point of fact when it was changed it was changed to validate infelicities committed by the Barbados Labour Party and by the Democratic Labour Party as well. It is really unfortunate that it happened, Sir, but we both stand guilty and must plead guilty in the matter.

As regards the features of this particular loan, Sir, our position is very, very clear, that the Central Bank statistics are already telling the country that there really is no credit shortage as such, that the problem is that the Government itself has already, during the course of this year, utilised

most of the net domestic credit available to the economy. Members of the House would be well advised to look at the Economic and Financial Statistics under this thing called the monetary survey. There is a table called Net Domestic Credit. You will see that domestic credit to the Government rose from \$263.5 million at the end of December 1989 to \$412.8 million by July 1990, a net change of \$150 million in domestic credit to the private sector. At a time when the Government had imposed a credit squeeze, or so called, on the society as a whole, net domestic credit to the Government had in that period of seven months increased from \$263.5 million to \$412.8 million, a net change of almost \$150 million.

What has been the situation in relation to credit to the private sector? The facts are here. At the end of December 1989 net domestic credit to the private sector was \$1.28 billion. By July 1990 net domestic credit to the whole private sector was \$1.265 billion, a drop of \$15 million. What we have therefore is a situation where in this seven month period the Government has taken \$150 million in net credit from the system in Barbados. The private sector as a whole, controlling 85% of the economy, has had to endure a fall in its net credit by \$15 million and we are now being asked to agree that the Government must be given additional authority to increase borrowing on the local market.

When we say, therefore, that we do not support the policy, it is on this ground, Sir, not emotionalism. The distribution of credit in the country is wrong and you are going to persist in the recession if you allow this distribution to worsen. The real question that arises is who really is going to lend the Government this money. The banks are already fully loaned up, Sir. As you know, the banks are required to put at least 22% of their deposits in Government securities, hold 8% in cash and lend 70% to the private sector. The only body who can now take up any increase in Government paper, whether it is Treasury Bills where it has an option to issue another \$150 million more or by these debentures which the House is being asked to approve, is the firm of Franklin & Franklin which is the only private firm that has any money left, or it is going to fall squarely on the table of the Central Bank of Barbados.

Mr. Speaker, I am very concerned. I must express great concern with the Government of Barbados at this juncture seeking to raise the Local Loans limit and asking the Central Bank of Barbados to take up additional Government paper. It is going to increase money supply in the country. The House has been told about the repercussions of this over and over again, and at a time - when the reserves of the country have been falling, the only thing we do not want to do now is to put the Central Bank of Barbados in a position where it has to be extending more and more loans to the Government by way of the holding of Government debentures or Government certificates.

Government should be warned as to how its intervention in the market for a loan has been changing interest rates in this country. I do not know if Members of the House read these things, but they should read them. Interest rates on Government Treasury Bills have remained stable at about 4¹/₂ percent since 1986 before we left office and over the course of the last nine months, month by month the interest rate payable on Government Treasury Bills has increased each month. I really must read this for the benefit of the House, because people do not believe these things. The interest rate on Government Treasury Bills from 1985 was 4.58% and up to September 1989, 4.63%. It has remained stable. 11.35a.m.

Sorry, October 5.28%, November 5.81%, December 5.82%, January 6.07%, February 6.48%, March 6.69%, April 6.85%, May 7.025%, June 7.06%, July 7.145% and August 7.23%. The point I am making really, Sir, is that Government intervention in the market to borrow at a time of tight liquidity has caused the interest rates on this instrument, Treasury Bills, to start to rise. Any additional intervention by Government...and the facts are here. This isn't emotionalism by an opposition, Sir, just wanting to destroy the Government. The facts are here. Any additional intervention, Sir, must add to this tendency because we are dealing with a tight liquidity position and all I am saying, Sir and I have said already, is that all the government is seeking to do is to dig their own grave because it is going to put pressure on your own finances when you have to repay these local loans at an increased interest rate.

I don't believe that your heart and soul is in this. I had understood you to be a person who proceeded out of the abundance of caution. I have never understood Government's budget choice this year. For the first time in the history of Barbados a Minister of Finance had open to him the possibility whereby his expenditure could have fallen by \$60 million, because our debt service is this year \$60 million less than last year. You know you had wages to pay, inflation 1.7%, so supply of goods and services should not rise faster than the rate of inflation. What you should have done, to have wage increases coming up, with an ease of \$60 million was to say I would now be able to pay my wage increases and the regrading out of the fact that I got that ease from the debt service and you would have allowed your expenditure to remain at the same level as it was, accommodating the regrading and the wage increases because you had that decline in debt service.

The other Minister of Finance has convinced you that you distribute and reallocate the \$60 million in relief that you got from the reduction in debt and then on top of that, having brought Government expenditure back to the same level it was last year, add on the increase in regrading and the increase in increased wages. I don't understand that budget choice.

If you had done the opposite, tell the Ministries hold strain, get the Statutory Boards to hold strain, our debt service payments would fall about \$60 million. I have \$33 million in regrading to meet, \$25 million in increases, I would cover that with that \$58 million and then put on top of that a no-tax budget. You would have a policy. If your debt service is falling by 60, you pass out the 60 to the Statutory Boards, then you try to put on top of that the 33 and the 25 and then put on top of that a tax-free budget. It does not make sense and I do not believe, Sir, that it suggests itself as any Minister who is proceeding out of abundance of caution. This is the work, I feel, of the other Minister of Finance who does not enjoy the respect at all in this House, Sir, of anybody in the profession in Barbados. I must say it in this House Sir, and the Government would do well to listen carefully to the strictures that are laid against that other person.

I would like the Government to tell us...

Asides.

Mr. O. S. ARTHUR: The point I want to make, Sir, is that I would like the Government to tell us specifically since it is not borrowing 100 but asking permission if it needs to that it can borrow an additional hundred. By how much, really, does the Government intend, how much of this money that the Government wants the House to approve it intends to use? In addition, since it already has the facility to increase local borrowing by way of issuing additional Treasury Bills (because they have \$150 billion more in latitude there) by how much also does it intend to raise the issue of Treasury Bills? Given the trends to which I have alluded in this House, Sir, that increased Government's borrowings have already started to force up interest rates, what is Government's judgment in relation to the impact of interest rates in Barbados that will ensue from its going to the market for additional funds, not only by issue of Treasury Bills but also by issue of debentures at a time of debt liquidity in the banking system?

I want the Government, Sir, to answer these questions. How much do you really want to raise by way of new debentures issues and new treasury bill issues? What will be the impact of it on the interest rates? Have you exercised a judgment in this matter? I want Government, also, to give the assurance that given what has happened to our reserves in the course of the last five months that it will not... Mr. Speaker, the Government ought to give this House the assurance before we leave it that it will not put Barbados in further jeopardy by asking the Central Bank of Barbados to take up any additional amounts of Treasury Bills and debentures because the possibility is there, Sir, for \$250 million of additional local finances to be taken up by Government. We have to be responsible in these matters, Sir.

I want quickly, Sir, to deal with one or two of the issues that were raised because the Government is in a mood, Sir, to find unfortunate scapegoats on a number of these things. We are beginning now to hear that when the Government of Barbados cannot conclude a fishing agreement with Trinidad and Tobago, although it has excellent relations with Trinidad and Tobago, that it is the BLP fault. Notwithstanding the fact that Trinidad's reserves fell from \$6 billion in 1981 to minus \$12 billion in 1986 and that its imports of goods from not only Barbados but everybody else fell. Nobody is going to say that Trinidad's reserves fell. But we will have the Member from St. John saying the reason why they couldn't buy our exports is because it was Tom Adam's fault. Tom Adams should be here to speak for himself. He would have to quote from King Lear: "Oh, how sharper than a serpent's tooth is it to have a thankless child." But that is not the point here, Sir.

The point is that in relation to the Trinidadian loan, when that loan was conceived of in 1980, there was a thing called the Caribbean Multilateral Clearing Facility in operation then and this is a document, Sir, Caribbean Multilateral Clearing Facility published by the Central Bank of Trinidad and Tobago and it says here, Sir, "that the transactions which are eligible..."

Mr. SPEAKER: Just quote the page and so on.

Mr. O. S. ARTHUR: Page 11, Sir, of this document, Caribbean Multilateral Clearing Facility, Central Bank of Trinidad & Tobago, September 1980, CARICOM. And among the transactions that were eligible for settlement under the Caribbean Multilateral Clearing Facility, Sir, were inter-government grants or loans. So that in 1980 when the Barbados Government entered into an arrangement with Trinidad it was on the understanding that all of those kind of transactions in the future would have been settled under the auspices of the Caribbean Multilateral Clearing Facility.

Enough has not yet been said, Sir, about the role of the Government of Trinidad and Tobago in bringing the Caribbean Multilateral Clearing Facility to the point where in early 1983 we had to suspend operations in it. Enough has not been said but there has been a lot of decisions taken unilaterally by the Trinidad Government in response to the decline in its reserves from \$6 billion in 1981 to less than \$100 million over the period caused the Trinidad Government which was the agent for the CMCf to do a number of things, Sir, that compromised that facility, including for example, their refusal to allow Barbados to pass its oil imports from Trinidad through the facility while it allowed Guyana to do so, building Guyana's credit position to that facility. After it had already suspended the Caribbean oil facility to all of its other Caribbean members, making it difficult for Guyana or Barbados to purchase oil from Trinidad with cash. Those things happened.

The point I am making, Sir, is that it was always the understanding that this loan would have been settled through the CMCF and if an arrangement has now to be arranged with Trinidad to get it to accommodate a part of this loan... If Trinidad had not in many respects helped to frustrate the workings of the CMCF this pattern, Sir, would not have to be centred now as a matter of the Government of Barbados paying out foreign exchange. It would have been set up as one of the credit debits transactions in the Caribbean Multilateral Clearing Facility. We too easily forget these things.

But above all, Sir, this Government of Barbados is trying to find a scapegoat for the present economic situation facing the country. I am hearing Members on the other side saying *sotto voce* that in their interpretation there is no recession in the Barbados economy, that what the Governor of the Central Bank has said, Sir, is subject to interpretation. What he said is that real output for the first nine months of the year declined 3% below real output for the same period 1990, meaning that if Barbados produced \$100,000,000 in real output last year, the first nine months it is going up only \$97 million this year. That is what it means and therefore the rate of growth, Sir, is minus three percent, a recession. The recession did not start because of Saddam Hussein. I remember, Sir, my greatest contribution to the Budget Debate this year was to try to get the Government to come out of 1989 and to locate its budgetary choices and its instruments in the context of 1990 and in the midst of three interruptions by the Minister of Finance and you will recall them, Sir. 11.45a.m.

I said that even as he was speaking to the House the Barbados economy was going through a recession - two quarters of declining output - and that the Budget of 1990 was irrelevant for the purposes of an economy that was in the throes of recession. Speaking on the debate I was trying to say from 1989 when you were talking about 3% growth moderate rates of crisis you should ask yourself the question, is the budgetary process relevant in the context of 1990 when you are not talking of a 3% growth but you are talking about the recession? That was in May before Saddam Hussein came on the scene.

The point is that the recession that Barbados is presently facing is in response to two basic things. The difficulty being experienced in Barbados in expanding its activity through the earning of foreign exchange or export sectors in general has declined and also the private sector domestic economy has been forced to contract precisely because of the numbers I cited earlier that net domestic credit to the private sector has fallen in the course of this - year. If the private sector is starved of credit the only result can be a reduction in the activity in the sector.

The decline in the private sector economy is due in large respects to Government's deliberate institution of a

credit control. We can argue on whether it is right or wrong but what you have to agree on is if the economy was growing because you had a liberal credit policy in place then it will decline if you shut off the credit

Government must begin to open up its eyes to the fact that its own policies have contributed to the recession because you cannot begin to solve a problem unless, first of all, you ask yourself what is the source of the difficulty? If you are a doctor you can never cure a patient unless you find out what is the cause of the patient's problem. They say the BLP is to blame, Saddam Hussein is to blame, the NDP is to blame. That philosophy of management will never allow Barbados to get on top of its economic problem, Sir.

I am saying that the Democratic Labour Party by its choice of policy and its inability since 1986, despite the stringent comments from this side, has been unable to put in place a serious export policy for Barbados. Barbados' export problems are no longer a marketing problem because some people believe that the way to deal with our export problem is just to spend more money on marketing.

Barbados' export problem has to do with the lack of productive capacity to produce for exports. We do not have any longer the capacity to produce goods in the electronic industry for export. That capacity has gone. The Government is telling us exactly that our production capacity to produce garments for exports has almost vanished. Our production capacity to produce wooden furniture for export, Sir, is virtually under-managed. Therefore, if you are going to get back on top of the export problem, it is not a question of our spending money on marketing.

We have to recognise in Barbados that a serious investment must be made in order to create the productive capacity in areas where Barbados has identified that the Island should have favourable conditions for pre-arrangements such as LOME, or CBI, or in areas where we know we have the skills to be competitive. When people, therefore see the need for the export development fund, it is recognition of the fact that we would say, let us spend more money on marketing, let us send a little trade commission here and there. It is no longer a solution to our export problems.

We have a marketing problem where we have our productive capacity - you have your goods there but people are not buying because of import restrictions or whatever else. We are insisting from this side that part of our fundamental problem where this Government finds...

Mr. SPEAKER: The Honourable Member has one minute more to seek to wind up.

Mr. O. S. ARTHUR: problems since 1986 is to recognise what really are the fundamental weaknesses in our export credibility. I, therefore, in the half minute left will say that we, without emotion, are going to be supporting this at this time when there is a tight liquidity position in the banking system, at a time when Government has a credit squeeze on, when for the past 7 months Government has utilised \$150 million in credit locally and asked the private sector to reduce its intake of credit and at a time when the reserves in Barbados have fallen. We cannot afford an indiscipline in Barbados of any additional Government local borrowing because any additional Government local borrowing can only now be absorbed by the institution which has no choice but to tell Government "yes" when Government comes to it for a loan and that is the Central Bank. The price that Barbados will have to pay for that kind of indiscipline is too great. We are asking Government to rethink its position.

I want, Sir, to make one final point We hear a lot of talk about foreign borrowing. I said in 1986 I would support Government borrowing any foreign loans for the interest of Barbados. I made the point already that the Government of Barbados is trying to raise \$160 million on the local market I would support Government's local borrowing at this time.

I also must remind Government of this because it talks about repaying our loan. On 31 October 1981 the Government of Barbados had to find on one day \$68 million to repay a loan incurred, although it was late, not by the Barbados Labour Party but by the Democratic Labour Party in 1976. Now the management of those loans was like this. The Government had gone to the market, secured the money early, put it in a special deposit, left it there so that if any loans were due to be repaid we would know where to pay the money from. That was done in 1985 putting the \$68 million in a special deposit. It was done by that Minister of Finance.

It was also done recently when the first Japanese loan was to be repaid. But, Sir, I have to ask the Government in light of the difficulty experienced by the Government in settling a \$22 million loan with Trinidad in June, how is it going on October 31, 1990 to pay in full that \$68 million that is due for repayment? I think the Government should be responsible and if it borrows the money, if it manages to raise the \$100 million, I am only imploring this Government that not for election purposes to spend it all, that at least put \$58 million in a special account so that the fair name of Barbados would not be compromised when on October 31, 1991 we have to pay back that bullet loan in full.

Hon. B. M. TAITT: Mr. Speaker, Sir, I believe if this measure had come to the House say a year ago, that both the Honourable Members who have just spoken would probably have made a little foray into the economic discussion that they always get into and then would have

agreed with the measure. But since both of those Honourable Members have already called an election, it is also necessary for them to posture in a particular way to give the impression to the population that we are in serious danger, in the words of the Honourable Member for St. Michael South Central in the most dramatic fashion which he is capable of destroying the country. ^
11.55a.m.

One of the things which both of these honourable gentlemen who have spoken have said in the course of their presentations is that if the Government intervenes in the market place they will further reduce the availability of credit to the private sector. The exact words used by the Honourable Member, the Leader of the Opposition, were: "When Government intervenes in the market place it diverts limited funds available," and the other Honourable Member said - and I want to be certain I do not misquote him - that ,<* there is no credit available to the private sector. His words were: "the private sector is starved of credit".

In the course of their presentations they quoted from a document, which is a document of the Central Bank, which is headed Economic Review for the Third Quarter 1990, and both of them forgot to mention a paragraph in that same document, but I will mention it. On page 3 of that document the Central Bank has this to say, and I quote: "Credit to the «, private sector is at the same level as at the end of 1989."

Asides.

Mr. SPEAKER: Order, please! Order, please! Order, please!

Hon. B. M. TAITT: I do not mind the gymnastics. Credit is at the same level as it was in 1989.

Mr. SPEAKER: Will the Honourable Member cease for a moment? I am not going to permit that kind of behaviour during this debate. Both Honourable Members have spoken already and I have given them every opportunity to make their contributions in a very pleasant atmosphere. I am going to ask those two Honourable Members to contain themselves a bit while the Honourable Member for St. Michael West continues to make his contribution.

Hon. B. M. TAITT: Sir, I go on because anyone, who is listening to either of the two honourable gentlemen, who is not familiar with the economics of this country would have believed that what they were saying was that the country is in danger. But on that same page, and I quote from the same document to refute what the Honourable Member for St. Peter has said and what the Honourable Leader of the Opposition has said, it says here: "Banks are now no longer experiencing the liquidity problems they had during the same period last year."

Dr. R. C. HAYNES: On a point of elucidation. The Honourable Member has indicated to this House that I failed to bring to the attention of the House a statement in a document that I quoted. It was not necessary to do so, Sir, because if the credit to the private sector is the same as it was last year, that represents in real terms a drastic reduction in credit.

Hon. B. M. TAITT: Both of them, Sir, gave the impression that the Government's intervention had caused the credit availability to be reduced. That is the impression they both gave, especially the Honourable Member, and I am stating that the same document

Mr. O. S. ARTHUR: Mr. Speaker, on a point of order. I cited a Central Bank Report which gave the actual numbers and I said that at the end of December 1989 credit to the private sector was \$1.28 billion and at the end of July \$1.265 million, so you can see it for yourself. That is a decrease to me. I also said that at the end of December 1989 credit to Government was \$263 million and at the end of July \$412.5 million. Those are the numbers to which I have access and I can only use them for the benefit of the House.

Hon. B. M. TAITT: Sir, have I said that he has not said that? I am saying that the impression which the Honourable Members left with the persons in this country is that if this Bill is passed, and the Government has already intervened in the market place and diverted credit by taking funds, that is what they are suggesting, that they are making liquidity, that there is no liquidity. The Honourable Member for St. Peter said that he would support the Bill if there is no pressure on the balance of payments situation and if there was liquidity in the banking system. That is what the Honourable Member said.

On the same page of the same document it says, and I repeat for him, "Banks are now no longer experiencing the liquidity problems they had during the same period last year."

Asides.

Hon. B. M. TAITT: Yes, I know. So there has been no change, no improvement.

Asides.

Mr. SPEAKER: Honourable Members have spoken already. There are no rules for a Member (1) to sit and make a speech and (2) to interrupt a Member, and there is also the provision that if that Member continues to behave like that I can ask him to withdraw for the balance of the day. Continue.

Hon. B. M. TAITT: You see, Sir, when they are

Mr. O. S. ARTHUR: Mr. Speaker, on a point of order. Since the Honourable Member is insisting on misleading the House by presuming to understand what this means, at this time last year the liquidity position facing the banks was such that they had to be going to the Central Bank day by day to borrow money.

Mr. SPEAKER: That is another speech you are making. That is no point of order.

Mr. O. S. ARTHUR: Sir, let me finish my point. Since the Honourable Member does not understand what I was trying to say, Sir....

Mr. SPEAKER: I will give you the opportunity to make a point, but if it is not a point I am going to strike it from the record immediately. Make the point.

Mr. O. S. ARTHUR: The banks last year were in a position where they not only had no cash in hand, but they had to be borrowing day by day from the Central Bank in order to meet their cash requirements.

Mr. SPEAKER: What order....

Mr. O. S. ARTHUR: When he says that there is tight liquidity, he is saying simply

Mr. SPEAKER: Just one minute.

Mr. O. S. ARTHUR: that the banks are now fully loaned up. That is what he is saying.

Mr. SPEAKER: Just one moment. What order in the rules does that contravene?

Mr. O. S. ARTHUR: The Member, Sir, is misleading the House by incorrectly interpreting what a Press Release is saying.

Mr. SPEAKER: The Honourable Member quoted from a document.

Mr. O. S. ARTHUR: But it is not the same liquidity problem as last year.

Mr. SPEAKER: I can only intervene when the Honourable Member quotes from a document. What he means or what another Honourable Member wants to say is left for discussion. The Honourable Member cannot be misleading the House if he is quoting from a document.

Hon. B. M. TAITT: Sir, the only misleading I am doing would be in his head. Do you want me to speak for you and against you at the same time? The Honourable Member is now recognising and wanting to say that he should have said this in order to explain that. I am saying, Sir, that if it was in a negative position and it is no longer in

a negative position, there has to be some improvement. Even a blind man on a trotting horse would know that if you were in a minus position and you come to the position of zero you must have had some improvement.

Honourable Members have gone across this country trying to give people in this country the impression that Barbados has gone into recession. They use words like "recession" pejoratively. They say that if you have a decline for two quarters, that is a recession. That is the classic definition, but the people in this country will know when there is a recession in terms of how it impacts on them as individuals.

Asides.

Hon. B. M. TAITT: Do not think that any of you can put me off. When I was learning economics neither one of the two of you had ever looked into an economics book. You can fool some of the people in this country but not me.

Aside.

Hon. B. M. TAITT: They do not have to believe me, but I will tell the truth.

Aside.

Mr. SPEAKER: I will ask the Honourable Member for St. Peter, for the last time, to observe the rule of silence.

Hon. B. M. TAITT: I sat here and listened to both of them fulminating in this Honourable House trying to impress those who will report that they were speaking with all the authority, and I am quoting from the same document and they say there is no liquidity. Both of them left the impression that there is no liquidity.

Aside.

Hon. B. M. TAITT: You can show me all the¹ statistics. The document of the Central Bank itself has said that banks are now no longer experiencing the liquidity problems they had during the same period last year.

Aside.

Hon. B. M. TAITT: I will repeat it and repeat it, because that is what is important for the people to know. It is not for what you and the others go around here trying to give them. If the banks are not suffering the same liquidity problem, it means that what you are saying is not entirely accurate. 12.05 p.m.

Furthermore, you can never tell me how I should speak. There is not a single one of you on that side that could tell me how to speak. You see, Sir, they cannot

understand how to deal with these matters and that is why they will have to get up and make noise.

They have given the impression, especially the Leader of the Opposition, that coming and asking for an increase in the ceiling from \$350 to \$450 million as a ceiling for borrowing, is somehow a heinous and wicked and dangerous move on the part of the Minister of Finance. But I am going to draw to this Honourable House's attention again the public loans situation between 1967 and 1986, the Local Loans Act 1961 was amended to raise the ceiling, in 1967 it increased it to \$30 million, I think, from \$24 million. In 1971, it raised it to \$50 million from \$30 million; in 1973 from \$50 million to \$100 million; in 1977 from \$100 million to \$150 million; in 1986, from \$150 million to \$250 million.

Sir, the progression in this situation from 1967 to the present has been a straightforward pattern. If you were drawing a graph, the graph would show a growth pattern of loans being increased in the society in the economic situation at an almost even pattern. And all that is happening now is that the Minister of Finance has come to the House to seek to increase the ceiling, and as the Honourable Member said, not to borrow \$100 million, to have the flexibility legally to borrow the money to assist in ** the development of this country. If he does as Tom Adams did, whether he did it in 1985 or 1981, if he does as Tom Adams did and borrowed the money illegally...

Mr. O. S. ARTHUR: Excuse me, Sir, on a point of order. The Honourable Member is misleading the House. The facts are that at no time under the stewardship of Tom Adams, the Minister of Finance, was there ever outstanding more than \$149 million in debentures which this Act provided for. Sir, that is an error and he is misleading the House.

Hon. B. M. TAITT: Sir, the Honourable Member has said it was not 1981. He has his own interpretation. Let me say, the Barbados Labour Party illegally...there were only two Ministers of Finance in the Barbados Labour Party during that time, so it was either Tom Adams or Bree St. John, whichever one it is, they illegally borrowed in 1985 and if this Minister of Finance would go just ahead and borrow there would be no debate. This debate would not take place if he, this Minister of Finance, this Honourable Member would do what the Minister of Finance did under the Barbados Labour Party. There would be no present debate to which all kinds of red herrings could be drawn in. What he has sought to do is to maintain the fiscal integrity of this country by coming to this House and asking for permission as is required under the financial administration and audit philosophy of the Democratic Labour Party.

Aside.

Hon. B. M. TAITT: Yes, it is foolishness, but everybody in this country knows how my foolishness relates to yours. The fact is that we are in a position to borrow money from the domestic market, the Barbados market. We are able to go out and borrow money as a Government. The Honourable Member says that the only people who we would be able to borrow from is the Central Bank. The Central Bank is the only institution which will be able to take up the debentures and they went down the road suggesting that the reason why they cannot support it is because it is going to put the pressure on the Central Bank.

I submit that at the time when the specific loans are being made it would be sufficient for them to demonstrate that the loans that are about to be made are against the best interests of this country. Instead, what we had is that the Honourable Member is saying that by increasing the ceiling, that the Government is somehow maybe getting involved in a deal of some \$75 million in the private sector... That is what the Honourable Member, the Leader of the Opposition said, that some private sector people may be coming to this country and that his Government will not...

Dr. R. C. HAYNES: On a point of order. I never said nor sought to convey the impression to any thinking person that by raising the ceiling \$100 million that that would permit the Government to accommodate borrowing by private individuals in Barbados. The deal that I spoke about refers to an external private sector loan seeking a government guarantee. A different matter.

Hon. B. M. TAITT: The context in which the Leader of the Opposition speaks and the demeanour of his presentation and the statements which he made, he in that implied that inherent in this increase in the ceiling of \$100 million was the capacity for the Government to continue on its path of infelicitous behaviour which may include - these are my words, Sir - which include the information which he had received from his precious computer that suggested that a deal was in the offing for \$75 million with the private sector. We would be guaranteeing \$75 million and you said so.

Dr. R. C. HAYNES: A point of order, Sir. The Honourable Member is misleading the House. My remarks in relation to deals like CARSICOT and this prospective private sector deal related to the impact on Government expenditure which would create the need for borrowing, not to this specific matter.

Hon. B. M. TAITT: Sir, I do not know what he just said nor am I going to bother myself with it. Suffice to say that in the final analysis the impression which is going forth is that somehow the passing of this particular Resolution is going to result in fiscal mismanagement. I am making the point, Sir, that we are doing nothing more here than we

have done before and that we will do again. I am making the point further that it is in keeping with the management of an economy like ours to borrow. This economy cannot function unless the Government borrows money. The Government will borrow money externally to maintain its balance of payments when necessary and the Government will borrow money domestically to assist it in the development of the projects when necessary.

The Central Bank of Barbados was established by the Democratic Labour Party to bring a measure of understanding and competence to the total fiscal management of the economy and the concept that the Central Bank of Barbados by somehow transferring money into the Consolidated Fund... as the sheer puerility with which the Leader of the Opposition suggested that you did not need this \$100 million and started running down a list that he got up to \$30 million that could have been part of the funds available if we didn't come to borrow this \$100 million. Very often in this House, Sir, and throughout this country the Leader of the Opposition has been going across this country giving the impression that he has finally understood economics in such a way and that he is the only one who knows anything about fiscal policy to the extent that if whatever he said was followed the country would suddenly become prosperous and that whereas in the United States which has the largest and strongest economy in this part of the world and whereas in other large countries, they have gone into recession or they have gone into a tight-money situation. 12.15p.m.

If Barbados followed the dictates and directions of one particular Honourable Member in here then all would be well and we would have none of those problems. If the situation in the world requires that the oil crisis would go up, it should affect everybody else in the world except Barbados.

The Honourable Member who was a Minister of Finance presided over many of the dangers and difficulties with which we are now confronted for the short time he was Minister. You look good sitting there. You should stay up there.

Aside.

Hon. B. M. TAITT: That is true, but I have been here long. Your problem is that I have been in here long and you just came. That is why I do not look the same to you.

Mr. Speaker, why is it that they think the people of Barbados are so silly that they will watch on CNN and see that the gas prices are going up elsewhere but in Barbados they would not go up if the Honourable Leader of the Opposition was in charge. Why do they think the people in Barbados are so silly...

Dr. R. C. HAYNES: On a point of order. I challenge the Honourable Member to deny that at the Pelican he said that if he was Minister of Finance there is no way he would put up oil prices before an election.

Hon. B. M. TAITT: Sir, I categorically deny it. I condemn the Honourable Member as a despicable example of the way Parliament should not function. I state that I have never at any time at the Pelican or anywhere else made any such statement. I condemn all of them for the attitude...

Mr. SPEAKER: I hope the Honourable Member for St. Peter has not come up to go out.

Hon. B. M. TAITT: Sir, they have their reasons for wishing to bark as I speak in this way because they do not wish me to speak in the way that I am speaking because they are not accustomed to it. The fact is, Sir, that the Honourable Leader of the Opposition and the Honourable Member for St. Peter have been trying to give the impression that there is only a small group in the country that can understand the economics of Barbados.

The fact is, Sir, that the civil servants are still at work. They have been paid for the reclassification. They have not been laid off. There have not been any massive lay-offs in Bridgetown. There have not been any massive lay-offs anywhere else in Barbados. People are still continuing to do the things they have been doing for the last three years except if there are any lay-offs maybe at Miller's place.

The population is not going to be taken for a ride by the fulminations of the Leader of the Opposition. Let me tell you what he says, Sir. The Honourable Member forgets that the Barbados Labour Party during the period 1982 to 1986 carried this country to the point where the poor people in this country could not even have a square meal.

Mr. SPEAKER: Order, please.

Hon. B. M. TAITT: We will deal with that on the political platform. We do not have to deal with that here. What we wish you to understand, Mr. Speaker, Sir, and what we feel the country has a right to expect is honesty and integrity in the presentation of the economic situation in this country. It is a fact that we are in the process of a tight economy. I do not usually say this but if the Honourable Members feel the need for us to play the game in a particular way, I will play it their way. I sat and listened to them. I did not interfere with them.

Mr. SPEAKER: There is no need to play the game. There is only one thing that needs to be done. I am coming close to doing that. I should like the Honourable Member for the City to remember that he has not spoken yet and if he needs to enter the debate, the rules provide him to do that. I am only being a little bit cautious at this moment.

Hon. B. M. TAITT: Mr. Speaker, Sir, the Honourable Leader of the Opposition said that the hotels need credit to stock up during this time. He said that the Government was wasting \$6.6 million over an aircraft that was auctioned for thousands. He went on to point out that if we had not done these things we would not need the credit.

Mr. Speaker, the fact is there is no hotel in Barbados that needs credit that cannot get credit for its commercial activity. There is no small business in Barbados that needs credit for its activity that cannot get credit. What has happened, Mr. Speaker, is that the Central Bank redirected the credit in the community in a certain direction. The document itself indicated that is beginning to happen because the same Central Bank document from which they read went on to say this:-

"The strong growth of domestic deposits at commercial banks was in part the result of the higher interest rates which commercial banks were offering during the first half of the year."

The higher interest rates for savings - that was part of a fiscal policy.

They went on to say - I want to make sure I do not misquote them:-

"The fish catch more than doubled during, the earlier part of the year, fresh milk production was up 11.9%. Vegetable production was higher due to increased acreage planted and as a result prices were lower."

All of this is from the same document, Sir.

They said, as I understand it, that money was sent to the productive sectors. Loans were made to the manufacturing sectors. "More funds went to the manufacturing sector" - I am quoting from the same document.

What we have sought to do in the fiscal policies of the Government was to redirect such credit as was available toward the productive sectors of the economy. But the Honourable Member for St. Peter feels that he alone will use the statistical information to interpret as he sees fit, and that they will quote from the document in such a manner as to corroborate one another in the obviously agreed position that they will not support the raising of the loan. That is fine if they have called an election and they feel that it is necessary.

The facts in this document suggest that the policies of the Democratic Labour Party have started to have the effect which was anticipated when they were put into place. The productive sectors, when you move away the attacks which have been made on the Government and we look seriously at the pattern, you will find that export earnings from sugar

have increased. Now, they will tell you that was only because there was an increase in price. But, of course, when it decreases it was because of the Minister of Finance. They will tell you that the non-sugar agriculture increased. When it declines it is the fault of the Minister of Finance but when it improves it is some other ethereal cause. Thinking people in the community would have recognized that something has happened by way of an improvement in the production sectors.

I want to touch on manufacturing. The Honourable Member for St. Peter said that we do not have an export policy. 12.25 p.m.

I heard a private sector person recently and he has now become a guru too. Do you know one of the things that I find remarkable in this country, Sir? If you get a person who is hardly able to distinguish between Ada forward and backward, who is able by whatever means to raise a certain sum of money, and who has no difficulty at the banks with credit because of the interlocking relationships which happen in this country, and if that person happens to get some success because of these arrangements, suddenly he or she becomes an economic guru. We have one who has moved from Roebuck Street to Tudor Bridge, and he is a guru. We have another one who has managed through fiscal incentives given by Governments to stop importation of a number of structures in this country because we wish the local company to be able to build them, to make a profit, to turn around and say that throughout the years the Governments have given nothing to the private sector.

The Honourable Member for Si. Peter would know that throughout the years the Governments of Barbados have given much and therefore in his statement there should be a pristine honesty in statements he makes about manufacturing in this country. There is no single group of people in this country that has had more given to them by the Government than the manufacturing sector.

Mr. O. S. ARTHUR: Mr. Speaker, on a point of order. The Member said that in my statement there should (x; a pristine honesty, the implication being that there is not. I am saying that that is imputing dishonesty to me and I am asking that those remarks be withdrawn and expunged from the record.

Hon. B. M. TAITT: I withdraw the remarks if they were so interpreted.

Mr. O. S. ARTHUR: And withdrawn from the record, Sir.

Mr. SPEAKER: They can be withdrawn.

Hon. B. M. TAITT: They can be struck from the record if they were so interpreted, because I was not

thinking of him as I said it. I am not going to repeat myself, I am saying that he more than anyone else when he is making a statement about manufacturing should be careful. Let me put it that way. He should be careful to point out what has happened for manufacturing, and I state categorically that there is no single group in this country that has had more done for it between 1965 and 1990 than the manufacturing sector.

The people in agriculture could properly win place next to the manufacturing sector. They say they were neglected. They can say it because all Governments in Barbados have spent an enormous amount of time trying to put the manufacturing sector on a proper footing.

Aside.

Hon. B. M. TAITT: I do not wish to curse anybody, I speak with authority on the matter, because I was one of the Ministers of Trade, Industry and Commerce in this country that spent a substantial amount of time finding ways to increase and improve the quality and quantity of manufacturing in this country.

Dr. R. C. HAYNES: On a point of order, Sir. I am a little disturbed.

Mr. SPEAKER: All we are doing is giving the Honourable Member more time to speak. If that is what Members feel is in the best interest...

Dr. R. C. HAYNES: I do not mind, Sir, I enjoy hearing the Honourable Member talk foolishness. Anyhow, I am saying that the Honourable Member is trying to suggest that the Opposition has put a case that the manufacturers have not received an adequate amount of assistance from Governments over the years.

Certain remarks made by Dr. R. C. HAYNES were ordered by Mr. SPEAKER to be expunged from the record.

Hon. B. M. TAITT: The Honourable Member should know that when it comes to discussing anything...

Mr. SPEAKER: I would like to tell the Honourable Member as well that since it has been taken from the record there is no need to respond to that.

Hon. B. M. TAITT: No, Sir. I am not responding to him, Sir. I am saying anybody would know that when it comes to discussing certain people in this country I have never had any difficulty. I have stood alone in this country for a very long time against all comers. I do not have any difficulty with that.

Aside.

Hon. B. M. TAITT: I do not wish to discuss David Scale, this is serious. I am not discussing people, I am discussing principle. The principle is that it is diabolically destructive of the society for any single individual in Barbados to give the impression that no Governments had ever given any concessions or any assistance to the manufacturing sector. Export led growth cannot be done by Government policy alone, the so called private sector must put its hand to the plough. You can give as many incentives as you want for ever, but if you hold a pint pot under a pipe for a year, at the end of the day it will still only contain a pint.

What we need to do in this country is to stop all of this arrogance which is coming out of the mouths of a lot of people in this country who believe that they can confuse the entire community because we have freedom of speech. We have a level of freedom of speech in this country which allows for everyone to speak about anything at any time, and quite often it is being regarded as some authoritative position to be taken by all and sundry, merely because they can speak.

It is a free country, but do not attack the Government and suggest that the manufacturing sector has fallen. It has fallen because Barbados is not competitive. Barbadian manufacturers have allowed themselves in many respects not to be competitive. Very often they have priced themselves out of the market.

Aside.

Hon. B. M. TAITT: I beg your pardon?,

Mr. SPEAKER: The Honourable Member must address the Chair. Asides are not part of the debate.

Hon. B. M. TAITT: Those manufacturers who have understood this have been able to find a niche in the market place. Those who are prepared to make changes in their methodology, those who are prepared to put the extra effort, have been able to find a niche in the market place. In fact, it will not be long before Barbados is able to return, because the sheer movement of the economic forces will remove those that are inefficient and those who are efficient will continue to prosper.

Aside.

Hon. B. M. TAITT: The Honourable Member for the City is sometimes in a very...

Mr. SPEAKER: He has not yet spoken.

Hon. B. M. TAITT: I was citing him as a business man, Sir, I was not really thinking of him as a Member in here. I was saying that as a business man he knows that when he has been able to break out from under the cloud

and go out into the market place and spend extra money, and take a loss sometimes,... There are people in this country who believe that once you are in business you are to have a profit continuously at all times. Even the great corporations in the United States will have poor returns from time to time, but they have to.

Mr. SPEAKER: The Honourable Member has one minute more to wind up his speech.

Hon. B. M. TAITT: What is important is that we must regear and restructure and be in a position to move when the tide changes. The fact is that across the world there is a restructuring that is occurring in the world economy, in the world market, and it must affect Barbados as well. We in Barbados cannot pretend that we have some special breed of capacity or ability that was ordained directly from the Heavenly Father and that we are not to be touched by any factors outside of this country. This is a small country that is like a boat that is going down the little river, that a little boy would make and put in, and then suddenly there is a heavy rain and what was a calm little boat going down for the fun of a little boy is suddenly something that is being twisted and tossed around. The economy of Barbados is a function of the world economic forces, and therefore when there is a massive movement of the world economic forces outside of Barbados, an impact will be felt in Barbados.

Certain remarks made by Dr. R. C. HAYNES were ordered by Mr. SPEAKER to be struck from the record. ' 12.35 p.m.

Hon. B. M. TAITT: To the everlasting credit of the Government of Barbados of today, to the everlasting credit of the Minister of Finance of the day, we have been able in spite of the difficulties to maintain the ship of state in a particular direction such that the international community is recognising Barbados. Let me tell you, Mr. Speaker, in my final moments about the attitude of the Opposition in relation to the economy.

Mr. SPEAKER: It must be relevant to the debate.

Mr. B. M. TAITT: It is relevant to the debate. One of the agencies that has the responsibility or has given itself the responsibility for assessing how countries perform, that agency said that Barbados is No. 36 in an hundred and something countries in terms of its ranking. In fact, if we were so foolish as to get arrogant, they put us above Canada in performance, above the United States in performance, but it is their criteria. The fact is that by whatever criteria used Barbados is No. 36 out of 100. That is something of which we can be proud, because you do not get the grading by calling up the people and asking them to grade you. They had to examine the performance of the country. But you know what the result is? You have a political party sending a document out of Barbados to London, calling for meetings of people of Barbadian descent that can only be

destructive of the country putting information which is, in fact, inferior and which is not correct, saying... I will bring a copy of it, Sir, on another occasion and show you how the people who want office in this country are behaving in such a wicked...

Aside.

Hon. B. M. TAITT: ...so wicked, Sir, that they would destroy this country in an effort to get where they wish to go. I am obliged to you, Sir.

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

Mr. R. L. MORRIS: Mr. Speaker, I believe that this Resolution is just a normal house-keeping measure and therefore the heat that is generated from either side of the Chamber suggests that perhaps they believe that there wouldn't be another budget debate before the election comes and therefore they are taking this as an opportunity for a full-dressed debate-Mr. SPEAKER: I cannot hear the Honourable Member.

Mr. R. L. MORRIS: ...of the economy. What it brings clearly to me, Sir, is that we are really seeing a merging of the two opposition parties even as they sit together before us today. They are merging and becoming closer. There really is no difference between the NDP and the Barbados Labour Party. Perhaps they might have differences in terms of who would lead and therefore a formal merger wouldn't come about easily, and who would be the spokesperson for Finance. Because I don't believe that the Leader of the Opposition or the Honourable Member for St. Peter would easily want to give up that position. Quite frankly, I believe that the two of them are complementary, neither of them by themselves would make a convincing economic spokesperson.

The Honourable Leader of the Opposition in his response to this particular Resolution on Tuesday, when we last met, and today adopted his usual hyperbolic approach to politic measures and rather than dealing convincingly with the economic problems that face the country, relates to the systems and therefore, he spends a lot of time talking - about the legality of borrowing in relation to the legal situation in terms of overdraft and he takes the opportunity - to deal with his pet problems and his pet peeves in areas that relate to persons against whom he has a certain amount of animosity. So anything to deal with the Central Bank or the Barbados National Bank or National Housing Corporation - a snide comment about some Chairman of a - National Board who is spending public funds and putting certain problems before the Consolidated Fund.... He gets the opportunity on these occasions to vent his spleen on individuals against whom he might have some cause and

some concern, but when you analyse what he is saying he is not looking at the basic problems in the economy.

Now, when you come to the Honourable Member for St. Peter, the Honourable Member for St. Peter, I always say inside of the Chamber and outside of the Chamber, brings sound economic analysis to issues. When you listen to the crux of what he had to say, he said that there are two basic problems facing the economy. The first problem is the difficulty of earning foreign exchange and the second problem, he said, is the contraction of the private sector in the economy. Sound economic analysis. He goes on to say you can't blame the BLP and you can't blame the NDP and you can't blame Hussein; what he will not say is that you can't blame the DLP either, but he won't say that, because as a politician, I don't expect him to say that. I expect him to go on as he said, that in fact the Democratic Labour Party since 1986 has not put the particular policies in effect that would be able to revive the economy and to set it forward on the path that he wants to see it go. Now, I understand what he is saying here. He is a sound economist and what he says can be taken. I say so, without any qualms at all. What he is saying is analysis that is relevant to the particular situation and I think that both sides of the House have to listen to what the Honourable Member for St. Peter had to say; except that, he knows as well as I do that if you look at Barbados, if you start to analyse the Barbadian economy from the 1960's down to the present...and the Honourable Leader of the Opposition would know that this is true too. He has a job in terms of apportioning blame to who did what and look at what he calls 'squandermania', and so on, which is what we can analyze inside this Chamber.

But, the truth is, that the Barbados economy seemed to be on a growth path in the mid to the late sixties. By the early seventies, it was down again. By the late seventies, it started to grow, by the early eighties it was down again. By the mid-eighties it was growing again and we are in the early nineties and apparently we are going down again. Now what does that indicate to us? That over the past three decades or so, this economy has not been able to sustain itself in terms of upward growth for any period of time. It is up and down, almost a five-year swing. Anybody can look at the facts and say that. It cannot be a matter of politics, because the Barbados Labour Party with the fine economic brains of the Member for St. Peter and others, the so-called 'wizard', Tom Adams and so on had charge of this economy for some time. The Democratic Labour Party under Errol Barrow and then under, for some time, the Leader of the Opposition, and for some time now, under the Honourable Prime Minister, had charge of the economics of this country, but that pattern remains the same. The pattern of upward then downward growth in five-year periods, but it suggests to us that we know...in fact, the exogenous factors that impinge on the development of a small developing country are vitally important and although I would agree with you that some of the downward trends

that we are seeing cannot be attributed to the crisis in the Middle East, certainly, it is going to impact severely at a future date. We haven't seen the total impact yet, but that is going to come.

We on this side are not blaming all of the decline on what's happening in the Middle East. None of us, on this side, would say that. None of us would say that the decline that we are experiencing in certain sectors must be blamed totally on the Middle East situation, so to attribute that blame to us is totally unfair. I am suggesting to you on the other side that if you are truthful you will acknowledge that a lot of our problems that are facing the economy of Barbados are structural problems.

It has come down to the point that the Honourable Member was saying, the whole question as to how do we mobilise a small country like Barbados that we can start really to earn that foreign exchange that is vitally important for this country to go on so that we can enjoy the standard of living that we have enjoyed in the past. That is the fundamental problem that is facing this country. How can we get the domestic sector, the private sector in this country to take its responsibility to put Barbados on a growth path? Those are the areas that we have to address and now the Honourable Leader of the Opposition wants to know if I'm going to castigate the private sector. He believes that if I castigate the private sector that I am going to play into his hands, because he would never castigate them because that is the area that he has to satisfy. He is afraid to get in here and tell the private sector the way how they should perform because he feels that by playing up the private sector against the Government of Barbados and the people of Barbados, that by satisfying the private sector moguls that that is his role in society. That is one of the problems we have in this society, you see. We have a problem in this society that people, the NDP and the BLP by catering to the private leaders in this country...

Dr. R. C. HAYNES: Point of order. The Honourable Member is certainly... This is a serious imputation to suggest that my role is to play the private sector against the* Government of Barbados and against the people of Barbados. Certainly, I don't know what his motives may be in making such a statement but it certainly cannot be proper and consistent with the rules. And just for his information, the private sector of Barbados is the totality of economic activity outside of Government. 12.45 p.m.

Certain remarks made by Dr. R. C. HAYNES were ordered expunged from the records by Mr. SPEAKER.

Mr. R. L. MORRIS: Mr. Speaker, I am not casting any aspersions on the private sector. I have not criticised the private sector. If I have to I will. I have no fear of criticising the private sector. My thrust is and has been - and I want to reiterate the point. I can criticise the public sector and I can criticise the private sector. That is my role as a legislator.

Mr. SPEAKER: I cannot hear the Honourable Member with his speech. If Honourable Members persist I would have to do another thing.

Mr. R. L. MORRIS: Thank you, Mr. Speaker. I am not like some persons who believe that because they want to court the private sector with their excesses, with their good points and so on, that they are going to stand aloof and not say anything about the private sector. I am not like that. The Democratic Labour Party is on record as criticising the function of the public sector and saying that we need civil service reform. There are some people who would side with that but when it comes to looking at the private sector, they are afraid to critically assess what the private sector does or refuses to do and that is because they are courting the private sector. They are the ones that the private sector can get into a conclave and say that they have to court the Opposition parties. They want to encourage that. In fact, they are the political groups in this country who are apparently fronting for the private sector.

Mr. O. S. ARTHUR: Mr. Speaker, on a point of order. The Honourable Member is misleading the House. In 1986 when the Democratic Labour Party brought measures to this House I criticised them on the ground that they were helping the private sector too much. The only two Members on the Government side who spoke in opposition to me were the Honourable Members for Christ Church East Central and St. Michael South East. His argument then was that the Barbados Labour Party was trying to destroy the private sector.

Mr. R. L. MORRIS: I do not know what point he rose on. It has not been established yet.

Mr. SPEAKER: Carry on with the debate.

Mr. R. L. MORRIS: If you want to get up again and say what point of order or whatever you are on and repeat our statement, I would welcome that.

Mr. SPEAKER: In essence he said that you were misleading the House and he went on to make a statement which I am not so sure one can rule on. I have not ruled on it so I am asking the Honourable Member to continue his speech.

Mr. O. S. ARTHUR: Mr. Speaker, on a point of elucidation. The Honourable Member only has to read his 1986 and 1987 speeches to remember who were the people advocating private led growth and contrast his speeches then with the speeches now. He was one of two Members in this House in July 1986 who supported the Budget that the Democratic Labour Party now find it so very convenient to discredit.

Mr. R. L. MORRIS: Let me rise to respond to that statement.

Mr. SPEAKER: I would not like to say that an Honourable Member cannot elucidate on a speech that has been made before. He has to elucidate on something that has been said in the debate. Nonetheless, if the Honourable Member wants to, but as far as the Chair is concerned, the elucidation made on a speech before has no relevance.

Mr. R. L. MORRIS: Mr. Speaker, the Honourable Member for St. Peter has spoken against the private sector. That is true. In that I am sure he will distance himself from the other spokesperson for the merger on financial affairs. It would be untrue for him to say that I supported the private sector or the budgetary measures in 1986. That is not true.

I remember very well my statement on that occasion when I said that I understood - I can clarify for you in case you had any difficulties understanding what I had to say then - that what was happening was that there was a shift in taxation in such a way that the private sector would benefit, that in fact, the burden was being placed on the workers of this country.

I also went on to say that we would have to give it time to see how the private sector would respond. I have said this repeatedly since then also that if we are giving these benefits to the private sector that in time we were looking to the private sector to respond by the investment and the creation of jobs. I remember making that point. If he is honest he would recall that I said so. We understood what was happening but we had to give them time.

I was also saying at that time, as I would say now, that I did not have the confidence in the same private sector that they would be able to respond positively, that we were putting a lot of trust in a group that had never before shown that kind of responsibility. I recall that because my position cannot change. Philosophically I know where I stand on that issue so it is not a matter of shifting any position.

The Honourable Member for St. Peter knows that is true. I took his point that the shift in taxation was to the benefit of those people who already had to those at the bottom. But I thought it was a structural change that was designed to give these people the opportunity to come forward. I am saying that they have not shown that flexibility or that capacity to change. I am sure that he would accept that was really my position at that particular time.

It has nothing to do with criticising or cursing the private sector. I want to be very clear in this Chamber. Those of us who get up from time to time to discuss issues in this country must not be so categorised that we are - against this group and we are against this other group. We are all speaking for the benefit of Barbados.

Aside.

Mr. R. L. MORRIS: The same as you. I do not know what you are quarrelling for. I am taking positions that are consistent with what you are saying except that I do not want to make the same kind of political distinctions that you are making. You are saying it is not the BLP's fault or the NDP's fault I want to make the same position. What we have to understand in Barbados is that there are times when we have to address issues not in a partisan political situation. We have to move forward as a country.

The biggest challenge facing Barbados at this time is a challenge that faced Hong Kong, Ireland, Japan and all of these developing countries. When you reach a certain stage of your development, how do you make the transformation? What we need right now is an awareness out there to all the people in this country, to employers, to workers, to politicians, to everybody that Barbados is at a transition phase. To move forward we have collectively to decide where we have to go. It has very little to do with the NDP, the DLP or the BLP. It is not a political phenomena.

Political change will not make Barbados better or worse in this respect. What is vitally important - do not tell me that if this Government changes and any other Government comes in that all of a sudden we are going to go on the rosy path towards any future. That is a foolish analysis. All that would happen if a new Government comes in and it is different from this one is that we would go through a period of stagnation before we can pick up and move again. You had better believe it that you cannot change horses at this time.

The best thing is for this Democratic Labour Party Government to keep carrying this country forward. You had better understand that because if a group of neophytes come in all confidence in this country would be diminished. If a bunch of neophytes who never ran anything yet probably had to come in at this time at a transition phase, this country would suffer severe damage. If the group that people last lost confidence in 1986 had to come back, it would be worse still.

The future of this country is political stability and keeping the same Government on track for some time because the transition phase we are talking about, if you look at the Barbados economy, the problems that we are suffering now were already signalled to us back in the early 1980's in the decline of Playtex, Corcom, the failure of Koves, all of these companies that were earning vital foreign exchange. Do not tell me that any administration could in four years turn around that kind of situation. Do not let us fool ourselves.

If you look at the performance of Barbados up to 1989 we were recovering loss ground. The fact that in 1990 you might find that there might be a dip in some of these different statistics which suggest that, in fact, we have not been able to keep totally on the upward path. You will get a

dip some time in that upward path. We have been changing around the situation. All the statistics prove that between 1986 and 1989 we were beginning to move again.

Now, I am not going to deny the fact that the figures are now showing that we are experiencing some difficulties. Nobody will deny that. The statistics are there. But we will also say that in areas where we were lambasted last year and the year before in non-sugar agriculture we are beginning to pick up and move again, and also in sugar.

Aside.

Mr. SPEAKER: The Honourable Member does not have to give way.

Dr. R. C. HAYNES: I have spoken. I can elucidate my speech. In my speech I said that the economy was in recession. 12.55 p.m.

The Honourable Member has indicated that there is a serious dip in many areas. I am just asking whether he would agree with me that the economy

Mr. SPEAKER: I did not hear the Honourable Member say "a serious dip". May I get that right? The Honourable Member did not say "a serious dip".

Dr. R. C. HAYNES: Words amounting to that.

Mr. SPEAKER: Whether or not the words amounted to that he did not use that term, so I can only speak on what the Honourable Member has said.

Mr. R. L. MORRIS: Mr. Speaker, the Democratic Labour Party is on record. Since 1987 I remember the Honourable Prime Minister and Minister of Finance addressing May Day in the park talking about the state of the economy. At the time I think he said that if we were not, careful the economy was heading for the rocks. That is what he said then. I think what he was trying to do was to establish that he was looking at the structural problems in the economy, he was not looking at politics. He was saying that our economy is a very fragile economy and if we were not careful certain things would happen.

We remember, Mr. Speaker, the discussion in this country started by the Opposition about whether we would have the dollar devalued. That used to be heavy talk in Barbados by the Opposition side trying to run down our country. Both sections of the Opposition were giving the impression that the dollar would have been devalued. We had so many negative barrages against the Government, all of them trying to sink the Government, that if this did not result at some time or other in a slackening off of the economy I would be very surprised.

We have had an atmosphere created by the Opposition that was designed to give anybody who might have had confidence in this economy reason to change that position. The fact that we have weathered and continued to move forward must be laid at the good sense of Barbadians and the good sense of those international bodies that have to deal with us, that we can still get the kind of credit rating that we have, because these people are more objective in analysing the situation. But if you had to go by what the Opposition people were saying in Barbados over the past four years or so, you would believe that this country is a basket case. Nobody has levelled more strictures against us, there have not been more prognostications of decline than those of the Opposition. We were not going to be paying Public Service salaries, we were going to have wage restraints, all sorts of negative prognostications were laid on this administration. There was not going to be a development plan, there were not going to be budgets to time.

Mr. O. S. ARTHUR: On a point of order. The only statement to the effect that the Barbados economy is on the rocks since 1986 has come from the Member for St. Michael South, the Minister of Finance and Prime Minister of Barbados.

Mr. R. L. MORRIS: The point I was making, Sir, is that we never at any time misled the people of Barbados into believing that this was a perfect economy. We have always left the ground work very clear that Barbados is a problem economy and therefore we have to tread very gingerly in terms of making sure that we maintain a viable and healthy economy within the constraints that openness, small size and dependence would allow us to operate under. Therefore, we can easily say that we anticipate certain problems, but those who would give the impression that they have the answers to all the problems of Barbados, that they can take this economy and make it the perfect economy, those who would try to fool the public and the world at large that they would take this economy with all of its problems and make it a perfect economy in a short period of time, nobody will give any credibility to those kinds of statements.

The Honourable Member for St. Peter knows that if he had, by any chance whatsoever, again to get the opportunity to be able to advise - because I do not believe they are going to make him Minister of Finance if that chance had to come about - any administration about the economy that he would be able to come up with all of the answers.

Let me make it very clear. I am not like some who would pull down the public administration and the politicians and give the impression that they know nothing at all about running a country. I understand that a statement was made by a private sector person some time yesterday that black people do not know how to run Governments. I understand that statement was made by a private sector

person, Chris McHale, and that it is time that the white people took over again. I understand he made those statements. None of the media will print that, but that is the kind of feeling that they give to those kinds of people. I understand he made that statement, but I do not believe so. I believe that black politicians are competent people, I believe that black public sector people are competent people.

Aside.

Mr. R. L. MORRIS: This is not new to them, they heard that already some time, but they will not repeat it.

Aside.

Mr. R. L. MORRIS: I understand that statement was made publicly. Check with the Press and find out...

Mr. SPEAKER: There is no need for that. I think the Member could get on with the debate.

Mr. R. L. MORRIS: But, Mr. Speaker, the point that has to be made is that the private sector in Barbados is a special category of people. My friend, the Leader of the Opposition, says when he talks about the private sector he means every person involved in private enterprise, so that includes the carpenter, the mason, the one door shop person, right up to Shipping and Trading and Plantations Limited, the really heavy people in the economy who run this economy.

When you really start analysing the Barbadian economic scene in terms of the structure of business entities and how they operate, you will find that Barbados is significantly different from, say, St. Lucia, St. Kitts, St. Vincent and so on. In these small countries there is almost a synonymous relationship between ownership of businesses and the normal people in the society. Barbados is a fairly skewed kind of society, where our large business structures have a kind of dualism. The people who own as against the people who work are significantly different. The ownership and the managerial elite are different basically from the working group and from the consumer group and so on. That is a fact of life.

Even if I accept the Leader of the Opposition's definition of "private sector", we need a close link between the private sector and Government in terms of developing entrepreneurial skills to move this country forward. We have been almost totally controlled by a philosophy of buying and selling, and I think that the time for innovation is now. We have to innovate or perish. That is basically the answer that has to go out there for the rest of Barbados. We have to innovate or we will not be able to succeed in the future in terms of maintaining the standard of living to which we have become accustomed. We have to be able to

get this national spirit coming forward, we need more entrepreneurs.

People like the Honourable Member for the City, *pro tern*, must be used as models. They must go out there and speak to young people in this country in terms of how to innovate. I want to see the media going out there and looking for young entrepreneurs and focussing on them. I have seen some of it. I want us to bring to Barbados models, people who have made it in the business world, people who started out with an idea and were able to develop that idea and to get something positive. I want to see more of that in Barbados. I am afraid for the country, that we are not serious enough about making that forward thrust into the future by encouraging innovation, creativity, an awareness that we have to be able to make our way in the world. We have to look at models like, as I said, the transition that Japan and Hong Kong had to make, and Mauritius, is another recent model of a country that was almost totally agricultural but now is making its way in the export world. This is not a joking matter. It is a very serious matter that has to permeate our entire thinking. As I said, it is not a partisan political matter. The NDP, the BLP and the DLP, all of us have to send that message to the entire country. In the future Barbados has to be a creative country. We have the brains. We have the genius. We have bright people in this country. We have to send the message to the University of the West Indies. We have to send the message to all of our teaching institutions, that we have now to harness the ability that we have in a particular focus, the focus of producing, innovating for the future. Because I believe that if we don't get accustomed to that, the same up and down chart that I talked about, up in the early sixties and down in the late sixties and early seventies, up in the late seventies, down in the early eighties...! believe that that chart is going to be continued. But we have now to be able to do like those countries I mentioned and move into an upward growth pattern, one that is sustained. It's not going to be sustained by politics or talk or rhetoric. It is going to be sustained by structural changes in this economy by discussion. 1.05p.m.

The private sector and the public sector must not be seen as competing. They must not be seen as antagonistic elements. They must be seen as cooperating elements to carry this country forward. There should be no reason why we should bring the private sector together against the public sector and see them as enemies or people warring for anything. That is foolishness. That is a bad perception in terms of our country. This is Barbados and both groups will have to carry out some structural changes. I want to say that generally speaking, most Barbadians believe that the private sector has a very important role in terms of carrying this country forward. There aren't many Barbadians who would say that the private sector doesn't have an important role. No. That's not true. Most Barbadians believe that the private sector has an important role in terms of the growth

and development of this country. That has been the philosophy of most governments.

Aside.

Mr. R. L. MORRIS: What we don't believe is that the Government doesn't have a role. Those persons who believe that the Government should step out completely, I wouldn't agree with them. I don't believe that anybody on this side would believe in that either. The private sector has a tremendous role. We believe in a mixed economy and we have always said so. We believe in an innovative and purposeful private sector. I am perturbed by the private sector always asking for hand-outs. I want to see the private sector get up and go. That is the truth. I want to see the private sector take on the responsibility that has been given to them, not that they have any difficulty whatsoever. I don't feel the Government is in need of defense at this time. I am saying to you that the problems of Barbados are not politically oriented. The problems of Barbados are structural and we have to address these structural problems otherwise each administration is going to be given the same criticism all the time and basically these will be criticisms that are not sound. All the criticism that I am hearing about wasted expenditure and so on and what is called 'squandermania'. Now, that is a term, hyperbolic, beautiful purple language, that I understand the Leader of the Opposition to be very good at. If you read his speeches for ten years back you would get the same kind of purple language. He is a forceful person and puts things in extremes. - Burst! You know, you spend \$1.4 million and you burst it already and you come back for \$600,000.

Aside.

Mr. R. L. MORRIS: I wouldn't expect any other language from you. You have always used those terms. You speak forcefully and convincingly...

Asides.

Mr. R. L. MORRIS: But in your sober moments when you look at the economy away from power considerations and so on, you know that what we sow over this side is very important, that in fact the question about squandermania that you are talking about when addressed by the Honourable Member for St. Peter, the whole question of how Government should relate to matters like increases for public workers...

Mr. SPEAKER: Just a minute more, Sir.

Mr. R. L. MORRIS: ..Degrading and paying the debt charges that we have to meet from time to time. The very heavy debt charges, that is one of our major burdens, that, and paying public service salaries. The way how you phase them in and how you relate one to another, that is what the Honourable Member for St. Peter addressed in a very

analytical way, because Government has to make these positions and we recognize that when you make these decisions there are economic considerations and there are political considerations too. We have to be very honest about that

Now I want to hear from the Opposition if they are against the wages settlement that have been made. I think they have to answer these questions for us.

Asides.

Mr. R. L. MORRIS: I want to hear from the Opposition if they are against the reclassification exercise. There are some of them who are saying that we are spending too much money and saying at the same time that we should be spending more money on the reclassification exercise, that the \$30 million or so that we spent on reclassification they are saying that we should have given more money to the police, more money to the nurses, more money to everybody else. I want to hear from them if they are against what Government has done. Are they against the money that went into reclassification? Are they against the money that went into the salaries and wages negotiations? Are they saying that that is part of the squandermania? That is part of the reason why we are coming for this money. Let us understand, that plays a large role in why we have to come here for this money. They are honest enough to know...

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Dr. R. C. HAYNES: Point of order, Sir. Is the Honourable Member suggesting that the Government is borrowing to pay public servants? That's what he is suggesting. But you can't borrow to pay public servants. That's what he is saying.

Mr. SPEAKER: The Honourable Member knows that that is not a point of order.

Mr. R. L. MORRIS: Mr. Speaker, if the Honourable Leader of the Opposition felt that that was so, he would have made that point in his presentation and he would have castigated us. You said so. There is only one body that can confirm that and I am not presumptuous to speak on that person's behalf and I am asking you a question. I want the Opposition to say that they are against the money that was spent for regrading. Did you think that was squandermania? Say so. That you are against the money for public service salaries and wage increases, if you feel that the Government should not have granted these, say so.

Asides.

Mr. R. L. MORRIS: I will give way to him.

Mr. SPEAKER: The Honourable Member cannot give ... unless you have indicated to me that you have concluded your speech. No member can ask a Member to give way in such circumstances like that. Neither can a Member make

another speech as well.

Dr. R. C. HAYNES: Sir, I do not object to the \$33 million being paid on the regrading exercise. What we have expressed our grave concerns about is that the Government should have spent almost all that money on persons at the top and very little at the bottom. That's our main concern and that is what we said.

Mr. R. L. MORRIS: Mr. Speaker, in coming to the end of my discussion, let me say something. The Opposition is against the money that we spent on regrading. The Opposition seems to be against the money that we spent in public salaries.

Dr. R. C. HAYNES: Point of order. The Honourable Member is misleading the House. I just told him that we are not against spending of the money but the fact...and I am quite sure that as a good trade unionist who represents a substantial number of public workers that he would agree that the money should not have been spent in such a way that those at the top got almost all the money and those at the bottom got nothing, particularly as he represents those at the bottom.

Mr. R. L. MORRIS: Mr. Speaker, we know factually that is incorrect anyhow, so I wouldn't even respond to that.

Asides.

Mr. R. L. MORRIS: The money did not go to anybody at the top. That is foolishness. Anybody who has sense knows that isn't so, but I wouldn't respond to that. The occasion for debating that will come at another time. I am saying this. The Opposition is piqued at the money that was spent on regrading. The Opposition is piqued at the money that was spent on public sector salaries. Apparently from today now I heard that they are piqued that money is being spent on old people's houses and other people's houses. Apparently, they are piqued that we were spending money on CARSICOT, which is diversification and I am not at this time discussing CARSICOT but anything that was innovative. Anything that was an attempt to diversify this economy they were against that. It seems to me that anything at all that the Government has tried to do in terms of improving the lot of the people of this country, the Opposition is against that. Any money that was spent for the people of this country, apparently the Opposition was against that and that, Sir, was the only argument I have heard; except as I said, the substantial argument raised by the Honourable Member for St. Peter who said that the two problems that we face in this economy are: 1.15p.m.

- (1) We are not earning enough foreign exchange; and
- (2) There has been a contraction in the private sector economy.

I agree with those submissions and I am saying that together we have to find the answers to take the country forward.

Thank you very much, Sir.

SUSPENSION OF SITTING

Hon. B. M. TAITT: Mr. Speaker, it is now 1.18 p.m. I beg to move, Sir, that the Sitting be suspended until 2.20 p.m. today.

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

The question that the Sitting be suspended until 2:20 p.m. was put and resolved in the affirmative without division and Mr. SPEAKER suspended the Sitting accordingly. 1.20p.m.

RESUMPTION OF SITTING Mr.

SPEAKER: This Sitting is resumed.

On the motion of Hon. B. M. TAJTT seconded by Hon. M. A. KING the Bill was read a second time.

On the motion of Hon. B. M. TAJTT seconded by Hon. M. A. KING, Mr. SPEAKER left the Chair and the House went into Committee on the Bill, Mr. L. L. BRATHWAITE in the Chair.

COMMITTEE Mr.

CHAIRMAN: The House is in Committee.

Clauses 1 and 2 were called and passed.

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

On the separate motions of Hon. B. M. TAITT seconded by Hon. M. A. KING the Bill was read a third time and passed the House dividing as follows:-

AYES: Rt. Hon. L. E. SANDIFORD, Hon. B. M. TAITT, Hon. M. A. KING, Hon. W. HALL, Hon. E. E. GREAVES, Mr. L. L. BRATHWAITE, Mr. R. L. MORRIS, Dr. E. A. SIMMONS, Mr. C. NEBLETT and Mr. D. J. H. THOMPSON - 10

NOES: Dr. R. C. HAYNES, Mr. P. J. M. MILLER, Mr. E. BOURNE, Hon. H. deB. FORDE and Mr. O. S. ARTHUR - 5

ADJOURNMENT

Hon. B. M. TATTT: Mr. Speaker, I beg to move that the House do now adjourn until Tuesday, October 30, 1990 at 12 o'clock noon.

The question that the House do now adjourn until Tuesday October 30, 1990 at 12.00 o'clock noon was put and resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly.

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Dr. R. C. 'HAYNES: Sir, I am rising on the adjournment, Sir.

Mr. SPEAKER: I have already put the question.

Dr. R. C. HAYNES: If you may forgive me, Sir.

Mr. SPEAKER: The Honourable Member knows the rules of House do not permit us to go beyond that. 2.35 p.m.

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