

THE

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 1991 - 96

HOUSE OF ASSEMBLY

Tuesday, April 27, 1993

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 T. C. ESTWICK, B.Sc., LL.B., (Deputy Speaker)

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

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 Public Works, Communications and Transportation and Leader of the House)

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

Hon. W. O. FRANKLIN, A.I.C., M.I.A.S., J.P., (Minister of Trade, Industry and Commerce)

Hon. N. K. SIMMONS, (Minister of Justice and Public Safety)

Mr. H. A. BLACKMAN, B.Sc. (Econ.)

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

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

Hon. C. V. WALKER, J.P., (Minister of Education)

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

Hon. E. E. GREAVES, G.C.M., B.A., Ed.M., (Minister of Housing, Lands, Community Development and Culture)

Mr. C. LeR. TROTMAN, M.A.

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

Hon. D. J. H. THOMPSON, LL.B. (Hons.), (Minister of State, Ministry of Finance and Economic Affairs)

Hon. H. B. St. JOHN, Q.C., LL.B.

Mr. L. R. TULL, Q.C., M.A.

Miss B. A. MILLER

Mr. DeL. O. BRADSHAW

Dr. R. L. CHELTENHAM, Q.C., M.A., M.Sc. (Econ.)

Mr. J. O. TUDOR

Mr. D. W. BOWEN, (Minister of Agriculture, Food and Fisheries)

Mr. G. W. PAYNE

Mr. R. C. EASTMOND, B.A., LL.B.

Prayers were led by Rev. Father Ivan Harewood.

MINUTES

Mr. SPEAKER: The House is in session. Minutes of Tuesday, March 30, 1993.

Hon. P. M. GREAVES: I move, Sir, that the Minutes of the meeting held on March 30, 1993 that have been circulated be taken as read and confirmed.

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

Mr. SPEAKER: If there are no observations, then let these Minutes stand confirmed.

ANNOUNCEMENTS BY HIS HONOUR THE SPEAKER

Mr. SPEAKER: I am to announce that I am in receipt of the Accounts and Statements for the month of February, 1993 as prepared by the Accountant General.

PAPERS

Hon. E. E. GREAVES: Mr. Speaker, I am commanded to lay the Annual Reports of the National Assistance Board for the years 1989-90 and 1990-91.

Hon. D. J. H. THOMPSON: Mr. Speaker, I am commanded to lay the Annual Report of the National Petroleum Corporation for the year 1990-91.

REPORTS FROM SELECT COMMITTEES

Mr. L. L. BRATHWAITE: Mr. Speaker, Sir, in relation to Item 7, the matter dealing with the Films Bill before the Select Committee, I would like to report progress and ask for leave to sit again. Also, on the matter of the Evidence Bill, I would like to report progress and ask for leave to sit again.

Mr. SPEAKER: If there is no objection, then leave is granted.

ORAL REPLIES TO QUESTIONS

Hon. E. E. GREAVES: Mr. Speaker, I beg to give notice that reply to Parliamentary Question 23 is now ready and also to indicate that reply to Parliamentary Question No. 63 is ready.

Hon. W. O. FRANKLIN: Mr. Speaker, I beg to give notice that reply to Parliamentary Question No. 77 is now ready.

Hon. P. M. GREAVES: Sir, I give notice that reply to Parliamentary Question Number 78, asked by the Honourable Member for St. Michael North East, is ready.

SUSPENSION OF STANDING ORDERS

Hon. P. M. GREAVES: Mr. Speaker, I am moving the suspension, Sir, of Standing Orders, Nos. 6, 16, 18, 20, 42(5) 43 and 44 for the remainder of the day's sitting.

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

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

ORDER NO. 4 - TO MOVE THE PASSING OF A RESOLUTION TO APPROVE THE VESTING IN THE BARBADOS TOURISM INVESTMENT CORPORATION OF LAND AT GRAVESEND IN THE PARISH OF ST. MICHAEL

Hon. E. E. GREAVES: Mr. Speaker, this Resolution is in respect of the vesting of land at Gravesend, St. Michael in the Barbados Tourism Investment Corporation. Basically, Sir, we are seeking to ensure that the Barbados Tourism Investment Corporation is in legal possession of the lands so as to enable it to raise funds for the refurbishing of the Hilton Hotel.

It should be pointed out that as early as 1987 the Cabinet agreed that these lands should be vested in the

Barbados Tourism Investment Corporation in order to enable it to raise funds estimated at some \$2.5 million to effect necessary refurbishment.

It has taken this amount of time to reach Parliament because the Crown first had to establish a good and marketable title to the property. When we sought to do this certain discrepancies relating to the definition of boundaries and encroachments had first to be resolved and this necessitated discussion with neighbouring parties and lengthy research into legal title.

When it was ascertained that the Crown could not establish proper title to the land, title was sought under the Land (Adjudication of Rights and Interest) Act, Cap. 228A. Title has now been declared in favour of the Crown with all legal requirements having been duly discharged. Consequently the Crown has a good and marketable title to the lands which have been defined and demarcated. It is therefore at this point that we are seeking to vest this area of land which was not vested before, in the Barbados Tourism Investment Corporation.

I should point out, Sir, and it is not directly related to this, but I had made a promise some time ago in this Honourable Chamber, when the -matter with respect to the Barbados Hilton was raised, that at an appropriate time the lease, between the Hilton International and the Barbados Tourism Investment Corporation for the operation of that • hotel, would be made available to Honourable Members and I have therefore sought to do this today by making a copy of that lease available. But in truth and in fact this is really about vesting land in the Tourism Investment Corporation for the Hilton. I could say to Honourable Members that a copy will be kept at the Table of Parliament presumably, and Honourable Members can have access to it. 12.25 p.m.

Honourable Members can have access to it and I suppose that at some subsequent occasion they will be able to deal with that. I will stick strictly to the rules which apply to this debate, which is about vesting land in Gravesend at the Barbados Tourism Investment Corporation. That is the substantive matter before this House.

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

Hon. W. O. FRANKLIN: Sir, I beg to second that and reserve my right to speak.

-Dr. R. L. CHELTENHAM: Mr. Speaker, the Hilton is an important property among our hotel plants and we on this side have no quarrel with the efforts of the Government to maintain the facility in good shape and

to keep it at a high level of refurbishment. I note that the purpose of the Resolution vesting the land in the Barbados Tourism Investment Corporation is really to facilitate the raising of a loan by the Corporation for the refurbishing of the Barbados Hilton Hotel. My understanding is, however, that in the last 2 or 3 years considerable refurbishment has gone on at the hotel. To begin with, the car park was expanded and improved. It is my further understanding that the bathrooms in all of the rooms were refurbished and new furniture was put in place in every room. So that we would wish to know at this point what additional refurbishment is needed and how precisely is this money to be spent.

Mr. Speaker, there was a time when the Barbados Industrial Development Corporation was responsible for managing the lease between the then Hilton International and the Government of Barbados. I had something to do with that in my capacity as Chairman of the Industrial Development Corporation. One of the issues that used to arise with some frequency, given the high occupancy which the hotel enjoyed in the late 1970's and in the early 1980's, was the question of adding some additional 80 to 100 rooms to the plant - it is still a plant of under 200 rooms - and also releasing the 4 rooms that are currently used for the Manager's residence and putting up a bungalow on the site so that the Manager can live off of the shop, as it were. He now lives on top of the shop.

Sir, I am wondering what is the thinking of the Government with respect to these matters. Is it as a matter of policy settled that the Hilton should be expanded to another 80 to 100 rooms? What are they going to do with respect to the rooms that have been released at great cost to the hotel over the last 25 years for the Manager's quarters? But over and beyond that, there are some fundamental matters relating to this question of the vesting of the hotel and the grounds in the Barbados Investment Tourism Corporation. Now the first question is this. Why is it necessary? The Barbados Hilton and the lands on which it is located have always been vested in the Crown. There is no better guarantee that can be provided to any lender than a guarantee from the Crown. Why is it, therefore, necessary? Mr. Speaker, the Government can always raise additional revenue and pay any creditor. So that in every country it is recognised that the best guarantee is a guarantee from the Crown. Why is it necessary, therefore, if you want to raise money that you have to vest those lands that were long vested in the Crown into a statutory corporation whose future is very doubtful anyhow? The future is very doubtful because right now the Tourism Investment Corporation has only responsibility for the management of the lease of the Barbados Hilton Hotel, Heywoods Hotel, and the management of the Dover Convention Centre. It has been indicated in today's newspaper and by the Government previously that Heywoods will soon not be owned by the people of Barbados. That will be privatised. We will have therefore

a statutory corporation that will have the limited responsibility of managing the lease of the Barbados Hilton between the Government of Barbados and the owners of the Hilton and running the Dover Convention Centre. That does not justify the existence of a corporation. If you are thinking of saving money, that should be the first to be closed down. That is what I mean when I said that you are vesting the Hilton in a corporation whose future is very doubtful indeed.

Sir, getting back to my fundamental point, why is it necessary that we should have to remove the lands from the Crown to this corporation? Is it that those who are interested in lending the money for the refurbishment of the hotel are not happy with the guarantee from the Government and they would prefer to have a first charge on the lands and the hotel? Is it that Labrook, the new managers, are the ones who are interested in lending the money and they want to have the money vested in the Corporation so as to give themselves some bargaining power in relation to the hotel for the future? What is the rationale? I think that the Government owes it to Parliament and to the people of Barbados to indicate what is the necessity of having the land that is vested already in the Crown now placed in this statutory corporation that has such a doubtful future?

Over and beyond that, Mr. Speaker, I must complain that we have not been provided with any plan relating to the property and the ground on which it stands. To hand me one at this stage is not only disrespectful to Parliament, but I think that it is not at all helpful to us on this side who are expected to contribute to the debate. Apart from the discourtesy to which we have become accustomed, Mr. Speaker, an important point arises. The public of Barbados has access to the beach to the south of the hotel. We would want to know that in this new arrangement the public of Barbados will continue to have access to the beach nearby. I think that we should see on the plan where the access routes are provided. I think that that is important and that it should have been shown to us long before the commencement of this debate.

There is another point, Mr. Speaker, which I think is relevant and important. In the last year or two, the Government of Barbados has entered into a new lease arrangement with respect to the Hilton Hotel. There was one that existed for the first 25 years between the Government of Barbados and Hilton International. Except for renegotiation of that lease in its 15th year when I led those negotiations on behalf of the Government and people of Barbados at the time, we all knew the terms and conditions of that lease. I have been advised, and I would wish to be corrected by the Honourable Minister if I am wrong, that radically new arrangements have been made in respect of this lease between the new owners of the Hilton, Labrook, and the Government of Barbados. 12.35 p.m.

I think it is in the public interest that we should be hearing something, since we are dealing with the Hilton Hotel and the lands on which it stands, about this new arrangement. Is the Government getting in this new arrangement more money from the Hilton or less? Has the Government incurred additional responsibilities with respect to the maintenance of the hotel or lesser? They are some of the questions that I think we need to know and it has not been helpful for the Minister at the last minute to pass us a copy of the lease dated June 2, 1992 between the Government of Barbados and Hilton International (B'dos) Ltd. and Hilton International Company.

I think they should long have recognised that this was going to be a small part of the discussion of the Resolution and that it would have been helpful either for the Minister in his opening remarks to have indicated some of the central features of this new arrangement or, to have given us sight of the lease some time before. I think the *sotto voce* remarks that I am hearing to the effect that the lease is outside of the terms of the Resolution is not...

Mr. SPEAKER: That would be as far as the Minister and his portfolio is concerned.

Dr. R. L. CHELTENHAM: Yes.

Mr. SPEAKER: As far as I am concerned...

Dr. R. L. CHELTENHAM: That had nothing to do with the Speaker nor does it have anything to do with us on this side of the House.

I am inviting the Minister to let us hear something about this new arrangement. We would like to know how long is this lease to last. The first lease was for 25 years. What are the important new provisions in this lease? Whether the Government and the people of Barbados stand to benefit or whether it is a less favourable lease than the first one for 25 years which expired sometime around the 25th anniversary of Barbados' Independence?

For a long time too, Mr. Speaker, those of us who had to do with the early years of the Hilton felt that the facility was not sufficiently integrated into the community and that there were a lot of initiatives that could and should have been taken to integrate the hotel more into the community. One of those initiatives had to do with making the lawn tennis facilities available to train young boys and girls interested in lawn tennis in Barbados.

Within recent years I am aware of the fact that there is on Saturday mornings training sessions which are free to the young people of Barbados. But, there were several other areas in which it was felt that the hotel should have reached out to the public in an attempt to integrate itself more into the community. I would like to know what

advance has been made on those fronts and generally what are the new and important areas in this lease between the Government of Barbados the Hilton International (B'dos) Limited and the Hilton International Company.

Asides.

Mr. DeL. O. BRADSHAW: Mr. Speaker, I rise to take part in this debate. The Minister who introduced this Resolution did not provide a plan to the Opposition prior to its introduction. The Honourable Member for St. Joseph in his contribution raised a question and I want to let the Government understand today that this foolishness must stop. It has to stop because we are dealing with the prized possession of Barbadians, land and property. That matter must not ever be treated lightly by this Government or any other Government.

Here we have a Resolution today asking Parliament's approval for a portion of land to be vested in the Tourism Investment Corporation. Now, this is not a minor matter. I hope that Members on that side will realise that it should not be treated in that sort of fashion. What we are in fact doing is vesting lands that Barbadians have for years been able to use and I am talking about access to the beach.

Nobody knows what area is going to be reserved for the public apart from seeing a plan which does not set it out clearly and the average person will not know. We must insist that it is necessary in dealing with matters like these...

Hon. E. E. GREAVES: Mr. Speaker, I sat here and listened to the Honourable Member for St. Joseph and the Honourable Member for St. Michael East going down the same road. Can I just refer Honourable Members to the Resolution. If the Honourable Member had read the Resolution which he should have before him and which he does not have would see very clearly that this says as follows:

"Resolved that the House of Assembly approve the vesting in the Barbados Tourism Investment Corporation of the parcels of land situate at Gravesend in the parish of Saint Michael in this Island and more particularly described in the First and Second Schedules hereto, subject to the terms and conditions set out in the Third Schedule hereto."¹¹

What does the Third Schedule say? If the Honourable Member would have read the Third Schedule he would have seen very clearly that the point which he is making is a nonsense point.

Mr. DeL. O. BRADSHAW: I am surprised at the Minister's intervention. I am talking about a plan.

No reading can tell you what a plan is. A plan points out the line marks. How can the Minister get up and say that? I am not talking about reading the Schedule. Anybody can read a schedule. Unless you are able to see the line marks, how will you be able to describe and know exactly where the land is?

We have had situations where the former Prime Minister of Barbados worked for a client who built on land that did not belong to him and that matter ended up in the Courts.

Mr. SPEAKER: But that is not part of the Resolution.

Mr. DeL. O. BRADSHAW: Mr. Speaker, I respectfully submit it is relevant because if you look at this plan there are portions of land adjacent to other lands which you cannot clearly understand. You are talking about lands that belong to the Military Cemetery. Where is the Military Cemetery? The lands are adjacent to the Military Cemetery but we would want to know...

Asides.

Mr. DeL. O. BRADSHAW: If the Government wants to treat these matters lightly let them treat it so, but I have a responsibility and I am going to discharge that responsibility. I am going to speak out because this is very serious. I want to know what is going to happen with those people who bathe alongside the Hilton. What about their access?

At a point in the plan, Mr. Speaker, as I see here, the public will be able to go that far because where the groynes are situated - I know what I am talking about - the public is accustomed using that beach. It is a popular beach and there will be a point beyond which they will not have access and according to the laws of Barbados we have always tried... 12.45 p.m.

Aside.

Mr. DeL. O. BRADSHAW: The western end of the same area by the Pebbles beach. You all come in here with a Resolution and do not even know where to find this area but I know what I am talking about. We have to be very careful about this access. I am concerned about the access of the public to these beaches. I know at the moment the area is barricaded. There is a fencing being erected along that area. All I want to know, and I would like the Minister to tell me, since he has come with a plan, whether the barricade or the fencing is on the boundary that will be assigned to or vested in the Hilton. I want him to tell me that. Ever so often you have a fencing erected inside or outside. After this Resolution would you have to go and remove or extend further the fencing that is there? We just want to know that. What it would mean is it might even

reduce the area which is now being used by the public. I am entitled to ask that and ask for an explanation.

The other point is I would like the Minister to tell me, because this is serious and you are vesting land in the Tourism Investment Corporation.

Hon. E. E. GREAVES: On a point of order, Sir. For the second time the Honourable Member is speaking about something which, obviously, he is not properly briefed. This Resolution has absolutely nothing to do with the vesting of land in the Hilton.

Mr. DeL. O. BRADSHAW: Mr. Speaker, the land is going to be vested in the Tourism Investment Corporation but the money is going to be borrowed through that body for and on behalf of the Hilton.

Mr. SPEAKER: But then you will have to be very careful now in going beyond that statement.

Mr. DeL. O. BRADSHAW: Therefore there are certain things I would like to know because you are vesting the land. The Minister went on to say that it would enable the Tourism Investment Corporation to borrow money for the refurbishment of the Hilton. It would mean, therefore, that the title deeds will be the property...

Aside.

Mr. DeL. O. BRADSHAW: I understand what this means. No Member from over there can correct me on this. The title deeds would show that it is property of the Hilton belonging to, or the area out there belonging to the TIC. We are vesting it in the Tourism Investment Corporation but the area of the Hilton will be property owned by the Tourism Investment Corporation. TIC can then use those same very papers to borrow not only for the Hilton but they can use those papers to borrow money to refurbish any building that is controlled by the Tourism Investment Corporation. That is a fact I do not want anyone to give this Honourable Chamber the impression that the money borrowed will be used solely for the refurbishment of the Hilton. I want to get that quite clear. I think it is only fair that that is said clearly and let us in this Honourable Chamber know.

I would want to ask a question. Why are you going to lease the land in the Tourism Investment Corporation and you do not have a report to say whether it would be making money. I would think it a foolish policy to vest land in something that is not making money. If that is the case, let us have an idea if you intend to do that. I think we are entitled to that so that we can stop the Government and say do not invest because it has been losing money and it would be pointless vesting lands in a business that is not viable. That is all we want to know. We want to make this quite clear.

I want the Minister to understand this. I do not care how many times he gets up and interrupts saying I have not read the Addendum. I have read it and understand it. I am calling on the Government once again, and the Minister in particular, to make these plans available so we can check. I would want to see and be satisfied that when I get up here to make a contribution I understand this is the land clearly set in my mind as to what I am voting for or against. That is all I am asking the Government to do. The Government has a duty to facilitate us on this side and in this Honourable Chamber. I hope the Minister and Honourable Members from that side do not think that we in the Opposition are trying to make a point when there is no point. We have a responsibility to Barbados. It is our duty as an Opposition not only to oppose but to make sure we correct any mistakes the Government is about to make.

Mr. O. S. ARTHUR: Mr. Speaker, this Resolution incidentally deals with the question of the vesting of land. The specific purpose of the vesting of the land is to enable the Barbados Tourism Investment Corporation to be able to raise a loan. I want to join this debate to broaden it, while supporting some of the issues that have been raised by my colleagues.

The Barbados Tourism Investment Corporation Act is very specific in relation to the manner in which the financial affairs of the Corporation should be organised. Indeed, Sir, it is one of the few Corporations in which there are very strict financial guidelines, prescribed by law governing matters such as the debt equity ratio of the Corporation, and indeed, providing for the guarantee by Government of loans raised by the Corporation.

Now, Part 4, Clause 12 of the Act provides that the Corporation may borrow funds, but section 2 of clause 12 also provides that where the Corporation borrows money in pursuant of section 1, the ratio of its equity after completing the transaction must not be higher than 4:1. Now, it seems to me therefore that if the Government comes to the House with a Resolution the purpose of which is to facilitate the borrowing of funds by the Corporation, to the extent that written into the Act governing the Corporation is a prescription saying that if the Corporation borrows the ratio of its debt to its equity should not be higher than 4:1, then I do believe that it is incumbent upon the Government, as part and parcel of asking Parliament's approval for this particular action, to tell us where the borrowing of these funds for the purposes for conducting refurbishment at the Hilton Hotel will leave the debt equity ratio of the Tourism Investment Corporation. Is that debt equity ratio going to be 4:1? Is it going to be 3:1? Is the law being followed in relation to the financial management of the Corporation?

In that respect, Sir, I also have to state that the Tourism Investment Corporation Act prescribes a capital

base for the Corporation that the Corporation's authorised capital is \$100 000 and that amount may be varied with the authority of Parliament. The question therefore is, to the extent that the Government is now proposing to vest in the Corporation assets that it did not previously own, is it also the intention of Government to vary the authorised capital of the Corporation? If it is the intention of the Government to so do, would it not have been a tidier arrangement to bring that variation now since built into the Corporation's legislation is a precise debt to equity ratio? What is the value of the land to be vested in the Corporation? Who has valued it? By how much will this land to be vested in the Corporation and increase the capital of the institution? How will that affect the debt equity ratio that the Corporation is required to follow by law? I would really wish if the Minister could speak to this precise issue because we must, in every instance, ensure that the laws of this country are followed.

Secondly, Sir, clause 13 of this Corporation legislation, as my colleague from St. Joseph said, in point of fact makes this transaction the Government is going through a bit redundant. I will read clause 13:-

"The Minister may, with the approval of Parliament, guarantee in such manner, and on such terms and conditions as he thinks fit, the payment of any amount borrowed by the Corporation together with the interest payable on such amount."

Now, Sir, this is a serious matter. We have written into a piece of legislation a commitment by the Government of Barbados that it is prepared to guarantee the repayment of the principal and interest on any loans raised by the Barbados Tourism Investment Corporation. 12.55 p.m.

I believe that the commitment by the Government of Barbados to guarantee the repayment of the principal and interest raised by any of its statutory corporations is a matter of honour. No Government of this country, as far as I am aware, has ever reneged on the repayment of any loan raised for the purposes of its central Government or any loan raised by this Parliament on behalf of a statutory corporation.

I am sure that this is one of the few statutory institutions where the trouble has been taken - since it is intended to be a commercial institution and purely a commercial institution - to write into the legislation the precise provision that the Government is going to guarantee the repayment of a loan.

It must therefore be very strange that, in such circumstances, (he creditors to the institution also have to have additional collateral committed by Government beyond Government guarantee for the purposes of giving a loan to this institution. Therefore from this side, Mr. Speaker, we have to ask the question, "What is so fundamentally wrong with the financial affairs of the Barbados Tourism Investment Corporation that, despite the fact that the Government of Barbados is committed to guarantee the repayment of its principal and interest on all its loans, that its creditors are asking for the committal of additional security in the name of the Corporation before they could make a loan available to that Corporation?" I think it is a very serious matter that the Minister just cannot blandly and swiftly pass over the issue as if, indeed, the commercial integrity of this institution is not protected by law.

If there are fundamental problems with the Tourism Investment Corporation of a character that have caused potential creditors to the Corporation not to be willing to accept Government guarantee, I believe that this House should be fully appraised of those circumstances. In the absence of any such information I have to say, Sir, that it is a shameful thing, it is a very shameful thing that we in this House now have to be called upon to provide collateral beyond the guarantee of Government.

Mr. SPEAKER: I have to be very careful with this because you are saying that I am allowing Members to make statements.

Mr. O. S. ARTHUR: I am not saying that, Mr. Speaker, Sir.

Mr. SPEAKER: Or making pronouncements. That I am sanctioning the House. I have to be very careful with those kinds of comments.

Mr. O. S. ARTHUR: Mr. Speaker, I withdraw the remark. Let me rephrase what I wanted to say, Sir.

I want to say that the financial reputation of the Government of Barbados obviously will be devalued if it becomes generally known that a supplier or a potential lender to a Government-owned institution is not satisfied with the guarantee provided by Government to repay the principal and interest on the loans, raised by that Corporation, but has also to seek for additional collateral to be committed to that Corporation by Government before that lender is prepared to lend the Corporation money. I am saying that the financial reputation of the Government of Barbados will be reduced and devalued if, in point of fact, that becomes the practice of the day. It is a very serious matter and we need to be told, in a more forthcoming manner, what is the true state of affairs at the Barbados Tourism Investment Corporation that can cause a creditor to that Corporation to seek additional collateral beyond a

Government guarantee. We need to hear the Government therefore speak in a forthcoming way to this matter.

There is an additional point that I should wish to the Government to speak to. We on this side are troubled and very uncertain by certain aspects of Government's privatisation policy. The operation of this Corporation and the plans for privatisation of institutions under its governance is one of those precise areas that cause us to be unsettled and troubled by what Government is doing with its privatisation policy.

The Barbados Tourism Investment Corporation through the vesting of this land and through the management of the lease has a responsibility for the administration of the affairs of the Hilton. The loan is to be raised for the purpose of refurbishing the Barbados Hilton Hotel.

Mr. SPEAKER: Yes, but we have to be careful not to be discussing the Barbados Tourism Investment Corporation. We ought not to be going into those areas. I do not mind a general statement.

Mr. O. S. ARTHUR: Mr. Speaker, Sir, as I said, this resolution deals with the vesting of land to facilitate the Corporation being able to raise a loan. The two things are linked.

Mr. SPEAKER: I quite agree with that but what I am saying to you is that it is not a resolution on the Barbados Tourism Investment Corporation.

Mr. O. S. ARTHUR: I beg your pardon, Sir?

Mr. SPEAKER: It is not a resolution on the institution you are referring to.

Mr. O. S. ARTHUR: If an institution that has a prescribed capital in law...

Mr. SPEAKER: Yes, but I do not think you are getting what I am saying. The resolution does not, in itself, state that it is dealing with the institution.

Mr. O. S. ARTHUR: With respect, Sir,...

Mr. SPEAKER: The policy of the institution does not arise, to that extent.

Mr. O. S. ARTHUR: But, Mr. Speaker, Sir,...

Mr. SPEAKER: It will have to be a different resolution.

Mr. O. S. ARTHUR: Mr. Speaker, with respect, Sir, the resolution is asking us to approve the vesting of

the land in the Corporation in order to facilitate the Corporation being able to borrow funds. How can we distinguish between the vesting of the land and the enhancement of its capacity to borrow?

Mr. SPEAKER: I am not saying that. All I am saying to you is that I am not allowing a broad debate on the Corporation itself. I will deal with the aspects...

Mr. O. S. ARTHUR: I am not going to...

Mr. SPEAKER: ...that refers to the investment aspect of the resolution. That is what I am dealing with.

Mr. O. S. ARTHUR: Mr. Speaker, Sir, I am not seeking to unreasonably broaden this debate. But the approval by this Parliament of a vesting Act that allows the Corporation to borrow funds, obviously is an approval by Parliament that will perpetuate the role of the Corporation. The question that I am raising precisely, Mr. Speaker, is what set of considerations informed the decision by Government in perpetuating the life of the Corporation to want to sell one of the institutions governed by the Corporation - this is the Hey woods Hotel, Sir - and not sell the next? Mr. Speaker, Sir, what is the set of conditions and what is the set of criteria that have led the Government of Barbados to the position that in the choice of the 2 institutions managed by the Barbados Tourism Investment Corporation, one should be sold and the next should be retained? Because, I believe it is only when we can get these kinds of issues resolved that we are going to have piece and rest in this country on the question of privatisation. It seems to me that some principles, based only on whim and fancy, are being applied in relation to Government's privatisation practices. Unless Government can show me that the Heywoods Hotel has been eroding the authorized capital of the Barbados Tourism Investment Corporation, why the Hilton has been enhancing it, unless Government can establish that case I do not believe that the Government of Barbados has any right selling one enterprise while retaining the next.

Also, Sir, if the Heywoods Hotel, as I do believe, has the capacity like the Hilton to expand the capital of the Barbados Tourism Investment Corporation by realizing a profit, I truly believe that the Government should keep it. I am unsettled, Sir, with certain aspects of the practices of the Barbados Tourism Investment Corporation. I do not believe that... 1.05 p.m.

Mr. SPEAKER: You see, that is exactly what I was trying to warn you against. The confines of the Resolution itself do not even refer to Heywoods or any other hotel. It refers specifically to the Hilton Hotel and therefore the Resolution itself, whatever information or whatever arguments you choose, must be related to the Hilton Hotel

itself, otherwise we will have a debate on the Corporation itself stretching north and south.

Mr. O. S. ARTHUR: But, Mr. Speaker, Sir, I am saying that the vesting of this land will affect the capital base of this institution that is prescribed by law and I find it impossible to discuss the vesting of the land that can affect the capital*base without discussing the Act that covers the capital base of the institution.

Mr. SPEAKER: That is not what I said. What I said is that what you were discussing is in relation to the Hilton Hotel which the Resolution itself clearly states. It did not give a broad policy undertaking. It confined itself to the Hilton Hotel and that was the point.

Mr. O. S. ARTHUR: Mr. Speaker, Sir, I am discussing specifically the operation of Barbados Tourism Investment Development Corporation which is seeking approval of this Parliament to have lands vested in it with a view to be able to borrow funds. These things are governed by the Act and I want to speak to the matter.

Mr. SPEAKER: For the Hilton Hotel, that is the key. Whatever argument you use must relate to that.

Mr. O. S. ARTHUR: This is impossible. If I was seeking unreasonably 'to discuss the Government's privatisation policy in general, I could understand...

Mr. SPEAKER: I do not think the Honourable Member needs to misunderstand what I am saying. What I am trying to say to the Honourable Member is that the Resolution itself has limits and the limit confines itself to what is said in the Resolution. The key areas of investment is the Corporation in a limited way, and the Hilton Hotel. Those are the key areas in which I understand the Resolution is brought here.

Mr. O. S. ARTHUR: Mr. Speaker, this Resolution is asking this House to increase in essence the capital of the Tourism Investment Corporation in order to be able...

vesting of land in it is to increase the capital base in order to enable it to be able to borrow funds in circumstances where the law prescribes a precise debt equity ratio for this corporation. If the law does not speak to a precise deficit equity ratio to this corporation I would not seek to address the House in this manner.

Mr. CHAIRMAN: But I did not rule against that statement. I accepted the statement but...

. Mr. O. S. ARTHUR: I am asking only in relation to Heywoods and I was careful in choosing the point which I raised. Has Heywoods eroded the capital base of the corporation while Hilton has increased it and are these

the considerations that cause the Government to use one rather than the other.

I have not sought, Mr. Speaker to broaden this debate beyond that precise question because I am discussing the matter purely in terms of capital base and I was extraordinarily clear on that point.

Asides.

Mr. SPEAKER: Continue.

Mr. O. S. ARTHUR: This is impossible. Mr. Speaker, I really want to repeat the point because it is germane to the issue. Mr. Speaker, I believe the issue is serious enough, in the context- of what the law provides for, for Government to react to it. Has Heywoods eroded the capital base of the institution, and to what extent has this been the case, Sir? Because only when these matters are precisely answered will one be able to read any sense into Government's privatisation policy.

As it stands now, and in the absence of any clear information provided by the Minister on the matter, I would have to conclude that Government's privatisation policy is a mass of confusion.

Therefore, Sir, there are a large number of very important financial matters that the Government has, in introducing the legislation, Sir, to answer before the House can approve it. How will it affect the debt equity ratio as prescribed by law in circumstances where the legislation provides for Government to guarantee the loans of the institution? Why does the Government find it necessary to have to commit additional collateral and to the extent, Sir, that this Act is going to affect the capital base of the institution, is the Corporation privatisation policy and its choice between the institutions under its control related to the fact that one institution has been adversely affecting its capital base while another has not?

The Minister, Sir, has not at all sought in his introduction to address these matters and I truly believe that this debate would not be complete unless these matters are thoroughly and fully canvassed. I am much obliged to you, Sir.

Hon. B. M. TAITT: Mr. Speaker, Sir, I wish to begin by saying that I categorically disagree with the Honourable Member who just sat down that this debate would not be complete until there are answers to certain questions of economics which the Honourable Member raised.

This' debate is about the vesting of land in the Tourism Investment Corporation which is not an island unto itself, or anything thereof. But I was moved by the contribution of the Honourable Member for St. Joseph and

I took the trouble to go back to the first cause, the establishment of the Tourism Investment Corporation because the Honourable Member framed his debate in the context of some deviation from the purpose for which the Tourism Investment Corporation was established.

He then went on to suggest that if the Tourism Investment Corporation as a corporation were left with only one hotel to run there would be no reason for its existence. That is the gist of what he said.

Asides.

Hon. B. M. TAITT: The reason maybe doubtful, Sir. I do not want to misrepresent On hearing that, the uninitiated would believe that the Tourism Investment Corporation had originally been set up as some conglomerate and/or statutory corporation to handle a mass of economic activity including the management of vast numbers of property etc. So when I got the debate of 1979 in which the Tourism Investment Corporation was established, I must confess I was shocked to discover that the debate of this Honourable House on die establishment of the Tourism Investment Corporation took up all of one single page in Hansard.

You can imagine the roaring debate that would have occurred - therefore there was no penetrating analysis. Is that what the Honourable Member is saying? Because I was not here?

In that one page, Sir, in 1979, I draw it to your Honour's attention and remind the Honourable Member that in 1979, the Honourable Members on that side were responsible for the Government and the Honourable H. B. St. John, at page 2654, introduced Item No. 3. The Honourable H. B. St. John was at the time responsible for tourism in the country and if you read page 2654, the basic reason for the establishment of the Tourism Investment Corporation can be found in the 4th paragraph on that page which says:

"As Hon. Members will remember, the Inter-American Development Bank insisted at that time that they have a Port Authority Act.¹¹

He then went on:

"Similarly, the World Bank at that time said they did not wish the Heywoods Village to be run as a department. It had to be run as a tourism corporation. We have drawn up the Tourism Corporation wide enough to include any other hotel undertaking that the Government takes up, not only this one but in the future so that it is very comprehensive and wide." 1.15 p.m.

First of all, there has been quite a lot of play about how the Government is being run from Washington and it is instructive that the Tourism Investment Corporation was set up precisely because the World Bank had said that "in order for us to lend you the money for Heywoods that you have to set up a corporation" and the Government of the day said no problem and set up the Tourism Investment Corporation.

Mr. SPEAKER: Now I have allowed the response of the Honourable Member as customary where responses are allowed. But I am not going to allow any expansion on that.

Hon. B. M. TAITT: The Honourable Member raised some doubts about the Tourism Investment Corporation and I am just establishing the paternity of it.

Mr. SPEAKER: Yes, but I am saying quite clearly that, as I have allowed the Honourable Member to make a statement, certainly I will allow the Honourable Member to rebut that statement but not to develop it beyond that point.

Hon. B. M. TAITT: I am responding to the Honourable Member for St. Joseph. I am saying, therefore, in the event that Heywoods were sold that the reason for the existence of the TIC would still exist and it would still be the identical reason or one that was *paripassu* with that reason that it would be established to run a hotel property and any future properties that might be acquired.

Aside.

Hon. B. M. TAITT: Well, the Honourable Member may discuss with his colleagues or might have discussed in 1979, as no doubt he had access to the Honourable Member H. B. St. John referred here, the fundamental thesis which he has that there is no need for a parastatal to run a hotel. That is the gist of what he is now intimating. But he obviously did not have any weight then with the Honourable Member H. B. St. John as he does not have any weight now. His view, albeit a view to which he holds steadfastly, is not one that was shared by H. B. St. John or any of the others in the Government because they brought the Bill. Either that, Sir, or they succumbed to the well known position that he who pays the piper calls the tune.

As to the ratio, Sir, I found the argument about the specificity of the Act for the Tourism Investment Corporation intriguing. First of all, it is not valid. The Honourable Member can correctly state that he does not know, but there are others that have the particular provision. But no one can tell a financial institution what it must require from a Government if it is going to lend its money. If a financial institution, to wit a bank, says that given the circumstances in which they are going to be lending the money to a corporation notwithstanding any

Act that states that the Government will guarantee the loan, they may wish to have some collateral. In light of the fact that the Government does not have a history dating back to 1979 of paying its debts promptly, they might wish to have in their hands some collateral that they can use to secure the loan. There is nothing original about that. It is a fact, Sir, that that Government in its day acquired lands and some twenty years' later people have not been paid.

Aside.

Hon. B. M. TAITT: We are discussing acquisitions and the Honourable Member raised a question. Now that he is getting an answer he is asking from his seat, "What does that have to do with the acquisition?" In responding to the question from the Honourable Member for St. Peter as to why the financial institution might have wanted some other reason than the words in the Act, I am seeking to give the Honourable Member a reason why any financial institution lending a statutory corporation money might seek to get some security.

Sir, the question of the Hilton and this particular issue is not one that surfaced this week, this month or last month. It is a matter that has been hanging fire since 1986/87. A decision was made as far back as 1986 that the property comprised in the Hilton Hotel ought to be vested in the Tourism Corporation. It had been suggested and it was agreed by the Cabinet that it was tidier, for example, for the National Housing Corporation to have property vested in it rather than in the Crown.

There are a number of properties which are now managed by the National Housing Corporation and decisions were made on principle to have the properties vested in the National Housing Corporation. One of the reasons for that is a philosophical reason. It gives the particular corporation a sense of ownership and management of the affairs connected with the particular property. There is something untidy, Mr. Speaker, like the old time days when property used to have a tail in it, where a person who was using a property would be seeking to transact business with the property at the base of the transaction when, in fact, the property was vested in or controlled by a seed either before or to come. I do not want to go into any technical explanation of that. But the Honourable Member for St. Michael South East especially will understand exactly what I am talking about. At least that Honourable Member will understand what I am talking about. It is desirable for the cleanliness of transaction that the Tourism Investment Corporation should have jurisdiction over the property for which it has responsibility in law.

I do not see how it can be a point of issue among Honourable Members to discuss that particular issue

in politically partisan terms. One was seeking back in 1986/87 when there was no spectre of IMF, World Bank or anybody and when there was no difficulty with the economic situation. So that the issues raised by the Honourable Member for St. Peter were not germane then. By an influxion of time the transaction has reached the House at a point after the decisions had been made. The only reason for the delay in the past had to do with the question of title, that is whether a title could be established. The files have grown until finally now a straightforward statement was made establishing that the property was clearly acquired in 1906 by the Government. It went all the way back to 1906 and 1912 to establish that it was clearly within the purview of the Government to vest the property in the Tourism Investment Corporation.

On the question of a ratio of 4 to 1, Sir, that is the law and, therefore, the Corporation is not permitted to go outside of that. The equity position is that they are within the framework. The value of the property at Heywoods would have escalated even though there has been some pressure brought about.

Aside.

Hon. B. M. TAITT: I am not able to give you the facts. I am the Minister of Health. No one is going to require of me to give the kind of detail that does not even come from the lawyers. The Honourable Member for St. Peter must know, if he is genuinely interested in the issues, that the property at Heywoods carries a value now that it did not carry when the Tourism Investment Corporation was established in 1979. He must know, Sir, when the Hilton which is among the most valuable properties owned by the Government is thrown into the hopper, that far from there being a deleterious effect that it is bound to increase the asset value of the Tourism Investment Corporation. 1.25 p.m.

Coupled with the fact that the refurbishment which has started Will now enhance the value, it is clear that the equity position will be appropriate. Anyone who is seized as I was... I will tell you, Mr. Speaker, I was responsible as Minister of Tourism for the decision to upgrade the Convention Centre at Dover. That is why I am speaking in this debate in such detail. I was responsible for the decision to upgrade the Hilton Hotel and the surrounding areas. I was responsible for the decision to refurbish the Hilton and that refurbishment...

Mr. SPEAKER: The Honourable Member seems to be very unhappy. What the Honourable Member must understand is that there is a difference between making a statement and debating an issue. I take it that the Honourable Member is making a statement in reply to what was said rather than debating an issue.

Hon. B. M. TAITT: The Honourable Member for St. Joseph raised the issue in a certain frame and I am merely seeking to respond within the frame. I am not seeking to widen the debate but the truth is that the decision to refurbish the Hilton Hotel has resulted in substantial benefits which allowed the Hilton when the time came to renew the contract to make demands. The Government was in a position to make demands in their negotiations with Ladbroke to have terms that are now better than the original terms for management of the Hilton property.

Asides.

Hon. B. M. TAITT: The monies are now paid monthly and the Honourable Minister will no doubt give some details. The point is that that refurbishment programme has resulted in an enhancement of the entire area.

The Honourable Member is seeking to use prior knowledge, but on this occasion, Sir, it is outside of his ambit. We are not discussing the innards of the hotel. We are discussing the refurbishing of the general area. The Honourable Member therefore is not as seized as he would be about the broader area of the hotel.

The point I am saying is that the whole area leading to the Hilton if one comes... I remember the question as to whether we were going to have the roadway starting from the point at the roundabout and in fact we decided that the roadway would start from the point at Bay Street and we would refurbish the entire area and therefore the ambience which now attends the Grand Barbados and the Island Inn and the other areas formed part of the decision in 1986 when funding was not as difficult an issue as it is today. Those were the circumstances which informed the decision to vest the property in the Tourism Investment Corporation.

Now, Sir, the vesting of the property in the Tourism Investment Corporation will not operate to the detriment of the body politic. There has been no argument advanced which suggests that there will be any deleterious effect in this vesting. If some other Member knows of some reason why not, then the Honourable Members should put it on the Table so that the Minister might reconsider if necessary.

In the absence of any information to the contrary it does seem to Honourable Members on this side that it is tidier and desirable that the Tourism Investment Corporation should have some flexibility as a parastatal to borrow money. I will go on and say this, Sir, that in fact the monies may have been drawn down. As I understand it, what is necessary is to fulfil the commitment made by the Tourism Investment Corporation to the bank at the time when the loan was entered into. I had no doubt in my mind that the loan was entered into and that the arrangements

precedent would have been that the Tourism Investment Corporation would have the lands vested in them.

I want to finish by referring again to this concept of what is written into the Law. It is a fact that the only person in any Government who can offer a Letter of Comfort is the Minister of finance. Yet, Sir, many of the institutions in Barbados in certain circumstances will accept a Letter of Comfort from other Ministers in certain circumstances to fulfil the requirement that their records will show a Letter of Comfort. The Honourable Members know that, for example, the Barbados Development Bank has required security from individuals that go way beyond what is required by the Law, *stricto sensu*. Yet, Sir, it has been agreed from time to time that additional security would be sought.

Is the Honourable Member saying that a private bank is not entitled to ask for additional security? If the Royal Bank of Canada for example is lending the TIC money, the fact that it is written in the Law that the Government is responsible for any loans which the TIC makes, does that mean that the Royal Bank is bound to lend the Tourism Investment Corporation the money if all they have is a document saying that the Government is bound to pay? In those circumstances they may wish to have a letter from the Minister of Finance.

The Honourable Member is putting out what can only be described as a heresy suggesting that once it is in the Act... What the Honourable Member is saying is that if we now pass legislation and put the words in an Act saying the Government shall guarantee, that that without more shall be sufficient and would be sufficient for a bank to accept as collateral. I have never heard more errant economic nonsense as I have heard in this circumstance.

The Honourable Member is saying that because it is in the Act that is sufficient and a Bank cannot say that in order to borrow \$2 million or \$5 million that it wants to have some collateral. The Honourable Member must understand that they want to see the title deeds next to their documents when they lend out \$2 million. They do not want to see a copy of the Tourism Investment Corporation Act. According to the Honourable Member all you would need if you wanted some money is to get a copy of the Tourism Investment Corporation Act and carry it and show the bank manager. The Honourable Member has come in here with a specious argument raising questions about if it says here in the Act that the Government would guarantee without more.

This is not the first place that the Government has a guarantee in law. What foolishness am I hearing? The National Housing Corporation's debts are guaranteed by virtue of the fact that it is a corporation. Any statutory corporation that is established by definition and by law the Government is responsible for its debts.

Asides.

Hon. B. M. TAITT: Therefore to say because it is specifically written into this law that you do not need anything more is specious. The Honourable Member cannot pass with that. Note when they are seeking to justify their position they leave.

Asides.

Hon. B. M. TAITT: Let the former Attorney General get up and say that it is not so. If a statutory corporation is established by this Parliament and the statutory corporation legitimately incurs debt out there that the Government is not responsible for it. Not a statutory corporation would survive and nobody would lend them a cent or have a transaction with them if they did not believe that the Government has responsibility ultimately for their debts. That is trite. I do not want to spend time on that.

Sir, in 1986, the Tourism investment Corporation, as far as we can find today, submitted its financial statements. The statutory corporation submitted its financial statements. In some of the notes of the financial statement the answers to some of the questions which the Honourable Member for St. Peter raised can be found. As early as 1986 the answers can be found. The Honourable Member can look at them. I do not have enough time to spend going through them; Suffice it to say that there is nothing in the vesting of this property in the Tourism Investment Corporation that requires alarm or concern. 1.35 p.m.

This is the final point I am making, Sir. There is nothing that could, or will in any way interfere with any rights which any citizen of Barbados now has in relation to access to the beach. I want to give the Honourable Member for St. Michael South East in particular the assurance that there will be no change, there is no change and there can be no change to the policy with regard to access to the beach by the simple vesting of this property in the Tourism Investment Corporation. Even as it stands now, any policy of the Hilton must be a policy that accords with the policy of the Tourism Investment Corporation.

The Tourism Investment Corporation is a creature of this Parliament. Therefore, the Tourism Investment Corporation or the Hilton, or any part thereof cannot abrogate the clear, legal and real position that has been established with regard to the access of Barbadians. Therefore the question does not arise. You think this Government could, in any way, allow the passing of a piece of legislation to interfere with a right as fundamental as access to the beach?

Aside.

Hon. B. M. TAITT: The Honourable Member for St. Peter will not goad me into responding to anything he says or does not say in regard to that. Suffice it to say that I am able to support the Resolution because I may have initiated it some long time ago and now that it has come to fruition, I find myself able still to support it.

Mr. C. LeR. TROTMAN: Mr. Speaker, this is not the first time there has been the question of vesting of any lands brought before this Parliament. It is the first time I may speak on the subject addressing you from this side and from a position which represents a certain level of independence.

Aside.

Mr. C. LeR. TROTMAN: I am sorry if the Honourable Member cannot hear from that side. This is the way I normally speak. I am sorry if that represents the thought that there is a better possibility for microphones on that side of the House.

Mr. SPEAKER: I have no difficulty in hearing you.

Mr. C. LeR. TROTMAN: The Honourable Member has a difficulty, Sir.

Mr. SPEAKER: I do not have a difficulty in hearing you, as I said.

Mr. C. LeR. TROTMAN: If you do not have any difficulty, Sir, I thank you very kindly.

Mr. Speaker, given the fact that this is not the first time for such a subject, I do not think there is a difficulty in one being able clearly to recognise the questions before us and therefore being in a position properly to be able to make a determination. I noted that the main speaker for the Opposition in fact said to some extent what I would wish to say that I see no difficulty in vesting *per se* but I would need to have certain questions answered. In that regard, Mr. Speaker, I thought the question raised by the Honourable Member for St. Peter about the debt equity ratio was a fair question. I believe the Minister responsible would wish to speak to the matter when he responds to the speakers in this debate so that Members will be satisfied in their minds that they are making a proper decision when the time comes.

For myself, I just recognised that paragraph 16 of the agreement addresses the question of severance and I have not had the chance to read what it practically says. I would need to be assured that paragraph 16 where it speaks about the position of the workers in the event of there being a change in the contractual relationship between the lessor

and the lessee, that the contractual obligations to the workers are kept inviolate and that the workers' rights and benefits are secured under whatever arrangement there might be. I am sorry I cannot speak further to that subject because I am seeing the item at this moment for the first time but I have no doubt that the Minister would be quite satisfied to speak to the subject and give certain assurances we seek.

Beyond that, Mr. Speaker, I have a couple of questions which concern me to some extent and to which I would wish to have some answers. The question raised before regarding access to the beach would be a question which I would wish to refer to at this time because it would be my concern that the people's concerns would be whether the vesting of this land within the Barbados Tourism Investment Corporation would by itself, or would by any combination of actions or events, result in a situation where these lands were not considered still to be the property of the people of this country.

In a situation, Sir, where we need to concern ourselves with the fact that the commanding heights of our economy be shared by the people at large and not be kept for the private wealth of a few, and recognising that tourism hardware is part of the commanding heights of our economy, that our beaches, sands and sea lines are part of those commanding heights of the economy, I think the questions, since they have been raised, would need to be spoken to in satisfaction of that question. I am satisfied, Sir, that many years before now we have taken a position as a people, and that the Government of the day has taken positions as a Government, that Barbados will always have a situation where the beaches of the country are the common property of the people of the country. I would wish to believe that this, continues to be the situation. But the matter has been raised and it should be satisfied by the appropriate answer.

My greater concern though rests with the second of the 2 questions I would wish to put, questions which the Minister himself will not be able to answer by questions which, nonetheless, have to be put and which we would need to have some eventual satisfaction about and not satisfaction necessarily with a view to having this matter resolved but satisfaction because they get to the kernel of a specific greater national problem and that is the question of Government's approach to privatisation. I would wish, in looking at this question, Sir, to find out whether the vesting here is part of the privatisation programme of the Government. I would wish in that regard to be able to understand whether the Government has plans to withdraw itself from a commercial interest in tourism and to resort purely to a role of facilitator in this particular question. We have to be looking at exactly where decisions take us one by one.

The question which we are looking at at this moment is the question of the vesting of land in the Barbados Tourism Investment Corporation. As I said before to you, Sir, vesting of lands is not by itself a major subject and it is not the first time it has come before this Honourable Chamber. The Honourable Member for St. Michael West and the Minister of Tourism and Sports have in fact made the point, and made it very well, that long before now when the question of the Barbados Tourism Investment Corporation was raised and the question of these lands was raised, that the subject was very intricately tied up with another major question, the question of our relationship as a country with certain international lending agencies.

It seems pretty clear to me, Sir, staying still within the framework of the question, that when we spoke to the subject, be it of the Hilton Hotel, or the Barbados Tourism Investment Corporation, that we spoke to the question of a policy position of the Government of the day, a policy position that spoke to privatisation. 1.45 p.m.

Is this part of that privatisation programme, and what else is there within that privatisation programme? Are we to understand that the Government has taken a position that says that a Government of a developing country should remain a mere facilitator and should not be part of the basic fundamental, developmental process of the peoples and the wealth within that country? It is a question on which I have a very strong feeling because it is my very strong position that countries of the stature and status of Barbados cannot afford the luxury of having a Government sit back and purely be a facilitator to allow capital to work its way through the marketplace and to create avenues for the development of wealth for the people of that country and that Government itself must be a central actor.

It is a position which I have taken in relation to the Transport Board, it is a position which I take about matters of tourism, it is a position which I take from the philosophical position that we cannot afford to have the wealth of the country become anything but an institution to be used by all of the people, not a few of the people, but all of the people within this country.

In that regard therefore, Mr/Speaker, I think it is very important that the question be seen not as the narrow question relating to the Government of Barbados, the Barbados Tourism Investment Corporation and a certain parcel of land at Graves End in St. Michael. That is only the facilitator of the question. That is only the item that we can pinpoint by which to look at a broader question. I think that the broader question must remain within our consciousness, especially at a time like this.

V*⁷e, Sir, clearly cannot see standing by itself, or let me speak for myself, I clearly cannot see a problem of vesting of lands in the Barbados Tourism Investment

Corporation standing by itself and I have no difficulty, given the answers which I am sure the Minister will give, with seeing that that cannot be a problem for me. But I see the bigger problems which have been raised by some of the speakers before myself.

The bigger problem, the one I am raising now that we have to be able to face head on and square on is the question of: Where do we draw the line in our quest for a developmental module for our country? Is that module supposed to be a module based purely on a concept of privatisation, as privatisation or are we going to draw the line only in the area of some institutions and not others? I think, therefore, that when one looks at the lands and the properties the responsibilities under the Barbados Tourism Investment Corporation that that will bring into relevance the question of privatisation.

Some years ago the question was raised as to whether the Barbados Hilton would be privatised. And now we have been told that other institutions within the purview and the control of the Barbados Tourism Investment Corporation will in fact be privatised. Whether that is true, Sir, or it is only now a rumour the question will have to be answered at some point or the other by the Government. Within the answer of that question, there needs to be a fulfilment of the responsibility to answer the bigger and fuller question of the Government's conceptualization of a privatisation programme. We will have to be able to understand the depth, the width and the height of that programme to the extent that we must be in a position, as the leaders of the people in our country, to be able to tell them and to guide them regarding how great privatisation will be and where it will take us.

I think in that regard my position would need to be spelt out again and that is that we cannot afford, in a developing country, to follow the same developmental methods that other people follow, that is, to allow commercial or financial activities to take place in the marketplace unhindered and unguided by the Government because we believe that the marketplace will take care of it all. In fact we have to be careful to recognize that if we go by the law of the market we may, in fact, be adopting and embracing the law of the jungle because the law that says that free enterprise must run wild is the same law that says that there must be survival of the fittest. Developing countries like ourselves must be able to recognize that there needs not to be an acceptance of that freedom but rather there needs to be an acceptance of a position that says that we as a people in this country need to understand that if we are small, weak and fragile then we have to build together and not build only on the basis of the survival of the fittest.

Within that context, Mr. Speaker, my position is and remains that the subject itself as a subject is not one

that has any fears for me and I have no difficulty in being able to ask the Minister to clarify certain questions. I have no difficulty in being able to say that I have no problem with supporting the resolution but that I have a bigger problem with the questions thrown up by the resolution, as they relate to the development of Barbados at this time, and I am hoping that the Government still has enough time to come to grips with the degree of privatisation it envisages and that it would take us into its confidence and let us together mould a model for development for Barbados which does not follow the instructions of anyone, or any persons, or institutions whether within or without Barbados.

SUSPENSION OF SITTING

Hon. B. M. TAITT: Mr. Speaker, Sir, I beg to move that this House be now suspended until 3.00 p.m.

Hon. D. J. H. THOMPSON: I beg to second that, Sir.

The question was put and resolved in the affirmative without division and Mr. SPEAKER suspended the Sitting accordingly. 1.54p.m.

RESUMPTION

Mr. SPEAKER: The sitting is resumed.

Mr. H. deB. FORDE: Mr. Speaker, Sir, I found it very difficult to follow the argument of the Honourable Member for St. Michael West in the contribution which he made before the luncheon adjournment. The statements by the Honourable Member for St. Peter amount to simply this. There is existing legislation which gives the Barbados Tourism Investment Corporation the right to borrow money and to have the money guaranteed by the Government of Barbados.

Now the land which we are seeking by this Resolution to vest in the Barbados Tourism Investment Corporation is also owned by the Crown or the Government of Barbados. I cannot understand therefore the argument that by vesting this land in the Barbados Tourism Investment Corporation that one is improving the security which is available for a borrower and in fact I think the Government has been less than candid in disclosing the full purpose of this transaction of transferring the real estate to the Barbados Tourism Investment Corporation.

I have inspected the lease agreement which the Honourable Minister made available just as he began to speak. Appended to the lease are schedules and two side letters. As I understand it the Government undertook to spend in excess of US \$2 million in refurbishment. It is not going to be able to recoup any of that expenditure as it normally would have been able to do under the former lease and it is not going to be able to recoup any of that expenditure under the new lease either, particularly that

section of the lease which allows a certain percentage of the gross operating profit to be set aside to deal with the question of renewal and renovation.

It seems to me that what the Government is really seeking to achieve by this measure is to use the land as collateral security for a loan to facilitate it dealing with the problem of the side undertaking which it gave to Hilton International.

Now there is another part of the undertaking given to Hilton International in the lease that I would wish to hear the Minister on. When the former lease terminated, Mr. Speaker, the reserve put to the severance fund - there was a reserve severance fund - and the amount of that fund was in excess of about £382 000 and in a side letter, as I understand it, the Government agreed that that money would be thrown in as part of the operating revenue for the year. So it was no longer being kept to reserve and if they distributed profits that year, $66\frac{2}{3}$ of the reserve would go to Government and 33V₃ would go to the Hilton as part of the profit.

I must be concerned, about that, Sir. I must be concerned that if you establish a fund to provide for the contingency of the severance of the workers that when that lease has come to an end and the fund is in credit you are now going to change the nature of that fund and treat it as part of operating revenue and distribute it. If the fund was over-funded then against that background we should not have subsequently reduced the quantum severance entitlement of the workers. Some of those people who might qualify in the future for severance will find that some of the money that has been set aside for paying them has now been taken into the Dockets of either the Government or of the Hilton Hotel. It is true that clause 16 of the lease makes provision for the workers, if they are severed in the future, and there is a short fall in moneys available to get their severance up to 75% from the Government and 25% being met by Hilton. Those are the main provisions. I speak to the question because the Member for St. Michael Central had raised the issue and I have in the meantime had an opportunity to take a very brief look at the lease.

I would like the Minister, Sir, to tell us whether the Government intends to keep intact the Barbados Tourism Investment Corporation. The question has been asked by others; but I must ask it again. It is intended to dispose of Hey woods, and the Hilton's lease has been extended until the year 2002. Is it part of Government's policy, as a matter of privatisation, to move this bit of land and this hotel into the Investment Development Corporation with the idea of eventually moving it into the hands of private enterprise.

Sir, I want to make a comment. It seems to me that the Government, in dealing with its assets, whether it

be the Hilton or Hey woods, or elsewhere, are obviously singling out for early privatisation those assets that the Barbados Labour Party, during its term in office acquired or established as state enterprises.

Hon. B. M. TAITT: On a point of order, Sir, the Honourable Member is suggesting that the projects which are being identified for privatisation are those projects... The Honourable Member, by his statements suggest that the Governments are functioning on the basis purposes motivated only by political considerations when he says that only those projects which have been initiated by the Barbados Labour Party are being identified for privatisation. I want to give the Honourable Member the assurance that that is not true.

Mr. H. deB. FORDE: Sir, I am only looking at the facts as have been revealed by the list of state enterprises which have been identified for privatisation. One has to confess that the Democratic Labour Party Government has never, outside of its words, been too much wedded to the practicality of democratic socialism so you would not find many of the state enterprises having been acquired or established by them.

Let me assure the Honourable Member for St. Michael West that he would find, whenever he reads through the House's record of the last 22 years and read what I have said, and when he goes through the record of what I have done in the past 22 years, particularly some of the legislation I brought down here, the Honourable Member will find that I have lived and practised true democratic socialism.

Aside.

Mr. H. deB. FORDE: You talked about it and I acted it out. You know, Sir, it used to surprise people that Sir Stafford Cripps was perhaps the archetype democratic socialist. When people came to assess him they made the distinction between his patrician looks and manner of dressing and his actual actions as a politician.

Hon. B. M. TAITT: The Honourable Member, the Leader of the Opposition, is misleading the House. By his statement, he is implying that he has patrician looks and that his manner of dressing is aristocratic, Sir. That is misleading the House, Sir. 3.10 p.m.

Mr. H. deB. FORDE: I do not mind, Sir, how the Honourable Member may wish to categorize those aspects of my personality. What I am more concerned about is that in the practice of my philosophy there is consistency. The Honourable Member will see that when it comes to those aspects of public affairs that I am consistent on these

matters. What Tarn asking is this. Is the Government preparing the Hilton for privatization? I ask that question very seriously, Sir. If it is not, then I think it should make a clear statement as to why it is treating Heywoods differently from the Hilton Hotel. Therefore, why does it have a mixed policy in relation to the operation of the Barbados Tourism Investment Corporation? Heywoods is already vested in the Corporation. There is already real estate security in Heywoods that can be given by way of mortgage. The Honourable Minister is not going to listen to this, Sir. They are telling us that we must put a bit of land into the Corporation in order to use it by way of security. I am saying that the Corporation already owns land which can be given by way of security.

Hon. B. M. TAITT: Sir, on a point of elucidation if the Honourable Member will give way. The point which I sought to make in my statement was that the auditors and the various people who prepare the books for the TIC have had tremendous difficulty with the land which the Honourable Member is referring to as having been vested in the Corporation. That land is the Heywoods land. Because of the difficulty in repayments for the outstanding debt in the international community, the Heywoods land has been presenting a problem to the auditors in Barbados. This land at the Hilton is free and clear of any connections or any problems relating to the repayment. Therefore, it is necessary for us to have land which is free and clear.

Mr. H. deB. FORDE: Sir, once again the Honourable Member still does not make sense to me. The land is vested in the Crown and there is nothing which says that the Crown cannot as a surety charge its own real estate, if it wants to charge this particular piece of land as security. There is nothing which says it. So there is no legal impediment against the land remaining vested in the Government and, if the lender wishes to take it by way of security, the Government then entering the agreement as a surety or guarantor.

I am being told that the purpose of this exercise is to make the land available so that it can be mortgaged. I am saying that this Resolution is a waste of time if that is all the Government seeks to achieve. The same thing could have been achieved legally either by the Government asking as a surety and by Government charging the land at the same time. I do not believe that the Government is being open and candid with us in this House on these matters. Government is not telling us of the long term implications of passing this particular measure.

Now my concept of the Hilton is that not only should the Hilton remain as owned by the people of Barbados, but my concept is that all Government lands in that area including former Government lands now occupied by the Mobil people should also be reclaimed and that the Hilton area should really be developed as a convention centre

and area for the purpose of tourism. Then the BTIC would really have a job to perform and to do, Sir. We differ from the Government in relation to the manner in which it is approaching the whole task of managing investment in tourism.

Sir, one of the functions of this Corporation is to attract investment in tourism. I do not see that we have had very much investment in this sector within the last 6 or 7 years. I am making the point, Sir.

Aside.

Mr. H. deB. FORDE: It was set up since 1979. If the Honourable Member really wants to know what is the function of the Corporation, let him read the Act and the Schedule. Then he will see what is its function and he will understand what it has to do for the development of tourist plant and tourist investment in Barbados as well, Sir. I have great difficulties with the legislation as it is being proposed, particularly in circumstances where under the legislation I know that it is possible to dispose of the real estate simply under the Act with the approval of the Minister.

I revert to the other point raised by the Honourable Member for St. Peter and which has not been satisfactorily answered by the Honourable Member for St. Michael West. That relates to the capitalization of the BTIC having regard to the fact that we are now purporting to transfer to it the asset of the Hilton Hotel. I must ask what is the valuation being placed on this asset as it becomes part of the assets of the BTIC? Secondly, is it intended if it is going to the BTIC, although Government is the sole owner of the BTIC, that any consideration will flow from the BTIC to the Government for the transfer? I have to ask these points, Sir, because they are very pertinent points. Thirdly, how will the balance sheet of the BTIC look at the end of the day when it now has an asset that is obviously valuable? What will be its liabilities in relation to its overall liabilities? How does this effect its overall capitalization as required under Section 6 of the Act? Is it intended, therefore, to change Section 6 of the legislation in any way, particularly taking into account the very vague statement which the Minister made that the auditors have some difficulty with the Hey woods land in relation to some debt. I do not know what that means. I honestly do not know what that means.

Hon. B. M. TAITT: On a point of elucidation. Sir, let me try to explain. The auditors needed confirmation of how the Government's loan to Heywoods should be treated in the accounts. The Ministry of Finance has not been able to respond. But the question arose after the expiry of the five year moratorium. I took it for granted that the Honourable Members remember that there was a five year moratorium period. The original loan to the Corporation was \$24 million with a five year moratorium repayable over a

ten year period. The Honourable Members should remember that and the auditors have had some difficulty in how to treat it. That is what they have said. They want to qualify their accounts because of that. No Government would wish accounts to be qualified when the decision made by the Government of the day was a clear unfeathered decision. I have tried not to debate it in the terms lest it be misunderstood but the auditors are trying to suggest that they must qualify the accounts because of the decision that was made and we believe there was nothing wrong with the decision. 3.20 p.m.

Mr. H. deB. FORDE: Once again the Honourable Member has spoken in explanation; but his explanation really reveals no difficulty from an auditing or balance sheet position. If a decision has been taken that it was a loan it is a loan that becomes payable and if there is need for a grace period then all the Government has to do is to extend that grace period further. If the Government of the day wishes to take that loan and turn it into equity then it can take that decision. What I am asking now is, is the Government therefore using the Hilton to inject equity into the BTIC?

Hon. B. M. TAITT: I made the point, Sir, the decision about the Hilton goes back a long time ago and has no relation to the present state of the accounts. It had to do with the decision to vest the Hilton in the TIC back in 1986. It is simply argument and discussion among the legal people about title that has brought us to this day. If this had been done expeditiously in the way it should have been done this debate would have taken place back in 1987 or 1988. That is the only point in relation to what the Honourable Member is saying.

Mr. H. deB. FORDE: I understand the chronology of events. But, I am making a fundamental point which the Honourable Member is still not addressing. It is that if an asset is transferred into the ownership of the corporation, the corporation has something that is of value. I assume that there are no debts, no liens in relation to this land. I assume that the land has a valuation on the tax roll that the Government before taking this step to transfer the land has placed a value on the land. Two Ministers of Government have spoken and not one of them has revealed to this House what is the value of the land and what is the amount of capital that it will represent on the balance sheet of the Barbados Tourism Investment Corporation or whether it will be shown as a loan in BTIC's books.

That is the point which I am asking the Government to address. The issue is fundamental. Let us know how the transfer is going to affect the overall and long-term functioning of this corporation and what is the real

purpose behind this resolution. I find it difficult to believe that the Government is going to take the Hilton which must be valued at about \$30 million to \$50 million and transfer it to the BTIC for \$30 million or \$50 million of assets in order to show that the BTIC will be in a better position to borrow US\$2 million? Simply to put it in a position to borrow US\$2 million? That is financial foolishness on the part of the Government. I cannot understand when the Government has the legal mechanism under the Act or even outside of the Act by which it can give enough guarantees, enough collateral to borrow, that it can take \$50 million of the people's assets and put it in the BTIC out of the hands of the Government and the responsibility here in Parliament which we must have for the matter.

Hon. B. M. TAITT: On a point of order. The Honourable Member must be misleading the House when he talked about taking \$50 million out of the people's assets and putting it in the hands of the BTIC. The BTIC is a creature of the people so the Honourable Member cannot get up and say that.

Mr. H. deB. FORDE: The Honourable Member must be wasting his arguments. Sir, the present position is that the land cannot be sold before a Resolution comes before Parliament. It cannot be mortgaged without Parliament dealing with it. Now the Honourable Member is saying that we must sit down and agree to \$50 million of the people's assets being transferred to a corporation in which the people's representatives have less say about how it is managed and what happens.

Hon. B. M. TAITT: The BTIC was created by the Barbados Labour Party Government to put the people's assets - Heywoods, under the BTIC, the Heywoods. The Honourable Member will confirm that. I do not understand how the Honourable Member could be misleading the House giving the impression that we are doing something contrary and different. The BTIC was created precisely to look after, according to law, by the Barbados Labour Party Government, Heywoods and any future hotel that might come along.

Mr. H. deB. FORDE: I am not going to give way to the Honourable Member again for any such explanation because he is now trying to put his argument. The point is that the Honourable Member began by reading from the debate on the BTIC in 1979 and he made it clear that the then Deputy Prime Minister said that the sole reason why he was going for that form of entity was because the World Bank was requiring it.

Asides.

Mr. H. deB. FORDE: I am not giving away again. The Honourable Member has interrupted my speech on too many occasions. He must take a bit of the blows. He cannot break my thought, because I am going to be firm

and he cannot move me off the argument. The Honourable Member has to understand that here the Government has \$50 million of assets that are unencumbered other than for a lease for 10 years with the Hilton International. The Government's argument is that it needs to refurbish this hotel. I have seen from a perusal of the lease that the refurbishment cost is estimated at about US\$2.5 million. I have seen from the Schedule that the Government is taking over the sole responsibility for that refurbishment* cost.

Asides.

Mr. H. deB. FORDE: ... has taken over. Has it been refurbished already? Do you mean then that you went and borrowed the money and did not have the power? You can only spend money that you have, Sir.

Asides.

Mr. H. deB. FORDE: The problem appears to be that the Government of Barbados has not got the credibility to be able to borrow on its own the US\$2.5 million to pay the suppliers that have already given it materials to refurbish the Hilton.

If that is the real position, it really is a terrible criticism of the Government. The Government cannot borrow US\$2.5 million on its own to pay the people who have provided materials and labour used on the refurbishment. Obviously that is it, Sir. Therefore whatever bank or institution it is going to has said that it has to turn over \$50 million in assets to the Barbados Tourism Investment Corporation before it will lend US\$2.5 million.

Hon. B. M. TAITT: Sir, the Honourable Member is being a little bit reckless, I submit.

Mr. SPEAKER: No. I cannot take the Member being reckless.

Hon. B. M. TAITT: On a point of order, Sir. The Honourable Member cannot say that an institution requires \$50 million in assets in order to borrow \$2 million. We have explained and I am sure when the Minister winds up he will respond. We have explained in the speeches and the Honourable Member really has to be a little more careful in his language.

Mr. H. deB. FORDE: Sir, I do not know what point of order the Honourable Member is making.

Mr. SPEAKER: I do not think it is a point of order.

Mr. H. deB. FORDE: The Hilton is valued somewhere between \$30 million to \$50 million. The

Honourable Member has said that the purpose of making an asset of that value available to the BTIC is to enable it to borrow US\$2.5 million approximately to pay for the refurbishment cost of the Hilton.

Now, the Government owns an asset that is worth an unencumbered \$50 million or so. Why cannot the Government itself borrow the US\$2.5 million? Why cannot the Government itself give a guarantee for this? Why cannot the Government itself act as a surety for this? Therefore, it seems to me that the financial community has no confidence in the Government to lend it US\$2.5 million to meet the obligations that it has already incurred. 3.30 p.m.

Make no mistake about it, Sir. That obligation of US\$2.5 million could not have been incurred without the Government being aware that it was being so incurred. I really find it amazing that Parliamentary time and this device should be used in the manner in which it is being used.

Sir, the Government must explain to me whether under the new formula in the lease whether 75% of gross operating profits which it is getting is adjusted gross operating profits. It seems to me, from a quick read of the lease, although I do not have the former lease, that the Government has now allowed Hilton to write off first against the profits things that the Hilton could not have written off before.

Aside.

Mr. H. deB. FORDE: I have just been given the lease and I am reading it. It is writing off things that it could not write off before. The Government has assumed responsibility for full repairs, except for minor equipment and various things, without putting within the lease a provision that would enable it to recoup a significant proportion of that cost out of the gross operating profits. I have great difficulty with that.

I am sure this House will revert, when we have had further time to study this lease document, to the terms of the lease. If my interpretation of the lease, from the quick reading I have done is correct, then I am concerned about various provisions of this lease. I have expressed my concerns already in this debate about the fact that the reserve fund set aside out of profits of the severance payment which was £317 136.87 was allowed to be credited to the operation in 1992 and was to be distributed as part of profit. I believe that some mechanism should have been found to carry forward the reserve funds and to ensure that since the Severance Payment Fund had been established against a background of a certain level of benefits payable to the workers, those workers at the time

who had been under a different formula for severance, that money would have been available to maintain their full entitlement should they be severed later. That provision also concerns me.

I notice in the side letter that whereas the Government assured the Hilton that it had no other claim against the Hilton in respect of its operation under the former lease, there was no reciprocity in a similar undertaking from the Hilton releasing the Government of any claims in respect of the former lease. I would wish to suggest to the Government that in future when it is dealing with leases of this nature and at this level, the lease be made available as a matter of course to this House in order that the House can pass its judgment on whether or not it believes that the arrangement is a proper one.

I find the necessity for the legislation has not been justified by anything that the Minister has said. I find there has been a shortage of intellectual analysis of the whole situation. I believe the Government has paid no proper regard or attention to the financial implications or have looked at this matter in the context of the existing legislation it has before it. I believe that the Government has not given us all a full picture of the plans it has in mind in relation to keeping this and other properties within the ownership of the people of Barbados.

Hon. D. J. H. THOMPSON: Mr. Speaker, I will be very brief in giving my support to this Resolution and seeking to clarify some of the points that have been made by 3 speakers in relation to the manner in which assets had been chosen by Government for divestment. In one point, Sir, you sought to guide the discussion away from this issue but enough has been said in this particular debate to warrant some clarification.

The first point that should be made is that no decision has been taken by the Government in relation to the disposal of the Hilton Hotel. In fact, any decision to which I have been party so far had been decisions which opposed the disposal of the Hilton Hotel. Contrary to the impression that has been given it is not true to say that Government's privatisation programme has come to an end, or will come to an end in June. The programme is an on-going one the objective of which is to put assets wherever possible in the hands of Barbadians, particularly Barbadian workers, and in the hands of a wider cross-section of Barbadians. In that regard I would support any policy which seeks to make assets like the Hilton Hotel available to a wide cross-section of Barbadians. However, no decision has been taken by this Government about the disposal of the Hilton Hotel.

It seems equally strange that the Honourable Member for Christ Church West would seek to say that the Government has craftily, or carefully, I do not know which approach he wishes to use, singled out assets which

were either established or acquired by the Barbados Labour Party for privatisation. The Pine Hill Dairy, the Arawak Cement Plant which, as I understand it, is a project the conception of which predates the Barbados Labour Party, Heywoods Hotel, again a project the conception of which predates the Barbados Labour Party, the Barbados National Oil Company, NPC which are re-configurations of corporations, the Natural Gas Corporation which were private entities before and which were purchased by the Government which, it is true, were under the Barbados Labour Party. But there can be no accusation that there has been any attempt to single out assets which the -Barbados Labour Party acquired. Many of these assets have a long history. Some have a history of being in the private sector before and then subsequently in the public sector so it is a nonsensical comment and certainly not one which this Parliament should accept as being within reason.

The Government set out in a statement to Parliament some time ago in November, 1992, the objectives of its privatisation programme. Assets are obviously being carefully chosen for privatisation. 3.40 p.m.

I did not know that there was any debate on the desirability of privatising Heywoods. Once again I am shocked that any question is arising about the issue of the desirability of privatising Heywoods assuming you get a price that is satisfactory for it. I do not know now if an attempt is being made in the course of this debate to question the choice of Heywoods as an asset for privatisation, but I am assuming that that is the nature of the contributions which have been made by the Honourable Member for Christ Church West and the Honourable Member for St. Peter.

The last point I want to make, Mr. Speaker, with only the benefit of this debate and the comments which have been made by the Minister of Housing and Lands, is that there is absolutely nothing wrong with Government configuring its investments in such a way as to have maximum leverage. That is, in my view, the best way to allocate and utilize your resources.

One of the deficiencies of the Barbados Tourism Investment Corporation Act is that it is an Act that was passed without giving the Minister power to give policy directives to the Barbados Tourism Investment Corporation. Even though the Minister must give his permission to the investments which the Corporation makes and to the disposal of assets, there is no provision in that Act, for the Minister to give policy directives to the Board of the Barbados Tourism Investment Corporation, in relation to its investments.

It is clear that the comment that was made by the Honourable Member for St. Michael West, at the beginning, that the scope of the Barbados Tourism

Investment Corporation at the time when it was established was obviously very narrow. It was not contemplated, at that time, that this entity would be a large property owner or a large investing Corporation in the tourism sector. Therefore it seems irrelevant, to me, to have a nitpicking argument in this Chamber over the equity contribution and over the level of debt of the Barbados Tourism Investment Corporation and so on.

I do not think anybody should, at this time, if they appreciated the history of the establishment of the BTIC as the Honourable Member for St. Michael West set out and which has not been controverted in any of the contributions of Members of the Opposition, that there is this entity out there which is into investments and trading people's property and selling assets and purchasing land and this kind of thing on a daily basis. That is not what the BTIC is doing now and that is not the role that was contemplated for it at the time when it was established. This debate in my view has in that sense - if one is looking at this great contribution from the BTIC in terms of investment - been a waste of valuable intellectual energy and particularly the energy of the Honourable Member for Christ Church West which could probably be saved for better pursuits both in and out of this Chamber, Mr. Speaker.

But the reason why it should be given an asset like that is as I said, so that the Government can get maximum leverage out of the assets that it owns. That is a perfectly legitimate, financial decision, a wise economic decision and a decision which promotes efficiency, the proper allocations of resources, those are all positive reasons. There is no reason for anybody to get up and ask, "Why transfer an asset from the Crown to a statutory corporation which is involved in investments in the tourism sector?" If the Government decides that that is the best way to deploy resources that it owns then I will give my support to it. That is the basis on which the decision is made.

If an investor says that he wishes a \$50 million asset as security for a \$2 million loan well then that is something that the technical advisers, the legal people and the persons who are paid to do that job analyse those investments and advise whoever they are to advise. That is their problem and a matter that they are to deal with. But the Government...

Asides.

Hon. D. J. H. THOMPSON: Well if that is what you wanted you would have put that in the Barbados Tourism Investment Corporation Act. You would have given the Minister power, under the Act to direct the Board to do certain things. But that power does not exist now. Do not pretend now that you are perceiving that the Barbados Tourism Investment Corporation is to have powers that

you did not give it. This is the only point that I am trying to make that the debate therefore is a specious exercise which is an intellectual waste of time.

If you want to deal with privatisation, there is a Private Members' resolution and you may tear the coat off the Government's back in relation to privatisation, at that time, and we will respond on those issues. But do not try to find these nitpicking ways of raising issues which are irrelevant, in my view, to the matter which is before us. This is a very simple matter, Mr. Speaker. A very, very simple matter. It is straightforward. The Barbados Hilton is not being sold, the public is not losing its rights of way to anything or its rights over anything. We still own the property. After this we will still own it. It will still have the same value. The people of Barbados will still have the asset and therefore, in my view, there is no basis for the unfounded criticisms which have come from Members of the Opposition.

With those few words, Mr. Speaker, I will be giving my wholehearted support to this particular resolution.

Thank you, Sir.

Hon. E. E. GREAVES: Mr. Speaker, it befalls me to wind up the debate. Indeed, when the matter was introduced earlier today, I thought that it would have been a simple debate on a resolution which seeks to vest land on which the Hilton Hotel is built, in the Barbados Tourism Investment Corporation. You would recall, Sir, that some time previous to today in a debate I made a promise to the Honourable Member for Christ Church South that, at the first opportunity, this Government would lay on the Table of Parliament a copy of the lease between the Barbados Government and the Hilton International. I sought therefore to do that today at what I considered to be the most convenient opportunity. Yet Honourable Members complained about the fact that I laid the lease today.

Secondly, I also took the opportunity - I did not do it at the beginning and I recognize that it was an error because normally one would make the plots available - to make the plot available to Honourable Members so that they could see the outline very clearly, provided that they can read the plot. I do not want to say this in any way of trying to belittle Honourable Members but sometimes people call for plots and they do not even know the south from the west on the plot. Making a plot available to Honourable Members really makes little or no difference.

The fact of the matter is that the plot is available to Honourable Members. I could not have made the plot available to Honourable Members yesterday. I could only have, Sir, as the custom, made the plot available today. If I had made it at the beginning of the debate when the Honourable Member had gotten up, it would not have made any difference. He would have said the same thing.

Certain remarks made by the Hon. E. E. GREAVES were ordered by Mr. SPEAKER, to be expunged from the record. 3.50 p.m.

Now, Sir, it is very clear. I would ask, Sir, that the comment be withdrawn. I want, Sir, to draw Honourable Members' attention to the Resolution which is very clear about the whole question of access and that is why it bothers me, to think that this whole question of access could be so misunderstood and therefore misrepresented in the manner 'that it was dealt with in here today. If one would look at the Resolution and I think it is important that this be done, the Resolution is a Resolution which seeks to vest parcels of land, situate at Graves End in the parish of St. Michael, subject to the terms and conditions set out in the Third Schedule in the Barbados Tourism Investment Corporation.

I assume, Sir, that when papers are circulated, Honourable Members would take the time to read the contents of the Resolution and not just try to develop a debate on what they believe is contained or not contained in the Resolution. The Third Schedule sets out very clearly what the exceptions are, subject to the terms and conditions in the Third Schedule. Let me read the Third Schedule for the benefit of Honourable Members and also for the record of the House and indeed to ensure that this is put in the proper perspective: The land described in the First and Second Schedules are to be vested in the Barbados Tourism Investment Corporation subject to

(1) an existing easement in favour of Mobil Oil Company Limited, its successors and assigns over a portion of land 12.19 metres wide under which a pipe line runs as is more particularly delineated and shown on a plan certified on the 30th day of October 1990 by Andrew P. Weekes, Land Surveyor and recorded on the 16th day of November 1990 as Plan No. 1232/90, and

(2) reservation of the following easements, more particularly delineated and shown on a plan certified on the 30th day of October, 1990 by Andrew P. Weekes, Land Surveyor, and recorded in the Lands and Surveys Department on the 16th day of November 1990 as Plan No. 1232/90, that is to say,

(a) A right in favour of the Crown over the main road leading to the Hilton Hotel through a car park and over a right of way 4.22 metres wide between points D and E, more particularly shown on the aforesaid plan for the purpose of gaining vehicular access to a jetty owned by the Crown.

(b) A right of way in favour of the Crown over a road which leads to the military cemetery and over a right of way between points A and B

more particularly shown on the aforesaid plan for the purpose of gaining access to lands of the Crown adjacent to the sea.

Sir, nothing, absolutely nothing has changed in respect of access to the beach and to the lands owned by the Crown in the area of Graves End. Absolutely nothing has changed. So that the impression which I got in listening to Honourable Members who intervened and spoke to this matter, would suggest to me that Honourable Members did not take the time to read this and so I thought it was necessary for me to do this.

This is all set out here very clearly. The Honourable Member for St. Joseph asked a number of questions in respect of the lease and I know that you, Mr. Speaker, have given and certainly give certain latitude to Honourable Members and I have no reason to question your good nature in this particular regard. But I just want to indicate that the lease was made available to Honourable Members today and this is the first time I believe that a lease has been laid on the Table of Parliament and if Honourable Members now want to debate that, that is a matter which they are free to do and they can do so at the appropriate time. It is now in the public domain and the whole question therefore of the lease in my view, does not necessarily come with the presentation of vesting land in the BITC but as the Honourable Member raised the question in respect of the lease, I think I should respond because again, one would not want the impression to be conveyed to the public of Barbados that the Barbados Government through the BIDC went and negotiated a lease and allowed the Hilton Hotel negotiators to run all over them.

The main features of the agreement basically are as follows: The agreement is for a period of 10 years and this commenced on June 1, 1992. There is a performance clause 8.13(b) which commits Hilton International company to provide the Government of Barbados with an average annual rent of \$2 million Barbados Currency over the first three years of the agreement. If this level of rent is not achieved after the first three year period the parties will review the situation and discuss the way forward. However, after the first five years and the average level has not been achieved then both parties have the right to terminate the agreement.

The share of gross operating profit is 75% to the Government and 25% to the Hilton - Clause 4(1). This is in contrast to the old agreement where the gross operating profit would split $62\frac{2}{3}\%$ to the Government and $33\frac{1}{3}\%$ to the Hilton.

Hilton International will accept all losses. Clause 4(2)(b) and also provide all working capital - Clause 6(9).

Payment of the rental income to the Government will be on a monthly basis, Clause 4(1) and not half yearly as

under the original lease, except for the month of January in each fiscal year when the amount of rental income will take into account the performance of the preceding year.

Group service charges under which the old lease range between 3 and 8% and which fluctuated within wide margins are fixed at a rate of 3.5% of total revenue but subject to a maximum of US\$425 000 and a minimum of US\$325 000 in each fiscal year - Clause 5 (1)(d). -

Funds for replacement of and addition to fixtures, furnishings and equipment, are fixed and charged in each fiscal year against gross operating profits as follows in respect of the fiscal year ending December 31, 1992.

- (a) for the period January 1, 1992 to May 30, 1992, the amount charged under the original agreement which was extended on December 31, 1991, and
- (b) for the period June 1, 1992 to December 31, 1992 at a rate of 2.5% of revenue for the fiscal year ending December 31, 1992 reduced pro ratio.

2.5% of the total revenues for the years 1993 to 1995 or 3.5% of total revenue for the years 1996 to 1998 of 4% of the total revenue for the years 1999 to 2002. Basically these are some of the major changes and highlights in the agreement. What I am saying, Sir, that Honourable Members have the right, if they want, to have access to the lease agreement between the Barbados Government and the Hilton and they are free to do whatever they want to do with it. 4.00 p.m.

Previously Honourable Members used to say that they never saw the lease and they do not know what is in the lease. All of that kind of nonsense one used to hear. Now the lease is before Honourable Members and it is crystal clear. The Government of Barbados has nothing to hide and it is an open book. Therefore, Honourable Members are free to discuss whatever they want. I just want to make sure that whenever a discussion takes place it takes place in a situation where information is made available to everybody.

Sir, I would not want to go over the points which have been made by the Honourable Member for St. Michael West and the Honourable Member for St. John in respect of the way in which this particular lease is being treated. It is very clear that the Government of Barbados has taken a decision to vest the lands of the Hilton in the Barbados Tourism Investment Corporation. That is a policy decision. When the Honourable Members were in control of the Government, they set up the Barbados Tourism Investment Corporation and vested Heywoods in the Barbados Tourism Investment Corporation. This Administration felt that we should vest the Hilton in

the Barbados Tourism Investment Corporation. That is a policy decision. What is the quarrel all about? I find it very difficult to understand why one would want to raise such a big question on this vesting.

Sir, again the impression which I got from sitting over here and listening to some of the Honourable Members on the other side was that the Barbados Tourism Investment Corporation was some private sector organisation. I wonder if some Honourable Members thought that this was some private sector organisation to which the Government of Barbados is giving away the people's lands and heritage. The fact of the matter is that the BTIC is a Government corporation. In the same way that the Government will vest lands in the IDC or the National Housing Corporation or any other statutory corporation from time to time, this is just another such case. So that I do not understand the point which the Honourable Members are making.

Now on the question of privatisation which was raised by the Honourable Member for St. Michael Central, I think that this has been answered very clearly by the Honourable Member for St. John. Therefore, I do not think that it is necessary to further expand on that.

Sir, basically this Resolution seeks to vest the lands described in the Gravesend area in the Barbados Tourism Investment Corporation. With these closing remarks, I beg to move that this Resolution do now pass.

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

*** ORDER NO. 9 - TO MOVE THE PASSING OF A
RESOLUTION TO APPROVE THE COMPUL-
SORY ACQUISITION OF LAND AT HORSE
HILL, SAINT JOSEPH FOR ROAD
IMPROVEMENT**

Hon. E. E. GREAVES: Sir, you will recall that the Government took a decision to improve Horse Hill. In order to do that, a number of areas of land had to be acquired. This Resolution sets out the areas of land which are going to be acquired for the purpose of finalizing the work.

Sir, I think that Honourable Members who pass through Horse Hill, as I have had to do on several occasions within recent weeks, would marvel at the very important work which has been done in trying to upgrade that particular area. I recall an experience which I had in Horse Hill many years ago. I knew where I was going but I was fairly late and the road was wet and I almost got into a serious accident at the top of Horse Hill as I was about to descend. The car almost turned over. But now I am satisfied that a tremendous improvement has been made in

terms of the height of the hill, its grading and its width, and the general features surrounding that. I am sure that Honourable Members when they speak will commend this Administration for having the foresight and the commitment to the constituency of St. Joseph to ensure that that particular problem which offended many people in St. Joseph and St. Andrew for many years has been resolved by the very important and forward looking improvements which have been made in this area.

With those introductory remarks, I beg to move that the Resolution to seek the compulsory acquisition of lands by the Crown described in the Schedules attached to the Resolution do now pass.

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

Dr. R. L. CHELTENHAM: Sir, just to say that this Resolution compulsorily acquiring a small portion of land in the Horse Hill area only addresses one mischief which the people of St. Joseph have been suffering over many years. There is another mischief which needs a further acquisition of land in that area. It has to do with the fact that there is a great demand for house spots in that part of the parish. We will need the Honourable Minister to continue the search which he has started in order to find some house spots in the eastern part of St. Joseph. That is another mischief. There is the need for house spots which I hope that he will address soon by way of a further acquisition.

The question that the Resolution do now pass was put and resolved in the affirmative without division. 4.10 p.m.

QUESTION TIME Mr.

SPEAKER: Question No. 23.

Mr. L. L. BRATHWATTE: Mr. Speaker, Question No. 23 reads as follows:

'To ask the Minister of Housing, Lands, Community Development and Culture:

1. Is the Minister aware that there is presently no restriction on the acquisition of real estate by aliens?
2. Would the Minister (a) state the policy of Government in relation to landholdings by aliens, and (b) consider the initiation by Government through legislation of comprehensive principles regulating and controlling the acquisition by aliens of real estate in Barbados?"

Hon. E. E. GREAVES: Mr. Speaker, the reply to Parliamentary Question No. 23 reads as follows:

"(a) Non-nationals seeking to hold land in Barbados are required to apply for and receive permission from the Central Bank.

(b) It is not proposed to change the existing policy."

Mr. SPEAKER: Question No. 68. The Honourable Member for St. Peter.

Mr. O. S. ARTHUR: Question No. 68 reads as follows:

To ask the Minister of Housing, Lands, Community Development and Culture:

1. Is the Minister aware that part of the housing development of the National Housing Corporation at Maynards, St. Peter has not been serviced with roadways?
2. Will the Minister please state what measures his Ministry proposes to put in place to rectify that situation?¹¹

Hon. E. E. GREAVES: The reply is as follows: "(a)

Yes.

(b) This housing settlement is the result of an unauthorised and unplanned development. The National Housing Corporation has been examining the feasibility of laying roadways. This project may require some relocation of structures but given the circumstances which gave rise to this problem, it is not considered that the cost of the relocation should be borne by the National Housing Corporation or the Ministry of Housing, Lands, Community Development and Culture. Planning approval will be necessary before the works can be effected.¹¹

Mr. O. S. ARTHUR: A supplementary question, Sir. Is the Minister implying that there will be a forced relocation of residents at Maynards, St. Peter, the cost of which is to be borne by the residents of Maynards, St. Peter?

Hon. E. E. GREAVES: What I am saying, Mr. Speaker, is that the former representative for St. Peter illegally and unlawfully one Sunday morning went to Maynards in St. Peter and measured out house spots for people and gave them to them without the authority of the Government, the National Housing Corporation or any

agency which had control of the land. The fact of the matter is that now that the roads have been laid out those houses are in the middle of the roadway. The land now has to be resurveyed and a whole set of development would have to be undertaken. This will incur considerable cost to the Government and people of Barbados.

I would like to be able to be of assistance to the Honourable Member for St. Peter because I know a number of the people who have suffered this embarrassment and who therefore are now faced with the situation which may cause them to be relocated and they will have some difficulty. But, in any relocation exercise, we will have to identify some land in the area. We have been looking at some land across the road east of the housing development and that will be one consideration. But for us to put roads in the section of Maynards identified in this question some of the houses which are placed in the area where the road should go would create some difficulty. I would say that this is not the only place this has happened. This has happened in Parish Land in Christ Church and some other areas.

I would hope that Honourable Members would raise something about Parish Land.

Hon. H. B. St. JOHN: Supplementary Question No. 1, Sir. Will the Honourable Minister of Housing agree that this development took place in similar circumstances to the one that took place at the Belle within the last 5 years?

Hon. E. E. GREAVES: Mr. Speaker, it would seem to me that there are some Honourable Members where once they get elected to Parliament feel that they have a right to go into constituencies where the Government owns land and use their authority or influence to mislead the people into believing that they have a right to relocate them where they want.

Mr. SPEAKER: Order, please.

Mr. O. S. ARTHUR: A supplementary, Sir. Mr. Speaker, despite the fact that the Minister regards the tenants as illegal, has the National Housing Corporation collected rents from such tenants and what is the amount of rents that have been collected from the tenants? To what alternative purpose will the land presently occupied...

Mr. SPEAKER: I think that is introducing something new.

Mr. O. S. ARTHUR: He is going to answer his own question.

Mr. SPEAKER: That will have to come in a separate question.

Mr. O. S. ARTHUR: Mr. Speaker, do you wish me to rephrase the question?

Mr. SPEAKER: The question itself was not a fair supplementary question but I will allow it on this occasion because I believe that there may be some merit in it.

Hon. E. E. GREAVES: Mr. Speaker, I am in no position to provide the information which the Honourable Member is requesting.

Mr. H. deB. FORDE: Will the Minister agree that if on the assumption that the National Housing Corporation has taken rent from those tenants that those tenants are not in an unlawful or an illegal position?

Asides.

Mr. SPEAKER: I suppose Members may want to ask other questions but I must be firm on this. This last question was not a fair supplementary and I am not going to allow it.

Mr. H. deB. FORDE: I will put it simply, Sir. Can the Minister state whether rents are being paid for the land by any tenant?

Hon. E. E. GREAVES: Mr. Speaker, the answer to that is no.

Mr. SPEAKER: Any other supplementaries?

Mr. O. S. ARTHUR: Mr. Speaker, in view of the number of persons who now presently occupy lots in the scheme, could Government give the assurance that what has evolved as a community will retain its character as a community in any effort by Government to relocate?

Hon. E. E. GREAVES: Yes. I would want to give the Honourable Member the assurance that as long as I am Minister responsible for Housing, Lands and Community Development that in spite of any illegality that might exist, wheresoever such developments have taken place I will try to ensure that the communities remain as closely knit as possible. The problem of course as the Honourable Member for St. Peter must know is that there is a shortage of areas in St. Peter where house spots can be developed. In that central St. Peter area there is a lot of problems with zone 1. The choices are very few and indeed the area - around which this development has taken place is about one of the 2 areas in that central St. Peter area which is available. Indeed, if the National Housing Corporation develops land on the other side of the road this will not be a dislocation of people in that community because it is still in the general community.

Mr. H. deB. FORDE: I gather from the Minister's statement that area where these houses are is suitable for

housing. In the light of that, Sir, will the Minister state why is there the necessity to move the tenants from that area?

Hon. E. E. GREAVES: Mr. Speaker, I think the point has to be repeated that the laws of Barbados must be complied with. That is the first thing. 4.20 p.m.

What I have indicated is, if the Honourable Member for Christ Church West knows the area well, then I believe he would recognise that the general area has a main road going through it, Maynard's Road, from up by the gas station going back down to Six Men's. If you are taking a westerly direction the development is on the left hand side. In order to correct this particular illegality which was committed some time in the 1980s and people have to be moved, people would not be sent to Black Bess or Boscobel, if that is the fear of the Honourable Member. It would probably be across the road which, generally speaking, would be in the same community. Just a road would be dividing the area. Whenever anything is done it will be done in that way. As I said, we have to be very clear about what we are doing and really indicate that people who do not have authority to give land to people and give them permission to go and set up their houses, should be condemned. I certainly will not be condoning that kind of behaviour from any Honourable Member.

Mr. SPEAKER: Question No. 78.

QUESTION NO. 78 RE CONDITIONS AT ST. MATTHEW'S PRIMARY SCHOOL

Mr. L. L. BRATHWAITE: To ask the Minister of Education:-

"1. Is the Minister aware of the deplorable physical conditions obtaining at the St. Matthew's School in Jackmans, St. Michael and f\at those conditions are injurious to the health and general well-being of the staff and pupils?

2. Would the Minister -

- (a) consider the following suggestions as" being progressive in the light of Government's immediate inability to relocate the institution, and
- (b) give immediate attention to their implementation:
 - (i) the repair of windows, sanitising of premises, with special emphasis on lavatory facilities, maintenance of proper janitorial services to

the build-up of dust that is evident whenever visits are made to the institution; and

- (ii) with the assistance of the Ministry of Public Works, Communications and Transportation and the Ministry of Labour, Consumer Affairs and the Environment, to lay the basis for a well-defined playing area for students, by clearing the premises of undesirable trees and bush which only presently maintain the threat to the safety of the staff and pupils alike, thereby also providing the impetus for the development of a gardening project for the school especially the Composite Section of the institution?"

Hon. C. V. WALKER: Mr. Speaker, the answer to Question No. 78 is as follows:-

- "(a) Consideration has been given to the suggestions and they have been found to be reasonable.
- (b) (i) The Ministry plans in the new financial year to carry out general repairs to upgrade the lavatory facilities at the St. Matthew's Primary School.
- (ii) The Ministry of Public Works, Communications and Transportation has already cleared the premises of undesirable trees and bush. There is now ample space for a gardening project. The full area of land allocated to the school will be determined with the help of the relevant Government Departments before a playing area is defined."

Miss B. A. MILLER: Supplementary, Sir. Will the Minister state whether the St. Matthew's School is part of the Third World Bank Rebuilding Project and if not, why not?

Hon. C. V. WALKER: Sir, the school is not part of the revised Third World Bank Project because the Project has been scaled down.

Miss B. A. MILLER: Another supplementary, Sir. In this context what does "scaled down" mean?

Hon. C. V. WALKER: Mr. Speaker, "scaled down" means if you were talking about 8 now you are talking about 4.

Miss. B. M. MILLER: Please state which 4 schools are in the Third World Bank Project.

Mr. SPEAKER: I am not going to accept that. That is now a new question in relation to the question that has been asked.

Any other supplementaries? We shall then go on to Question No. 77.

QUESTION NO. 77 RE SUPPLY OF SUGAR TO BARBADOS

Mr. R. C. EASTMOND: Mr. Speaker, to ask the Minister of Agriculture, Food and Fisheries: "Will the Minister state the following in respect of the supply of sugar to Barbados during 1992:

- (1) the terms prescribed in the invitation to tender published by the Barbados Marketing Corporation with respect to:
 - (a) origin;
 - (b) quality;
 - (c) quantities;
 - (d) packaging;
 - (e) times of shipment; and
 - (f) terms of payment;
- (2) the persons and/or business invited to tender;
- (3) the amount of sugar for which the price of \$10 116 074.47 was realised to December, 1992;
- (4) the amount of that sugar
 - (a) remaining in stock at the end of December, 1992;
 - (b) declared unfit for human consumption and dumped before entry to the Port of Bridgetown;
 - (c) declared unfit for human consumption and dumped after in-bond storage; and
 - (d) sold for any purpose after having been condemned as unfit for human consumption;
- (5) the items, and the sums expended per item, in the total expenses of the Barbados Marketing Corporation of \$7 103 018.21;

- (6) the amount of sugar involved in the payments to P.S. International of \$4 853 581.90 and to Sea Freight Agencies of \$1 525 398.47;
- (7) the amounts disbursed for
- (a) sea freight;
 - (b) handling charges in the Port of Bridgetown or otherwise;
 - (c) ground transportation for in-bond* storage at the former Barbados Industrial Development Corporation's (BIDC) bond in St. Philip and otherwise;
 - (d) the rate per tonne paid to BIDC amounting to \$41 056.40;
 - (e) the rate per tonne for wages and salaries in the sum of \$73 557.10; and
 - (f) the number and categories of persons employed at the said bond in connection with the sugar shipments?"

Hon. W. O. FRANKLIN: Mr. Speaker, the reply to Parliamentary Question No. 77 is as follows:-

- "(1) (a) Origin of the sugar was not initially specified in the tender document.
- (b) Specifications in respect of quality were obtained from the Barbados Sugar Industries Ltd. as follows:

STRAW SUGAR

Polarisation	Not less than 99.5°
Moisture	Not greater than 0.2
Insolubles	Not greater than 25 mg/100g
Colour	Not greater than 1000 IU

REGULAR SUGAR

Polarisation	Not less than 98°
Dilution indicator	Not greater than 0.2
Insolubles	Not greater than 25 mg/100g
Colour	Not greater than 200 IU

- (c) 10 000 metric tonnes broken down as follows:
- 6 700 tonnes regular sugar (dark brown)
- 3 300 tonnes straw sugar (light brown)

- (d) 50 kg polypropylene bags with polyliner.
- (e) One shipment each month.
- (f) Due 15 days from the date of arrival of the sugar but may be paid within 90 days. However, interest at 12% per annum is charged for debts outstanding beyond this period.

(2) Companies invited to tender were:

P.S. International, U.S.A. Transindies,
 U.S.A. Sheppard International, U.S.A.
 Belize Sugar Industries Ltd., Belize
 Tower Hill Merchants Ltd., London, U.K.
 ED & F MAN, London, U.K.

(3) 128 343 bags or 6 417.15 metric tonnes.

(4) (a) 30 535 bags or 1 526.75 metric tonnes.

- (b) The Minister is not aware of any sugar condemned as unfit for human consumption and dumped before entry into the Port of Bridgetown.
- (c) 1 250 bags from the Barbados Marketing Corporation's Bond, St. Philip.
- (d) 2 192 bags or 190 metric tonnes.

(5) PAYMENTS	\$ 73 557.10
Salaries and Wages	
Furniture Equipment	739.30
Stationery	2.32
Sugar Bond Package (Material)	2 131.69
Sanitation Telephone	1 166.47
	4 853 581.90
IDC (Rental of Sugar Bond)	41 056.40
P.S. International (Supplier)	

Sea Freight Agencies (Freight)	1 525 398.47
Maynard's Transport (Rental of Forklift)	38631.75 /
Ministry of Finance	500 000.00
Legal Fees	35 000.00
Elco Rentals	930.00
Oran Ltd.	257.46
West End Metal Works (Burglar Bars)	3 500.00
Sugar Technology Research Unit	200.00
Insurance Corporation of B'dos	11012.50
KTNK Trace Corp. (Pallets)	14 494.99
DaCostas Ltd. (Sugar Bags)	875.00
Bank Charges	
	<u>67 194.27</u> 7 170 212.48 3
	445 861.59 -s
	<u>67 194.27</u> \$7 103
	<u>018.21</u>

(6) Raw Sugar - 7 935.36 metric tonnes at US\$300.00.

(7) (a), (b), (c): These charges were the responsibility of Sea Freight Ltd.

(d) \$6.24

(e) \$10.32

(f) One (1) Supervisor

Two (2) Clerks

Four (4) Porters (regular)

Minimum of four additional porters employed for a minimum of two weeks each month.¹¹ 4.30 p.m.

Mr. SPEAKER: Supplementary.

Hon. H. B. St. JOHN: Yes, Sir, supplementary. In respect of 7 (a) the amounts disbursed for Air Sea Freight handling charges in the Port of Bridgetown or otherwise and ground transportation for in-bond storage at the former Barbados Industrial Development Corporation. Will the Minister state how much, in fact, Sea Freight Ltd. received in respect of each and every one of those 3 items? That was the question.

Hon. W. O. FRANKLIN: The Minister is not in a position to respond, at this time.

Miss B. A. MILLER: Will the Minister please state to whom legal fees were paid?

Hon. W. O. FRANKLIN: Mr. Speaker, again this Minister is not in a position to say that, at the moment.

Miss B. A. MILLER: Will the Minister please state what the \$14 494.99 paid to KTNK was paid for?

Hon. W. O. FRANKLIN: Yes. These were for palettes.

Miss B. A. MILLER: Will the Minister please state why the Government continues to do business with P.S. International? Twenty-five thousand tonnes of refined granulated sugar were landed in Barbados week before last allegedly for the sweet drink and the candy manufacturers. Why?

Mr. SPEAKER: Could you repeat your question?

Miss B. A. MILLER: Yes, Sir. In the month of March, the Minister of Agriculture said the Government would cease to buy sugar from Guatemala. Week before last, 25 000 tonnes of refined granulated sugar were landed in Barbados and the question is why is the Government continuing to do business with P. S. International?

Mr. SPEAKER: I will not allow that question for 2 reasons. (1) the question was placed long before - the second question you are asking - which would suggest to me there would be a need for a question itself to be put in.

When this question was given that was not relevant to the matter. The Minister needs not be in a position to reply to that.

Mr. H. deB. FORDE: Supplementary, Sir. The Minister has stated that \$1 525 398.47 was paid to Sea Freight Agencies. Will the Minister state whether Sea Freight Agencies submitted a bill and, if so, what were the items in that account?

Hon. W. O. FRANKLIN: Mr. Speaker, Sir, I am not in a position to give that reply.

Mr. H. deB. FORDE: Supplementary, Sir, in view of the fact that the Minister, at the moment, is not in a position to give us items that constitute that account, would the Minister give the House the assurance that the information would be provided as soon as it becomes available to the Ministry?

Mr. SPEAKER: I think we "are going in a very strange direction here, we are just asking questions to get information. If the information is not available then the Minister will not be at fault for that.

What is necessary as a follow-up to a question - I have listened to some of them and they are new questions. Therefore if they are new questions in relation to the original question then the Minister must be given the benefit, as the Honourable Member has asked, either assurance or a question itself.

But the Minister ought not to be held responsible for questions that are not always relevant and germane to the question.

Miss B. A. MILLER: Supplementary, Sir. Will the Government please say what the Government is doing about Barbados doing its own domestic supply of sugar?

Mr. SPEAKER: I am the person responsible for allowing questions and I have to be very careful that the questions are kept within the confines of the Rules.

The Minister is not in a position for any and every question, according to the Rules. The Rules say the questions must be relevant to the question that has been raised. Therefore if new questions arise, then those questions must come in the form of a new question.

Miss B. A. MILLER: With respect, Sir, the Acting Minister has not been able to answer any question. It is not fair to Members that the Acting Minister should bring this answer to the House at a time when he knows he is not in a position to answer questions. It is not fair to us.

Asides.

Mr. SPEAKER: Would the Honourable Member please take her seat. I would not have that kind of comment made on Ministers who answer questions. The Minister is acting in that capacity and moreso why it would be unreasonable to subject the Honourable Member to that kind of question.

Mr. H. deB. FORDE: On a point of privilege, Sir, I need your guidance. I understand, Sir, that questions were directed to the substantive Minister who is out of the country. There is an Acting Minister who I am now told is not the Minister who answered the questions. Whilst we are

grateful to him for answering the questions, it does seem to me that if parliamentary questioning is to have any meaning that, in those circumstances, the Government should have disclosed to us that the substantive Minister is not here so that the questions which, obviously will come up in the supplementary course of events, could be directed to a Minister who would have the knowledge and information. That is but fair to the Opposition.

Hon. B. M. TAITT: On a point of privilege, Mr. Speaker.

Asides.

Mr. SPEAKER: Order, please, order, please. I think I understand clearly what is being said. But our problem lies with our Standing Orders, as they are. For any new development to take place, that Standing Order would have to be changed or adjusted to suit the needs.

But the Honourable Minister did what I considered and I accepted to be fair and reasonable. Since he said he could not give the answer and the Honourable Member accepted the fact that he was acting in that capacity then there was nothing unreasonable or unfair about the Minister's reply.

Hon. B. M. TAITT: On a point of privilege, Sir. When the Honourable Member spoke on a point of privilege he said that the Honourable Member on this side ought to have done something. I think it is unfair for any Honourable Member...

Asides,

Mr. SPEAKER: Order, please. Can I hear the Honourable Member for St. Michael West. Make the point.

Hon. B. M. TAITT: I am making the point, Sir, that the Honourable Member suggested that we ought to be able to anticipate what supplementary questions are going to be asked. I think that is unfair. The Honourable Member said that we ought to have given them information in the light of what supplementary questions were likely to be asked. That cannot be fair to Honourable Members on this side. We have tried to answer the questions as quickly as possible. And then the Honourable Member is suggesting that the Government is hiding from something.

Asides.

Mr. SPEAKER: Order, please. Order. I have said already what the Rules relating to our supplementary questions require. I have already said that there is nothing that I can do or any Honourable Member can do if a Minister is not equipped with answers for any questions. The Minister eventually said that he could not give

the answer at the time but that he would probably make the answer available. I do not think you can go beyond that in these Rules. You cannot go beyond that.

Hon. W. O. FRANKLIN: May I assist the House?

/

Mr. SPEAKER: What is the Honourable Minister rising on now?

Hon. W. O. FRANKLIN: I am just rising on the amount under Sea Freight Agencies which is for freight. Just let me repeat that amount \$1 525 398.47 and in brackets is marked "Freight". 4.40 p.m.

Mr. O. S. ARTHUR: Mr. Speaker, will the Minister please...

Mr. SPEAKER: I cannot hear the Honourable Member for St. Peter. He is on a supplementary question.

Mr. O. S. ARTHUR: Mr. Speaker, could the Minister kindly give the details of the bids which were not accepted by the Government in favour of its acceptance of the bids by P.S. International?

Hon. W. O. FRANKLIN: I am not in a position to give the bids. I can give the companies invited to tender.

Hon. H. E. St. JOHN: In respect of the amount paid to Sea Freight Agencies Limited, will the Minister state what is the rate per tonne that was paid?

Asides.

Hon. H. B. St. JOHN: Yes, ask him that. Tell me what is the rate per tonne.

Mr. SPEAKER: The Honourable Member seems not to be able to answer the questions.

Mr. O. S. ARTHUR: Mr. Speaker, Sir, a supplemental question. Mr. Speaker, will the Minister agree that the decision of the Government to change the suppliers of sugar to Barbados in favour of importing sugar from Guyana represents Government's total lack of satisfaction with the arrangements surrounding the...

Mr. SPEAKER: That cannot be accepted as a supplementary question. Any other supplementaries? Order, please.

Mr. H. deB. FORDE: We must not allow the record to go with the statement made by the Honourable Member for St. Michael West unanswered, Sir. The point I made, Sir, was that in the light of the knowledge which the Government has as who was the acting Minister...

Mr. SPEAKER: We are on supplementary questions. I have already disposed of that.

Mr. H. deB. FORDE: But, Sir, I was trying to catch your eye and I must therefore have my privilege clarified. What I was saying is that in the light of the knowledge which the Government has as to who was the acting Minister, since this information is not published until very late now in the *Official Gazette*, what I am saying, Sir, as a matter of privilege of the House, and I am suggesting that the better procedure is for the matter to wait until the substantive Minister is in his place.

Asides.

Mr. SPEAKER: I am not encouraging any debate.

Hon. B. M. TAITT: I ask your indulgence, Mr. Speaker. Now that the Honourable Member has framed it in those terms no one can have any quarrel with anything he is saying, Sir. What he has said on this occasion is slightly different but importantly so from what he said before. I have no quarrel with what he is saying. I agree with him.

Hon. P. M. GREAVES: Not only that, Sir, but as Leader of the House, I wish to make a statement on that particular matter. I can state, Sir, I want to respond to something that was said by the Honourable Leader of the Opposition. As Leader of the House, I can state that I had no knowledge of any replies to Parliamentary Questions before I came in here today. When I came in here I opened my envelope, I saw this document which I have in my hand and I saw there were replies to Parliamentary Questions.

The Cabinet Office sent down the Parliamentary Questions which have been approved by the Cabinet some time ago, probably two or three weeks ago, but I had no knowledge it was here. Honourable Members and certainly the Leader of the Opposition would have had this v document as well, Sir. I had no knowledge whatsoever that this matter was to be dealt with today.

Mr. SPEAKER: Let me put the record straight. The rules of the House permit supplementary questions and it permits supplementary questions with the limitation of how the rule is framed. Therefore, Honourable Members know very well that all of the questions they may put before a Minister may not very well be easily answered. I have recognised that the Ministers themselves have given some kind of assurance in reply to their questions. So there is no question of hiding any questions. As Presiding Officer, I will have to make sure that the questions are put and they are duly put in the way they should be put and that the Ministers themselves will have an opportunity to give a fair answer. I would like to dispel the feeling that I am a part of any attempt to reduce the questioning of Ministers.

End of Question Time.

ADJOURNMENT

Hon. P. M. GREAVES: That, Mr. Speaker, concludes Government Business for today, Sir. I now move, Sir, that this House be now adjourned until Tuesday, 11th May, 1993, at 12.00 o'clock noon.

Mr. H. deB. FORDE: Speaking on the adjournment of the House, Mr. Speaker, I would like, to remind the House that once again the question of the Standing Orders of the House have been raised in debate. It has been raised in the context of increasing the efficiency of the House, making the maximum use of time, and making sure that the debates of this House are valuable and worthwhile. I would like to respectfully suggest to the Leader of the House and to the other persons responsible, Sir, that the Standing Orders Committee meet and look at the issues which were raised in debate.

Secondly, as suggested by you, we must address the changing of the Standing Orders so as to accommodate better the people's business, address the issue of the procedure for presenting the Budget and the Estimates and what procedure we will follow in respect of them next year and onwards.

I believe that we have an opportunity to improve the House's Standing Orders, to make the business of the House more efficient so that Members, when they leave the House, can feel satisfied that they have performed the tasks which they have come in here to perform.

I respectfully suggest, Sir, that the Standing Orders are in need of revision and that we should use this opportunity to get the Standing Orders Committee working on that. There are tremendous precedents as Your Honour will know, coming out of Commonwealth countries, particularly the Canadian Provinces. I have seen in the journals, made available to Members by the Clerk of this House, particularly the Clerks of Parliament Journal, suggestions that we could well adopt and I hope therefore the Opposition is willing to play its role in this regard.

We wish the House to be as efficient, to be as interesting as possible, to ensure, Sir, that the people want to know and listen to what happens in this House, Sir. And I am appealing to all of the authorities, all of us who are concerned, to get the Standing Orders Committee meeting.

Hon. B. M. TAITT: Mr. Speaker, Sir, speaking on the adjournment. I take the opportunity of this adjournment to share in many of the points made by the Honourable Member, the Leader of the Opposition. Sir, unless the rules in this House are speedily reformed, we are going to continue to have situations in which innuendo is permitted to go out into the market place.

Now, Sir, in the course of the Question Time, for example, if someone says, who is Sea Freight, and you are not able to answer, and you do not have the facts, anybody not hearing is bound to believe the Sea Freight is made up of somebody connected or up in the armpit of somebody in the Government. The fact is that Sea Freight was formed in 1982. The Directors are people connected with the Barbados Labour Party, like the former Rev. Vaughn's son.

Asides.

Hon. B. M. TAITT: Yes, that is who Sea Freight is. 4.50 p.m.

Mr. SPEAKER: Let me hear the point of order. What is your point of order?

Miss B. A. MILLER: The point of order is this, Sir, if I can be heard. Sea Freight Agencies Barbados Limited.

Mr. SPEAKER: Now let me get this right. The Honourable Member raised on a point of privilege and he referred to innuendoes. I take the point. But all that was said after that will not be part of the records. Therefore, I have to listen to people before I make my ruling. So I have listened to the Honourable Members and I have made my ruling. I take the point of innuendoes.

Aside.

Mr. SPEAKER: Will the Honourable Member for the City hear me? I have excluded and removed from the records any reference to anything about Sea Freight at this point. I have removed all of that. So the records will not show it.

The question that this sitting be now adjourned until Tuesday, May 11, 1993 at 12 o'clock noon was put and resolved in the affirmative without division, and Mr. SPEAKER adjourned the sitting accordingly. 4.55 p.m.

CONTENTS**MINUTES****Hon. P. M. GREAVES 3534**

Confirmation of Minutes of Meeting of Tuesday,
March 30th, 1993.

**ANNOUNCEMENTS BY HIS HONOUR
THE SPEAKER**

Mr. SPEAKER..... 3534

Receipt of Accounts and Statements for the
month of February, 1993 as prepared by the
Accountant General.

PAPERS**Hon. E. E. GREAVES..... 3534**

The Annual Reports of the National Assistance
Board for the years 1989-1990 and 1990-1991.

Hon. D. J. H. THOMPSON 3535

The Annual Report of the National Petroleum
Corporation for the year 1990-1991.

REPORTS FROM SELECT COMMITTEES

•

Mr. L. L. BRATHWAITE 3535

Progress on the Films Bill 1992 and the
Evidence Bill, 1993 respectively and leave for
the Committee to sit again.

ORAL REPLIES TO QUESTIONS**Hon. E. E. GREAVES 3535**

Notice that Replies to Questions Nos. 23 and 68
were ready.

Hon. W. O. FRANKLIN 3535

Notice that the Reply to Question No. 77 was
ready.

Hon. P. M. GREAVES 3535

Notice that the Reply to Question No. 78 was
ready.

SUSPENSION OF STANDING ORDERS**Hon. P. M. GREAVES 3535**

Suspension of Standing Orders 6, 16, 18, 20,
42(5), 43 and 44 for the remainder of the
Sitting.

GOVERNMENT BUSINESS

**ORDER NO. 4 - RESOLUTION TO APPROVE
THE VESTING IN THE BARBADOS
TOURISM INVESTMENT CORPORATION
OF LAND AT GRAVESEND, ST.
MICHAEL..... 3535**

Hon. E. E. Greaves, 3535, 3554; Dr. R. L.
Cheltenham, 3535; Mr. DeL. O. Bradshaw,
3537; Mr. O. S. Arthur, 3539; Hon. B. M. Taitt,
3542; Mr. C. LeR. Trotman, 3546.

RESUMPTION..... 3548

ORDER NO. 4 (resumed)

Mr. H. deB. Forde, 3548; Hon. D. J. H.
Thompson, 3552.

**ORDER NO. 9 - RESOLUTION TO APPROVE
THE COMPULSORY ACQUISITION OF
LAND AT HORSE HILL, ST. JOSEPH ____ 3556**

Hon. E. E. Greaves, 3556; Dr. R. L.
Cheltenham, 3556.

QUESTION TIME

QUESTION NO. 23 3557

Mr. L. L. Brathwaite, 3556; Hon. E. E. Greaves,
3559.

QUESTION NO. 68 3557

Mr. O. S. Arthur, 3557; Hon. E. E. Greaves,
3557; Hon. H. B. St. John, 3557; Mr. H. deB.
Forde, 3558.

QUESTION NO. 78..... 3558

Mr. L. L. Brathwaite, 3558; Hon. C. V. Walker,
3559; Miss B. A. Miller, 3560.

QUESTION NO. 77..... 3559

Mr. R. C. Eastmond, 3559; Hon. W. O.
Franklin, 3560; Hon. H. B. St. John, 3561; Miss
B. A. Miller, 3561; Mr. H. deB. Forde, 3561;
•Hon. B. M. Taitt, 3562.

SUSPENSION 3548

ADJOURNMENT 3564

Hon. P. M. Greaves, 3564; Mr. H. deB. Forde,
3564; Hon. B. M. Taitt, 3564.

SPEAKERS IN THIS ISSUE

ARTHUR, Mr. O. S. (St. Peter)
BRADSHAW, Mr. DeL. O. (St. Michael South East)
BRATHWAITE, Mr. L. L. (St. Michael North East)

CHELTENHAM, Dr. R. L. (St. Joseph)
EASTMOND, Mr. R. C. (St. James North)
FORDE, Mr. H. deB. (Christ Church West)
FRANKLIN, Hon. W. O. (St. Philip North)
GREAVES, Hon. E. E. (St. Lucy)
GREAVES, Hon. P. M. (St Michael North)
St. JOHN, Hon. H. B. (Christ Church South)
TAITT, Hon. B. M. (St. Michael West) *
THOMPSON, Hon. D. J. H. (St. John)
WALKER, Hon. C. V. (St. George North)
MILLER, Miss B. A. (City of Bridgetown).