
THE House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 1994 – 99

HOUSE OF ASSEMBLY

Friday, May 17, 1996

Pursuant to the adjournment, the House of Assembly met at 11.25 **a.m.** on Friday, May 17, 1996.

PRESENT

His Honour I. A. **ROETT**, B.A., Dip. Ed., (Speaker)

His Honour R. D. MARSHALL, (Deputy Speaker)

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

Rt. Hon. **O. S. ARTHUR**, M.Sc. (Econ.), (Prime Minister, Minister of Finance and Economic Affairs and Minister for the Civil Service)

Mr. D. J. H. THOMPSON, LL.B. (Hons.) (Leader of the Opposition)

Hon. Sir HAROLD St. JOHN, Q.C., LL.B.

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

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

Mr. J. O. TUDOR, J.P.

Hon. G. W. PAYNE (Minister of Public Works, Transport and Housing)

Hon. R. C. EASTMOND, J.P., B.A. (Hons.), Dip. Ed., LL.B. (Hons.), LEC (Minister of Agriculture and Rural Development)

Dr. R. C. HAYNES, M.B., Ch.B., F.R.C.P. (Edin.)

Mr. D. CARTER

Mr. G. A. **CLARKE**, B.Sc., Dip. Ed., (Parliamentary Secretary, Ministry of Public Works, Transport and Housing)

Mr. J. M. EDGHILL

Mr. F. J. STUART, B.A., LL.M.

Mr. H. F. LASHLEY

Hon. R. St. C. **TOPPIN**, LL.B., (Minister of State, Ministry of Foreign Affairs, Tourism and International Transport)

Mr. D. St. E. **KELLMAN**

Hon. Miss H. E. THOMPSON, LL.B. (Minister of Health and the Environment)

Prayers were led by Rev. Canon Zvan Harewood.

Mr. SPEAKER: This House is now in session,

MINUTES

Mr. SPEAKER: Minutes of Tuesday, May 14, 1996.

Hon. G. W. PAYNE: Mr. Speaker, the Minutes have been circulated and I move that the Minutes be approved.

Rt. Hon. **O. S. ARTHUR**: I beg to second that, Sir.

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

ANNOUNCEMENTS BY HIS HONOUR THE SPEAKER

Mr. SPEAKER: I am to report that I **am** in receipt of the Accounts and Statements for the month of February, 1996.

PAPERS

Rt. Hon. O. S. **ARTHUR**: Mr. Speaker, Sir, I am commanded to lay the Barbados Economic Report 1995.

GOVERNMENT NOTICES

Hon. G. W. PAYNE: Mr. Speaker, I beg to give notice of a Resolution to approve the **vesting** in the National Housing Corporation of the parcel of land at **Dodds** Plantation, St. **Philip** and I also seek leave, Mr. Speaker, to do the Resolution today.

STATEMENTS BY MINISTERS

Rt. Hon. O. S. ARTHUR: Mr. Speaker, Sir, at a sitting of Parliament on May 7, 1996, I made a description of a member of the journalistic profession regarding his competence and other attributes, Sir, that I have subsequently come to express regret about and to regard it as being highly pejorative. I have made that statement in public, Sir, but the statement still stands on the record of Parliament and I do feel in keeping with the Parliament spirit, Sir, I would want to have those remarks withdrawn and expunged from the record of Parliament.

Mr. SPEAKER: The Chair so directs that the offending words be expunged from the record.

ORDERS OF THE DAY

SUSPENSION OF STANDING ORDERS

Hon. G. W. PAYNE: Mr. Speaker, I beg to move that the following Standing Orders be suspended for the remainder of the sitting: **Standing** Orders 6, 16, 18, 20, 42(5), 43 and 44.

Rt. Hon. O. S. ARTHUR: I beg to second that, Sir.

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

GOVERNMENT BUSINESS

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

ORDER NO. 10 – TO MOVE THE PASSING OF A
RESOLUTION TO APPROVE THE **VESTING** IN
THE NATIONAL HOUSING CORPORATION
OF A PARCEL OF LAND AT DODDS
PLANTATION, ST. **PHILIP**

Hon. G. W. PAYNE: Mr. Speaker, I beg to move the passing of a Resolution for the vesting in the National Housing Corporation of 3.4 hectares of land at Dodds Plantation.

Mr. Speaker, this land is earmarked for the construction of terrace units and the creation of lots under the Sites and Services Programme. In addition to that, it is also earmarked for persons who have lost their right to purchase through the provisions of the Tenancies Freehold Purchase Act. The vesting of this land in the National Housing Corporation was approved since 1990, but there was some difference in the interpretation of the relevant legislation as to whether the vesting could have been done at that time because of certain differences among the

attorneys on both sides, the National Housing Corporation and the Legal Unit of the Division of Housing as to the title of Government to that land. The matter was **referred** to the Attorney General and it has since been resolved. With this Resolution, Mr. Speaker, Government will now be able to pursue its housing policy through the National Housing Corporation in order to make lots available for those persons, especially low income persons who would like to purchase these lots in addition, as I said, to those persons who have been disadvantaged as a result of the **Tenancies** Freehold Purchase Act.

Mr. Speaker, Government has made a number of interventions in the area of housing since September 6, 1994 and this will allow us to further supplement the amount of housing lots available in one of our key areas of this supplement in that we have been **looking** for lands on the periphery of existing villages. We have been asking the various parliamentary representatives including my colleagues on the Other Side. They have been somewhat slow in coming forward with suggestions as to the areas for housing. I am not sure whether or not they do not trust the policy on which we are embarking having not taken care of housing during the past 8 years. But it is our intention, Mr. Speaker, to ensure that during this administrative term that we make it possible or at least we provide the housing lots for all low income Barbadians. When we are **talking** about low income Barbadians, we are speaking of persons who are below a certain income generating level. It is a matter of argument as to who is or who is not a low income person. But if one may look at the General Workers' Housing Regulations and our intervention in that area of which we could certainly be proud as well, because here again that is another intervention by this Administration in the area of low income housing. Previously, persons who qualified under the Housing General Workers' Loan Fund had to be earning a salary below \$1,430. We have actually increased the limit to just over \$2,054.47 to be exact. In addition to that, we have increased the amount of money that a person can **borrow** from that fund. We have increased it from \$20 000 to \$40 000. In addition to that, Mr. Speaker, we have realized that Barbadians are very thrifty people, if I may say that, and from time to time persons earning below a certain income level because of the fact that they have family overseas build up their properties to a level which make them unqualified for these particular loans.

11.35 a.m.

We have intervened again, Mr. Speaker, in this connection by making the value of the particular house no longer a qualification for accessing the loans under the General Workers' Housing Fund. If a person who is working for less than the \$2 054.47 under the ceiling as set by the Housing General Workers' Loan **Scheme** has a house and he has done a number of improvements over a period of **time**, and that house is now worth \$250 000, that person is no longer disqualified as was the case in the past.

What we have been doing in our effort to make sure that these low income earners are always able to access any facility by Government is to set up a committee within the Division of Housing to monitor the problems which **are** being faced by prospective home owners so that we can ensure that at least we are 100% certain that they can all be accommodated.

When we came into office on September 6, 1994 we were very surprised that the Housing Credit Fund, a fund **from** which not only these persons but other persons seeking to borrow money from Government and **Government** related agencies could actually obtain credit, we were surprised that this Fund had in excess of \$20 million at a time when the last Administration was not seriously looking at the problems being confronted by low income earners. We were also surprised that even Members on that side were not even aware that this Fund existed. We would not like to deplete the Fund by spending all \$20 million in one year, although if it was at all possible that we could get over the tender process and actually come up with a programme that could ensure that this money is spent, because there is cost recovery involved, but we **are** ensuring that wherever possible those persons who might not be able to obtain normal credit from the traditional banks are able to deal, not directly with the Housing Credit Fund, because you cannot borrow money directly from the Fund, but access those agencies whether it is through the **banks** or the credit unions in order to obtain **funding**.

Recently there has been a lot of talk about 100% mortgages. I am speaking now for myself and I believe it is something that any Government would like to see. I certainly would like to see the day when a person who is qualified for a loan could walk into a bank in the same way you can walk into a store in Bridgetown and obtain a fridge, or a person can walk into a company that sells motor cars and drive out a motor car by paying a 10% deposit, I see no reason why we cannot make it possible for low income earners to walk into a bank and obtain credit on a piece of land. This is even going further than the 100% mortgage. I think that as long as the bank or the financial institution is satisfied that that person can meet the repayments, that person should be assisted by the lending institution.

As I said already, our banks and our lending institutions have been too timid in this respect. I **think** they are probably the only area in the building sector that have been making tremendous profits and have not been trying to alleviate the problems being faced by the type of people I am speaking about. We have situations where we have high negotiation fees, high **commitment** fees and yet when the persons actually access the loan, when all the documentation and the legal work is completed, **these** negotiation and commitment fees are not added to the amounts **which** the prospective borrower is required to **pay**.

I would appeal to the banks and the lending institutions to look at this to see if in some way they can alleviate the plight of many low income earners. I believe I speak for all the Members on this side who normally do our groundwork. **We** see people from day-to-day who are in a position to meet those monthly payments for the rest of their lives, but they are not in a position to come up with the initial deposit, the 10% deposit, as required by the bank, and when negotiation and commitment fees are added, and the other charges which from time to time the banks impose on them, they are no longer able to pay.

Talk is also made of the lawyers' fees. I do not necessarily support the view that the lawyers take any inordinate length of time in completing the transactions. I know there are cases where from time to time attorneys for banks introduce certain conditions which make it extremely difficult for matters to be completed, and this is more on an individual basis where there are cases sometimes where attorneys for banks require that a mortgagor must have a new plan, where they make many requirements which are no longer necessary. You have situations whereby attorneys for banks are now insisting that persons who apply for loans get the **permission** of the other person who is **living** in the house, if **that person** happens to be a spouse, when **there** is no provision in our **laws** for that interest to be registered as an **exigible** interest, **as** pertains in England and other countries. No matter what you do in such situations you should **not** impose a condition which would still involve the application of the law courts, in **the** sense that in order to **enforce** that, it would still involve the intervention by **the** other spouse who **might** have the right at some subsequent date to go to court, So one cannot see any real purpose for any attorney for the bank **insisting** that a spouse or a person who is living in a house who might have some rights, who may or may not have rights either now or in the future, agreeing or signing to a particular loan facility.

These are problems that we face, these are problems that are definitely handicapping the **smooth** flow of the completion of mortgages in these situations. That is something over which Government has no control, but we still maintain that we would like to see the day when people could actually walk into the banks, into these lending institutions and obtain a mortgage in the same way they obtain a fridge and a motor car. I see absolutely nothing wrong with that. There is nothing in our legal system to stop that from happening.

The question of the security of title, any good lawyer – and they are all good lawyers in Barbados, including the **Honourable** Member for St. John – could actually look at title deeds, could have a cursory glance at title deeds and send his clerk to the Registry and do just a brief search

in a week and tell whether or not this is a transaction we could actually go with until the final formalities are completed.

11.45 a.m.

To be honest with you, I cannot see why transactions should take that long. Mr. Speaker, one of our interventions with respect to this aspect of facilitating a smooth transfer will be looking at directing the Housing Credit Fund in their on-lending programme. It might be difficult to get the banks to do it, but I would say through the credit unions if they can come up with a formula whereby low income persons could actually have not just the **100%** mortgages but a mortgage as long as they are able to pay back the loan. **100%** mortgages in my view, the type of mortgage that I am talking about is not the type of mortgage whereby you see a property advertised for **\$250 000** and you walk into a bank and say you want a loan for **\$250 000** when you can only qualify, taking the banks' procedures into consideration, for **\$1 000** a month. If you can qualify for **\$5 000** a month and let us assume that that table allows you to borrow **\$250 000**, you should be able to walk into a **bank** and borrow **\$250 000** from that bank because you qualify. I cannot see why the banks are reluctant in this respect to look at lending in this way.

Mr. Speaker, we will be seeking to urge the Housing Credit Fund in their on-lending to the various financial institutions and we will be looking to the credit unions in that respect. I said that in the Housing Credit Fund I found **\$20** million. I don't know what the former Minister of Finance was doing, because I think I heard him at some future occasion in this House making a statement to the effect that he knew nothing at all about the Housing Credit Fund. I heard the Honourable Member for St. John in this House making a statement to the effect..

Mr. D. J. H. THOMPSON: On a point of order, the Honourable Member said he saw me on some future occasion; I did not know that he was a soothsayer. I did not know that he had those qualities, but I am grateful because I will be speaking shortly and reminding him of something.

Hon. G. W. PAYNE: Let the record show that I meant the past Minister of Finance, on a previous occasion, made a statement. I think it was in this House to the effect that he did not know firstly about the Housing Credit Fund and secondly that he did not know that it had in **\$20** million available for this purpose.

Mr. D. J. H. THOMPSON: On a point of order, I do intend to speak in this debate so the Honourable Member does not have to worry and draw me in it. I deny that I have ever said either of those things to this House, on any occasion, in the past or the future.

Hon. G. W. PAYNE: I don't know if the Honourable Member, maybe his predecessor as Minister of Finance did not take him into his confidence, and I am not surprised that he knew nothing about the **\$20** million. Maybe it was somebody else that I heard.

Mr. Speaker, we are hoping with these various interventions to alleviate the plight of most of these persons so that when you are dealing with these lots that we **are** making available in places like Dodds, these low income persons will not only be able to purchase the lots but will be able to go to these lending institutions and obtain the necessary facilities in order to build their own homes.

In addition to making these lots available for low income earners, we also have a list of persons who were disenfranchised as a result of the amendment to the Tenancies Freehold Purchase Act, tenants who were living on lots where there were less than **5** tenants. There **are** a number of these, Mr. Speaker, and we have been finding difficulty in some areas in obtaining the amount of lots in order to satisfy the needs of those persons who have been so disenfranchised. As a matter of fact, I have been urging the parliamentary representative for Christ Church to come up with some suggestions as to suitable areas where we could acquire for this same purpose.

Mr. Speaker, I mention Christ Church if only because it is current and if only because they are desperately in need, that particular parish with those **5** constituencies, of lots like the ones at Dodds of which I speak.

Among the interventions which we have done in this area and when you are dealing with tenancies – I have already said that I think it is worth repeating – the assistance which is now being given to tenants who have been so disenfranchised, instead of sitting back and waiting on Government to relocate them, we **are** offering every tenant that has been so disenfranchised a sum of **\$15 000** to relocate wherever they may so choose.

In cases where Government already owns the lot we have been making these lots available to them at no cost. In addition to the **\$15 000** which we will be giving them in order to relocate we have also been giving them a lot. I think it is important that we repeat this as often as possible so that all of those tenants who have been disenfranchised as a result of the amendment to the Tenancies Freehold Purchase Act would know that as long as they have a lot available, whether it is through their own initiative or whether it is through the initiative of Government, in places like Dodds, that we will be able to make that facility available.

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

Hon. R. C. EASTMOND: Mr. Speaker, as I rise to second this I will make a few observations. I second this Resolution with alacrity.

If one looks at the housing policy of this Administration, it is a housing policy informed by a blend of pragmatism and a blend of social democracy. 200 years ago there would have been those people in this island who would have said that it was the responsibility of a person or a family seeking housing to find housing on their own or find spots on their own. But the stark reality is that in this country a large number of persons **are** still very poor, cannot afford housing at going commercial rates, cannot buy land in residential subdivisions at a cost of \$30 000 or more. The result then is that Government has had to come into the whole scenario to ensure that the suffering poor and those on a small income still have some chance to acquire decent housing.

It is a fact, Mr. Speaker, that even when a Government wishes to develop a housing policy the Government is faced with a number of constraints. First of all, there is the constraint of finding appropriate land and secondly there is the constraint of funding. Sometimes what compounds the problem of constraints in the situation of the National Housing Corporation is when people already in possession of NHC housing lots do not promptly pay their rents, building up arrears and therefore not providing the type of cash that the NHC would need to be able to pursue its plans.

Mr. Speaker, I want to make some observations on what has been happening in this country in relation to housing. Sometimes, it is not the fault of any political party sometimes not the fault of any government, and I also want to make an observation which has only recently come to **me** in relation to this problem of finding land for housing. Perhaps I should make mention of the observation that I have only just recently discovered.

11.55 a.m.

Recently, Mr. Speaker, a number of people owning so-called Category 1 estates had been approaching me asking me to investigate reasons why their applications for subdivisions were turned down. I have been going to some of these Category 1 estates and looking to see that even though a considerable amount of land is fertile and arable and should be left in agriculture, on almost all of the Category 1 estates I have visited there is marginal land or rab land left back which is good for housing. I would pursue the interest of these people who own these Category 1 estates to find out precisely why it is that their subdivisions have been turned down.

Believe you me, Mr. Speaker, only recently have I discovered that the last outgoing Democratic Labour Party administration by way of a Cabinet decision laid down that

on no score must any Category 1 estate at all be subdivided, even if the Category 1 estate has marginal land. Mr. Speaker, I cannot believe that, and I will certainly be writing the relevant authorities to ask them to investigate whether that is really so and to take appropriate action. If you have some 80 or 90 Category 1 estates in Barbados with large amounts of marginal land, no good for agriculture, why on earth you cannot have that land turned into part of the land available for the land bank of Barbados which would then go into housing?

When one considers the whole question of housing policy, Mr. Speaker, there are other considerations. We have in Barbados a situation whereby often people are able to secure a chattel house or begin to make plans for housing and then are frustrated by commercial banks. I refer, of course, to the situation of a private sector-led anti-chattel mortgage behaviour in this Barbados. We have a chattel culture in Barbados where most of the housing stock is chattel housing. A person wants to borrow on the security of his chattel house either for extending the very chattel house or for repairing it. Would you believe, Mr. Speaker, that in the year of our Lord, 1996, that only the Barbados National Bank and the Canadian Imperial Bank of Commerce are the only banks in Barbados prepared to lend a small man money on chattel mortgages? You have other banks, the Royal Bank, **Barclays** Bank, all these **banks** that have been here in **Barbados** for years not willing to lend money on the security of a chattel house and there **are** chattel houses in Barbados sometimes worth \$40 000, \$50 000, the value of which could provide adequate security for persons **seeking** to mortgage their chattel houses to be able to raise funds for housing.

I do not know if a Government should make use of its coercive power and compel these banks to observe such a policy but I think it is worth, for the purposes of the record, to note that this country, Barbados, is a country with the reality of the poor man **working** and striving against a number of odds to help his family and himself and faced by a number of institutional prejudices and biases preventing the poor man from realising his legitimate aspirations.

I speak now under the influence, Mr. Speaker, of a heavy amount of socialism. I speak now, Mr. Speaker, under the influence of a social conscience and socialism. There are times, Mr. Speaker, when I speak under the influence of Christianity.

Mr. SPEAKER: Under the influence of?

Hon. R. C. EASTMOND: Under the influence of socialism, at this point.

Mr. SPEAKER: That is all right then.

Hon. R. C. EASTMOND: Mr. Speaker, for those who would want to know what other influences I might be under from time to time; I have no apology for submitting myself to the particular influences that come from God when I submit myself to the ways of Christianity and to the influences therefrom.

Mr. Speaker, I also want to support my colleague, the Honourable Member for St. **Andrew** in relation to his very convincing argument that the time may have come for the credit union movement in Barbados to assert itself further. Believe you me, Mr. Speaker, a former Barbados cricketer came to me and told me, "I have just retired from cricket. I am looking to provide for my family and myself long-term. A commercial bank has approved a considerable mortgage for me but the commitment fee from the commercial bank is so oppressive that even though I qualify in every other respect for the mortgage he found the commitment fee too oppressive."

Mr. Speaker, I mention this in a situation where those few credit unions which are able to lend money to persons do not charge commitment fees. Could you imagine this? The credit unions of Barbados do not have the financial resources of the commercial banking sector but still as they exert their social conscience in the interest of promoting members' welfare, despite the financial constraints, they are able to forego the commitment fee in the interest of lending. So when that young man, who, as I said is a former Barbados cricketer, came to me and I spoke to him, I approached a particular credit union – it is a good credit union, the Public Workers' Credit Union, and I hope that the Honourable Minister can engage them in **talks** with the view to seeing how the Public Workers' Credit Union and, indeed, other credit unions can cooperate with his Ministry in the interest of mortgages and in the interest of housing development. I told the young man that I had made a contact for him at the Public Workers' Credit Union and that the credit union was willing to entertain his application.

The time clearly has come, Mr. Speaker, where the type of eccentricities that commercial banks practice as they refuse to lend people money on chattel mortgages and this thing called a commitment fee, must stop. I do not know. I have hunted all over the world to find out what was the basis and genesis of this thing called a commitment fee and I am not satisfied that these oppressive commitment fees charged by the commercial banking sector are justified. Even if you invoke the law and ask yourself if a man agrees to obtain a loan if he should be compelled to pay consideration, then even if you call the commitment fee consideration that the bank must have in return for its pledge to lend money by way of loan or mortgage to a borrower, then what is the justification for setting it at such discouragingly high and oppressive rates?

Mr. Speaker, I believe that the Honourable Member for St. **Andrew** and Minister of Housing is on very strong ground as he is supported by the Member for St. George North who works with him, and the Member for St. James South whose philosophy, I am sure, helps to guide him, as I support the Honourable Member for St. **Andrew**. We have come to a point where we, in Barbados, do not only have to look at the question of how to avoid the constraints on housing, we also have to look to the question of how for the future on **an** island **166** square miles, and a metric conversion does not make it any bigger really from a factual point of view, we could continue in **1996** and in the future to be encouraged to build our houses in what I call a sprawling fashion.

Now, I do not hold any brief for those persons who like high rise buildings. Indeed, in large cities with these massive amounts of high rise buildings, this humble servant's head gets turned. But at the same time, realistically, in the Barbadian situation, Mr. Speaker, how can we on **166** square miles continue sprawling and going across, alienating lands from recreation, possibly alienating lands from agriculture, alienating a whole host of lands when the reality of the situation is **that the** land is already scarce, the population is large, and we need an enlightened policy by which we are going to have to care our scarce land resources and make sure that we use them sensibly.

I believe recently in a moment of rare creative thinking the Member for St. John said that we have come to a situation where we have to really properly protect our land resources. The Member for St. John is not known usually to be given to such astute discretion but, as an exception, he said recently, Mr. Speaker, that Barbados must now look to see how it evolves a sensible and prudent policy on land exploitation.

12.05 p.m.

Mr. Speaker, I support him in that. I do not usually find it possible or necessary to support the Honourable Member for St. John but I support him in his call for a clear and sensible programme and policy of land use in Barbados and I believe that this Government, as a caring Government, will be able, Mr. Speaker, to identify specific lands for housing, identify specific lands for agriculture, identify specific lands for industrial use, identify specific lands for recreation and such like. But, Mr. Speaker, we also have to realise that this enlightened Barbados Labour Party Government, aware of its social responsibility to the populace of Barbados, in particular the lower income earners, has but recently raised the loan ceiling for housing loans. In other words, before our Administration took office the ceiling stood at **\$20 000** and recently it has gone up to **\$40 000**. What this means, Mr. Speaker, is that we realise that **\$20 000** in a situation where you want to obtain a house is a very small amount even for a chattel house

and we thought the figure of **\$20 000** unrealistic and we have increased that figure to **\$40 000** so that a person seeking to borrow money for housing purposes can now get a loan of **\$40 000** on concessionary terms and it is not the sort of terms a commercial undertaking would insist on. But even then it has to be realised, Mr. Speaker, that this amount of Government funding coming out of the National Housing Corporation can scarce compare with the total liquid reserves floating around Barbados in the commercial banking sector.

In other words, if in any one financial year the National Housing Corporation had allocated, let us say for argument's sake, **\$35** million as housing loans that still will not be enough to satisfy the total demand. Therefore in keeping with my call today for the commercial banks to assert a greater social responsibility, I therefore would want the commercial banks to join in the act of making it easier for the small man to be able to realise his life's dreams.

I too know what it is to come up in a family of small people. I know what it is to have a mother who was very much lowly handmaid. I know what it is to almost be born in a manger, Mr. Speaker, I do not want to blaspheme or anything like that, but I know what it is to come up in lowly circumstances and I still identify with those born and living in lowly circumstances. We can only, Mr. Speaker, look after those people if all our systems in our culture work in their favour. No point having the National Democratic Party shout for them by itself. No point having the Democratic Labour Party shout for them by itself. All of the institutions in this country, especially the financial institutions, will have to realise their social responsibility, mobilise themselves in the interest of the country because a happy country, a country with a high morale will benefit them anyhow. The fellow who is able to have a good house, have good comfort, be able to save, will be able eventually to make a positive impact on the operations.

I must for the record's sake once again reiterate my grave worry and concern that commitment fees charged for mortgages are high and oppressive and they may indeed even be unnecessary because eventually the fellow gets the principal on the mortgage, has to pay high interest over a long term which is compounded and they still make back what is theirs.

I also, Mr. Speaker, want to repeat my call for all commercial banks, bearing in mind the social reality of Barbados, to offer loans secured by chattel mortgages. It is an abysmal shame that in **1996** only two commercial banks out of 8 or 9 in Barbados could see it fit to permit persons to borrow on the security of their chattel houses.

With those few words, Mr. Speaker, I strongly support and ask to second the **Resolution** brought by my friend the Hon. ourable Member for St. Andrew. I thank you.

Mr. D. J. H. THOMPSON: Mr. Speaker, Sir, I will not protract this debate. I want to congratulate the Honourable Member for St. **James** North for his verve and energy this morning. He said during the **course** of his speech that he is under the influence of socialism but I thought it would be more appropriate had he said he is under the influence of early morning socialising. It is clear that would be a more apt and appropriate description of the presentation which he delivered here this morning.

The Honourable Member for St. **Andrew** sought to heap some blame, I assume, on Members of the Opposition for not being swift in responding to his call for providing information on available areas for the location of house spots. I know he does not really want that to be reported as being the substance of his contribution because I am only going to speak now from the perspective of a Member of Parliament for the constituency of St. John. I have a constituency, Sir, which is by and large agricultural, rural and consists in 98% of the cases of what one would describe as working-class communities in Barbados. Other than a few plantation houses there are no heights and terraces, there are no gardens and other developments. Even the most recent development in housing at Villa Nova is not in the constituency of St. John, it is in fact in the constituency of St. Joseph.

It has been very difficult over the years to locate appropriate areas for housing in St. John because if the Honourable Member would take a look at a map provided by the Water **Authority** he would discover that most of the area is a zone 1 area so it is not suitable for the development of housing. The one small area that we found that was **suitable** for it is an area in Gall Hill, St. John, **forming** part of **Clifton** Hall Plantation in which we located **56** lots, went out to tender for the roads and the sites and services and to this date the **56** people come to my branch office every Saturday **morning**. Up to last Saturday one lady spent the entire morning **talking** to me, begging me to do something about it. So, Mr. Speaker, Sir, I do not expect the Honourable Member for St. **Andrew** to take up my cause first. When he was doing his Christmas rounds last year he went to a house in his constituency, in Walkers to be precise, and told the people there that he is not out to **make** the Leader of the Opposition look good so that that project is not on any priority list for him. He is laughing because he thinks that I do not have my ears to the ground. **12.15 p.m.**

Hon. G. W. PAYNE: On a point of order. I just want the record to show that I did not make any such comment.

Mr. D. J. H. THOMPSON: Well I do not believe in **set** **ing** **M.P.s** apart from their constituents but I would have to **report** that response to the home, and I hope that when he **does** this year's Christmas rounds and he meets

them, that they will be able to tell him that he may also be under the influence of late afternoon or early morning socialising and cannot be held to his word. I do not expect the Honourable Member to make me look good, but I will say this, I will make one last appeal. In nearly all of the cases, the persons who were selected for the siting of houses in those areas are persons who are deserving of the spot of lands. The Honourable Member can undertake the assessment, I think it is only fair that since that is the only area that we can find, other than if any lots **are** vacant in existing tenancies, that at least an effort be made to complete the sites and services provision for development.

I **am** willing to stand in line because I do not think that the course of action which the residents, collectively would take, would make sense at this stage. I **am** only asking the Honourable Member, therefore, to live up to his constitutional responsibly as a Minister and to honour the National Housing Corporation's letters to those people which say that they have been allocated a lot, and see if he can get the project going. Other than that there is really no hope for further housing in St. John.

The coastal area is the Scotland District and the Town Planner does not approve any new construction. **When** you come up on the hill, you **are** on a ridge, and it is almost all zone one, which disproves the very silly theory advanced in here, on previous occasions, obviously without the benefit of information by the Minister of Health, and advanced by an editorial in the Advocate Newspaper, that the persons who bought land, large tracks of plantation land in St. John, bought it for development purposes.

There is no way, unless we were going to be as reckless as the Barbados Labour Party was on previous occasions, that permission would have been granted for people to construct houses in zone one areas. In fact, as I say there is a level of frustration that has developed, because you have a tenancy like **Clifton** Hall in St. John for which the lots are being conveyed, in a zone one area, and which people are putting down houses without reference to the configuration **of** the road et cetera. My appeal then is to the Minister to see if he can proceed to have that particular project speeded up.

Asides.

Mr. D. J. H. THOMPSON: I do not have to prove any information because there is none to provide. The National Housing Corporation knows of the fifty-six lots, and I hope that the St. John project will get on the way soon. As with the Polyclinic and with all of the other developments in St. John, which according to this, I had nothing to do with the development plan but **am** still part of the development process in Barbados. I **am** not even going to go into the Consent Bay fishing project, I **am** not

going to go into the beach amenities at Bath, I **am** not going to go into the national park at Hackleton's Cliff. I am not dealing with any of those projects, if the Labour Party does not want to complete any of them, then it has to go to the people of St. John and explain why.

Projects were started and some of them could not be completed for a variety of reasons, including in respect of some of them financing. Those were proactive projects, which I assume the Honourable Member will, particularly in housing, undertake to deal with.

Now the Honourable Member for St. **Andrew** has been pushing the concept of 100% mortgages. It is a very worthy proposal. It has received tripartite support in Barbados. I have heard former Minister of Housing, Mr. Harold Blackman, on it, I have heard you and in one of the keen list of promises was the National Democratic Party.

I also see the Deputy Governor of the Central Barbados in the newspaper, either today or yesterday, telling the credit unions not to use the sweetener of a 100% mortgage in attracting business.

Asides.

Mr. D. J. H. THOMPSON: I do not know if the Minister has seen this yet. So the Government's policy may be at a variance with the approach which the Central Bank adopts. I believe that some of the financial reforms, which should be addressed in the Budget next week, **are** going to have to deal, substantially, with the very conservative "hands off" approach of the Central Bank, to the question of stimulating savings and investment in Barbados.

I do not want to say that the Central Bank has **been** a major impediment to the aspirations of average Barbadians or to investment in this country, but I **think** there are Ministers of Finance who could give a litany of complaints about the approach which institutions like the Central Bank have adopted to innovative ideas such as this. They were never in favour of the marketing of Government Securities, they said that **was** not their job, so we could never get underway. They have not been in favour of 100% mortgages and until we were forced, under the International Monetary Fund programme to remove some of the very oppressive controls which the Central Bank could exercise, until that point, they would have resisted the removal of those controls every step of the way.

I **think** now is the time for much more liberal approach to the removal of many of **these** controls, a more aggressive programme to stimulate savings and investments by Barbadians, a more aggressive approach by the credit unions to **direct** their deposits into institutions which are doing something positive for the development of Barbados.

I do not agree with the Honourable Member for St. James North that you have to issue any edict to compel banks to do anything. There is no need for that. There are ways in which you can creatively engineer those outcomes. Particularly in relation to 100% mortgages there are incentives which you can give to businesses which invest in institutions which **are** going to be involved in that kind of lending or lending for chattel mortgages or whatever other policy initiatives which the Government says are desirable.

There is no need for any legislation or any other compulsion if we were creative enough and if we were aggressive enough in our approach to dismantle some of the arrangements to which we have been locked in, prior to independence, or since the modern economic arrangement which Governments have evolved, then we would be able to engineer those outcomes to the advancement of our people.

It is not therefore enough just to talk about the 100% mortgages. The Minister of Housing needs, in my view, to get on board the persons who **are** going to devise the strategies to make that a reality. Do not wait on the Central Bank and do not wait on the Ministry of Finance. The Minister can get together a group of people, including the credit unions, get the proposal put in place, and make an appeal, I would assume, to the Minister of Finance, to adopt strategies which would make it attractive for institutions like credit unions and so on, to hold their savings in banking institutions which are going to use that money to grant 100% mortgages, chattel mortgages and those other kinds of loans which target groups which are **vulnerable** and which are in need of assistance. You will get our full support on that.

The Minister of Housing, now, is the person who does it, with the assistance of my good friend and former constituent, the Honourable Member for St. George South, would have been enlightened by the days he spent in the parish of St. John, then you would be praised for that **initiative** and you will be given our full support.

Let me deal with the question of agricultural land. The Honourable Member for St. James North spoke about this edict of the cabinet that Category 1 plantations should not be allowed to get development permission for change of use for even marginal lands, which is part of the plantation. I think the Honourable Members on that side need to appreciate the Barbados Labour Party was very bitterly critical of the Democratic Labour Party, among many people, including the environmental groups and other interest groups in Barbados, for what they consider being flexible and **too** irrational a policy of taking agricultural land out of agriculture, and permitting housing development on that land.

The land use policy which was approved by the Cabinet of Barbados, I believe was a reaction to those criticisms which were very sharp and very divisive. I do not know where the Honourable Member for St. James was all of that time. So to hear him come in this Chamber and give the impression that that decision was so undesirable flies in the face of the assertions and the criticisms **is** which the Barbados Labour Party heaped on the Democratic Labour Party relative to its land use approach between 1986 and 1994.

12.25 p.m.

There are greater concerns than that. The land use policy which is being proposed by the Inter-American Development Bank, and I assume the Honourable Member for St. James North is fully appraised of it and contributed to it even though I have my doubts knowing how those agencies function, in my view is in direct confrontation with the goals which the Government has for the sugar industry. It is in direct confrontation with the goals which the Government has in relation to the environment. It is in direct confrontation with the concerns which the Government has about water resources in Barbados. That land use policy which is based on the concept that land should find its highest economic use and that a less rigid approach to the zoning of land and agriculture as distinct from other uses is going to have severe implications for Barbados and I will deal with that in due course on another occasion. But the point that I want to stress is that the Democratic Labour Party's last Cabinet, and the Honourable Member for St. James North is quite right, came to a very firm position on land use for Barbados and therefore nobody can come at this time and say that we were entering into any arrangement which any international institution would have made us agree to vary those arrangements. Because we made it very clear and in fact the Cabinet decided to come to that decision even before we had even concluded the negotiations with the IADB for the simple reason that we looked at the position in relation to sugar, we looked at the position in relation to diversification, cotton and all of those issues and came to a firm and solid land use policy.

If the Honourable Members on that side now tell me that they agree with a more flexible approach to land use in Barbados, then as I said, it is diametrically opposed to the stances which were adopted in here up to 1994. You had major issues surfacing during that time about golf courses, about housing development on the East Coast, about housing development even on rab land and about the cutting up of agricultural land at **Ashford** in St. John. Almost month after month the Barbados Labour Party was criticizing the previous Government for its stances and now I hear the Minister of Agriculture suggesting that those agricultural lands in Category 1 plantations as agricultural land is a decision which is madness and needs to be

reviewed. Well, what is **rab land**? You see that is one of the other things that has caused the problem and the Honourable Member for Christ Church South...

Aside.

Mr. D. J. H. THOMPSON: ...when he speaks and if he speaks would have to point out the confusion that there are a lot of people who have not undertaken agricultural activity on certain areas of land. If you go, for example, at Kendal in St. John, the people will tell you that there were canes growing right up to their back yard 10 years ago. That land was left with bush on it and the top soil washed away over the years.

Aside.

Mr. D. J. H. THOMPSON: Well, it does not matter in whose time. There is no way that you can force a man to plant on land. If he wants to plant, he will. But if he believes that Government has a flexible policy such that if he makes land which is good for agricultural purposes compared to rab land so that he will get the approval which the Honourable Member for St. James North said that he should be given, then it means that we are going to have a problem where there will be more agricultural land taken out of agricultural production which we cannot afford. That is the only point that I am making and I have real and genuine reaction to what the Honourable Member for St. James North said based on experience.

Now there are some areas that are genuine rab lands and, even those areas now which are genuine rab lands, some people are not getting permission to develop on. So the whole thing is helter-skelter and I am talking about determining based on going into a community and letting the people who live in that community identify for you, because they can do it very well, what is genuine rab land and what is not. As I said, if you go into Kendal in St. John, they can tell you what is rab land there based on the history of land use on that plantation. If you go to any of those estates or if you go to other parts of Barbados as St. Lucy or St. Philip, those people who have worked on the plantations for years can tell you essentially whether the land which the owner wishes to portray as rab land to be used for other developmental purposes has always been rab land or not.

Now there is another concern and that is that the arrangements in the sugar sector have had and are going to have severe implications particularly for the use of plantation houses and the land around the plantation houses. That is a **matter** the Honourable Member for Christ Church South would know there were early discussions on. I do not know if it has been resolved yet, but there are many plantation houses throughout Barbados, particularly in relation to the indebted estates which Government is

presently farming, for which that land around the plantation houses could be used for other purposes including housing purposes in many cases or for whatever kinds of developments. That is something that should be dealt with first. All of this talk about going around looking for rab land, as if new areas of rab land have suddenly developed in Barbados in the past 4 or 5 years, does not make sense. There are things already happening in the agricultural sector which the Honourable Member for St. James North may not know about because the Ministry of Finance has had to take the lead in the sugar industry, not the Ministry of Agriculture, from way back in my time. If left to the Ministry of Agriculture, the sugar industry in Barbados would have been shut down.

Hon. R. C. EASTMOND: On a point of order, Mr. Speaker. The Sugar Industry Act of Barbados, I believe that it is Cap. 172, and according to that Act and they know the Minister for purposes of that Act means Minister of Finance. So to suggest that the Minister of Agriculture has been negligent in relation to the sugar industry in a situation which the Sugar Industry Act itself says that Minister means Minister of Finance is to mislead this Parliament. But if a close look is taken at the Sugar Industry Act, Minister for purposes of that Act means Minister of Finance and when the Honourable Member was Minister of Finance he knew that.

Mr. D. J. H. THOMPSON: I do not think **the** Honourable Member understands what I am saying. I **think** the Honourable Member for Christ Church South understands what I am saying. Were it not for the fact that the Ministry of Finance intervened when it did in 1992 based on what was coming out of the **Ministry** of Agriculture, and the thinking has not changed...

Aside.

Mr. D. J. H. THOMPSON: No, the thing has not changed. If you think that you have changed it, then you would be an unbelievable politician. You see that is one of the problems some of you all have that you think that you can change that kind of thinking, and that you are all powerful and that people in there do not realize that you are temporary. As soon as you start to believe your own propaganda and as soon as you start to believe your own importance, it is then you have problems in achieving your goals. No civil servant feels that you are any permanent person around there and their views remain as constant as the Northern Star. Were it not for the fact that the Ministry of Finance – I will repeat it again – had to take control of the situation relatively to the sugar industry in 1992 and manage those **reforms**, the sugar industry would have died in Barbados. But that has not been anything new. I am not saying it is nothing new because there have been other occasions when the Ministry of Finance and the Planning Ministry have had to intervene outside of the Ministry

of Agriculture to ensure the survival of the sugar industry in Barbados. I was making that point to say that the Ministry of Agriculture should begin to better understand what is happening in the sugar industry and I am saying to the present Minister of Agriculture that he has a duty to better understand the reforms in the sugar sector. Because it appears to me as though the Ministry of Agriculture believes that those reforms are the exclusive responsibility of the Ministry of Finance and that is not anything new. I am trying to say it happened from way back, so if you think that the attack is on you, you are misunderstanding the point I **am** making. I am asking you to be as energetic as you were this morning in trying to understand that the reforms in the sugar sector are going to themselves make genuine rab land, genuine land which was used for purposes other than the growing of sugar cane available and that it is possible for the Ministry to consider some of these areas. There are some plantation houses which people are going to buy and probably want to develop and live in, **but** not all of them. There are some of them, plantation houses and the curtilage, for which you may be able to get four or five acres, maybe more, and that will give you comfortably as many as **30** to 40 small house spots.

12.35 p.m.

That is all I am calling for, a better understanding by the Ministry of Agriculture and not this slapdash approach that because the Democratic Labour **Party** made it Category 1 plantation. That Category 1 designation had a lot to do with the land use policy which was relevant to the sugar restructuring which was being undertaken at that time, which sought to maintain some integrity particularly in those bonds where you would be **carrying** out mechanical harvesting and where you wanted to reach the optimum economies of scale and so on.

As I say, there is a need to better understand those reforms and to be able to respond on the basis of that understanding to the trends which may emerge in the Investment Sector Loan which go against the very initiatives which the Government is taking in relation to agriculture in Barbados in our view, and as I say, we will deal with that in more detail later.

I believe, as I say, the Honourable Member for St. **Andrew** was unnecessarily harsh in his criticism of Members on this side. Particularly in relation to the constituency of St. John I once again appeal, please get that development at **Clifton** Hall back on track, because without that there will be no further possibilities for housing spots in St. John other than where people die and lots are made available. It is **all** a Zone 1 area and it really is a lot of pressure, a crush, particularly in relation to young people who need to access it. It is a small piece of land between the churchyard and the playing field.

Asides.

Mr. D. J. H. THOMPSON: I am not getting into that. You **are** asking me about St. John. Mr. Speaker, Sir, I **am** responding to the challenge which was put to me, but the Honourable Member is only **confirming** what I said earlier, that he is not going to give St. John any priority. He said it in St. Andrew, now he is saying it from his seat, but I would prefer if he said it officially, let it go into the record, let me go back to St. John, cut it out of the Hansard, write a letter to the **56** persons and tell them despite the letter which they got from the National Housing Corporation which allocated lots to them, the Minister of Housing in his wisdom has indicated that this project does not have priority, and it would solve the problem because it means they will then go searching in Dodds, Apes Hill...

Aside.

Mr. D. J. H. THOMPSON: I know he won't want them down there. That is the problem, because he knows exactly how they are **going** to vote. No matter where you are moved, once you have it in you...

Aside.

Mr. D. J. H. THOMPSON: Anyway, so Mr. Speaker, Sir, secondly, a better understanding of those sugar reforms would point to a large number of areas in which you could undertake some pretty small but comprehensive four or five-acre sites and services programmes.

Thirdly, and I **think** I missed this point, there were problems with the Housing Credit Fund. I really do not recall what the problems were and I think it is unfair for the Honourable Member for St. **Andrew** to give the impression that the money was simply sitting there and nothing was being done. Apparently, there were major problems related to the disbursement of the money, and as far as I know there needed to be a more systematic programme put in place. In fact, that is what the whole exercise in **1991** was about, to try to restructure the National Housing Corporation so that it could deliver more efficiently on all of its programmes, including the programmes relative to the Housing Credit Fund and so on.

So we have no problems supporting these kinds of developments, we have no problems with an aggressive housing policy, we have no problems with the reforms in relation to the financial sector which would make 100% mortgages, larger sums available under the Housing Credit Fund and, in addition to that, chattel mortgages available to the people of Barbados. We are fully in support of those issues.

The last point I want to make is on commitment fees. The Honourable Member for St. James North made a point about that, and that is the peril of dealing with those commercial banks. The Government's policy has

not been to provide alternative institutions to the commercial bank, in fact by closing down the BDB and by other reforms which will come on stream you are forcing more people to go to the commercial banks. By not developing an appropriate capital market and financial arrangements in Barbados, the Credit Unions are still holding their money in those commercial banks which charge large commitment fees. So the programme which needs to be undertaken in Barbados is a programme that is more imaginative, more creative and which takes that kind of business away from the commercial banks in Barbados. But I agree with the Honourable Member for St. James North that commitment fees in those banking institutions are oppressive, and it is not only commitment fees. You have valuation fees, the mortgage fee for the lawyer on their side, the mortgage fee for the lawyer on your side and you have the fees for the lawyer who is doing your conveyance and other kinds of expenses. Surveyor's fees, because the man who points out line marks... There are some lawyers who regardless send out a surveyor to check the line marks and I suppose it is part of their responsibility, but that is \$600 on top of it. All of those fees are charged, so very often we have to tell people apart from your 10% you had better look for another 8% or 9%, bordering on 10%, for all of the other contingencies which you are going to face. It can be substantial, and those costs are growing, they are not reducing. I just saw one of the commercial banks send out a new fee structure for some simple transactions, they are now charging new fees, so we have to be very concerned about that development. I agree the only place you have to convince is the Central Bank. Yes, 100% mortgages are the way to go, they need to be **targetted** and the arrangements need to be in place to attract those kinds of financing arrangements.

With those few words, Sir, we will give our support to this development at Dodds.

Hon. Sir HAROLD St. JOHN: Mr. Speaker, it was interesting to me to listen to Honourable Members debate housing in This Place, because I believe I must have heard.,

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

Hon. Sir HAROLD St. JOHN. ...at least 10 or 20 debates on housing over the course of the years I have been in here, Sir, and there are certain **recurring** points that are always made in relation to housing in Barbados. The Honourable Member for St. Andrew, in his introduction, mentioned some of the points and I will deal with the point in relation to banking and the need in Barbados for alternate means of the delivery of finance to that section of the Barbadian community which is very large and which is in need of a mortgage in order to fulfil its housing ambitions.
12.45 p.m.

I must say, Sir, that successive governments have tried to deal with this matter. If one looks at the history of the efforts in this area, one would find that in the early days of the 40s and the 50s, it was principally done by the Housing Authority itself or its predecessor body. Subsequently, with the help of Commonwealth Development Corporation a new institution was formed called the Barbados Mortgage Finance Company and, in the period 1976-86, the then Government of Barbados regarded that institution as its primary mechanism to compete with the commercial banks in this area. Accordingly, as part of its then fiscal reform and institutional creation it acquired all of the shares of the Mortgage Finance Corporation and made it a subsidiary of the Barbados National Bank, and the decision was taken that that institution should function within the **ambit** of policy which required that commercial considerations should be brought into play in lending, that political considerations should not be entertained in decision making and that the institution should be profitable.

Now I believe that that institution is probably one of the most successful parastatals in Barbados; but it was recognised that while that institution could cater in a competitive way with the commercial banks which, incidentally, after that institution was created formed trust companies in order to lend money in this area. We recognised that there would be still an area where the Government would have to make special provisions for a category of person in Barbados with the desire to own their own home and would willingly repay but who could not access any of those institutions. That, really, was the origin of the expansion of the income group that is eligible under the Housing Authority General Workers' Scheme and the creation of the Housing Credit Fund.

The Housing Credit Fund has had a history of a long fight between the Government and the United States Government. First of all, recognising that Barbados needed such funds, because the United States Government from the beginning, the AID were of the view that Barbados was too rich a country to have any special interest rates or any special loan conditions for a housing credit fund. We were able to persuade them, somewhere between 1983 and 1984, that this was so; but the conditions of the loan for the Housing Credit Fund was that the Housing Credit Fund should be a secondary institution and that the primary lending institution would be the commercial banks and other institutions. In other words, you had to go to the commercial banks. They made the decision and then they could replenish the funds that they had lent out by drawing down on the Housing Credit Fund.

Sir, I was the Minister of Finance at the time when it came into operation and the hostility we got from Caribbean managers at the commercial banks about

that scheme was so great that we had to call a special conference at the **Hilton** Hotel and explain the scheme to the bankers. They got up and said very clearly - I remember one in particular who got up and said they didn't want that money, they had enough money of their own to **lend** out and I had to ask whether they were sure they **didn't** want that money or that they didn't want to deal with the people who were eligible for the money.

That was my opinion, and when I made that very clear that we regarded their conduct as evidence of a class **bias**, some strong words were used at that meeting. Then there was a change of heart and the very institution whose spokesman had objected in the end I believe after the first year of operation ended up by lending more of the money than anybody else.

Accessing the Housing Credit Fund at that time depended upon cooperation between the commercial banks and other primary lenders who would seek replenishment. Now, Sir, I believe different conditions apply to what is called reflows. After they pay back in, I believe they can lend directly now. I think that was the agreement. I haven't seen the agreement for years, but when the people paid back in the money they are called **reflows** and different conditions relate to that.

I am very happy that there is so much money in the **Housing** Credit Fund. I am constantly advising my constituents who earn anywhere from below **\$500** a week to go and **try** their credit unions, **try** their banks and if they **say** they don't have any money I **am** trying to explain to commercial banks that I come into contact with that the **money** is there and they can replenish it if they have any problems with the Central Bank.

Now, Sir, I believe that another **limitation** was the fact that as incomes rise and the threshold income that you have to have before you become eligible was not **changed**. One of the acts of this Administration has been to change that. I believe it was in the vicinity of **\$40 000** or **\$45 000**. That has unleashed and created scope for a lot of demands for this area. I would expect that properly publicised a greater fulfilling the need of the people who need that money will take place.

One of the things about the Housing **Corporation** is that it does not conduct itself in such a way as to improve its image in Barbados. The Housing Corporation has many functions and performs many functions and activities which could redound to its credit, but that area of its activities is not properly publicised. There is no use saying that you put it in a booklet, because we know **that** this society is a society that **likes** to hear the spoken word, they **like** meetings and television and things of that kind.

I am going to appeal to the National Housing Corporation to be more active in its campaign in letting the public know about this area of operations. We should not have that amount of money available. We should not have a government making such an important and wise and far-reaching decision as to raise the ability level of people to **\$40 000** plus and still that money is not being used.

The second point I want to raise is in respect to this area. There has been a fundamental change in the availability of money and institutional framework because of the rise of the credit unions. People should not underestimate the impact that the credit unions have in Barbados in this area. The credit unions must be one of the most important lenders of money for housing in Barbados and if they have not reached the stage where they are the premier lenders, in the not too distant future I well believe they will reach that stage because they perform in this society the same function that building societies perform in the United Kingdom, that Savings and Loans Associations in the United States perform in the United States...

12.55 p.m.

Aside.

Hon. Sir **HAROLD** St. JOHN: They used to perform, I said, because I want to make **the** point. The point is it is when credit unions, **building** societies and savings loans try to perform other **functions** and they **try** to compete in other financial areas that they get into trouble. The savings and loans industry in the United States would never have got into trouble if they had stuck to their primary purpose of granting mortgages and then selling their mortgages in the secondary market. They wanted to go and compete with banks. They wanted to go and compete with **the** insurance companies,

Indeed the mutual principle upon which the credit union movement is funded is such that there is a great debate taking place in a place like the United Kingdom where, because of the changes in the legislation in relation to financial services, there is a mad rush by these neutral institutions to become banks and other financial institutions and to deneutralise. There is a long series of articles and arguments that are taking place whether that is desirable in the society. Maybe.

In the United Kingdom they have such a great variety of financial institutions that they can cater to the needs of **housing** in their country, but down here must still rely on **these** institutions to help us to be able to satisfy our demand because our demand is not satisfactorily dealt with. I do not believe that there is any Member of Parliament who holds constituency clinics, or surgeries, as some people call them, that do not have a consistent demand from **their** constituents for a house or something that

kind. Every time you hold a meeting you can be sure that as you walk through the **door** and you see people out there, one of them is going to ask you for a house, a house spot or something like that. That is a fact, so that is illustrative of the fact that in every constituency in Barbados there is a need.

What I want to say is this, Sir. I believe that we should have a fundamental change in our outlook in relation to this matter. I do not believe that it would be possible ever to satisfy all the demands for house spots in Barbados for housing, not without sacrificing your land for other purposes. I do not subscribe to the view, whether it comes from here, there, or anywhere, that it is right in Barbados to sacrifice good agricultural land for housing. I think that is foolishness. I **think** it is a waste of your land. I never knew that people could eat a house.

My position is this. It is time for Members of Parliament to educate their constituents, as I do all the time, and let them understand that in certain areas of Barbados we must make a conscious decision that you cannot live in a single unit house no more, you have to live in a three-storey or four-storey building. I have had to explain that on that level of land between Maxwell Hill and the sea coast. There is nowhere in Scarborough that you can put another chattel house. There is nowhere in the back of Oistins that you could put another chattel house. You are wasting your time. You have to decide in your mind that in the urban areas, as categorised in St. James, it is a total impossibility because I would like to know who will be able to buy a single unit down there. I am talking about the coastal area and the lower level of land in Barbados. We must educate our people to understand that they have to live in some kind of appropriate multi-storey building, and that will help.

Now, that puts me on to land use and I am going to finish very soon because I know I only have a certain time. Whether we like it or not, Barbados' land use policy is in need of a proper and objective revision bearing in mind that we must have approximately **30 000 to 35.000** acres devoted to agriculture. That is the figure and whenever I look I constantly see it recurring. Now, within the figure in all categories of land, and I can cite them, there are areas of land which are pure sour grass land which has been sour grass land from time immemorial.

I like to illustrate this because down in St. Lucy, I have never heard anything more ridiculous than this. If you look from **Alleyndale** on the hill, you will see land staring you in your face that is suitable for housing. Yet I understand that the policy has **been** that you cannot use that for housing. Now, I never understood that yet. I have never been able to understand that yet.

What I am saying is this that a decision in relation to what land is suitable for housing, what land is suitable for

agriculture should not be taken by no one man on any *ad hoc* basis. I have argued consistently in here that the Town and Country Planning laws of Barbados are unfair because one man, whether it be a Minister or whether it be the Town Planner, has the capacity to grant permission which can have far-reaching effect. I have always been in favour of a change in the Town Planning laws to say that you should have a Planning Authority who operates within the context of a publicly determined land use policy.

Now, we forget that our **existing** Town Planning law calls for a **revision** of the Development Plan, I think it must be every five or seven years, in which you have a public hearing. I saw one take place once to a High Court Judge where people can make representations but I have not seen one of those for **years**.

Aside.

Hon. Sir HAROLD ST. JOHN: But that is the whole point so therefore all politicians must save their good name because they have a lot of nasty people out there who own land who will walk about and say this body will give permission for this but this body will not give permission. I know them very good, Sir.

The basic position is this that **it is** in the interest of all of us to understand that land use policy proposals should be made. It should be subject to the greatest public debate. The laws have to be changed and the changes must take place within the policies determined by this Parliament and by the community. We must understand that we have to balance the interest of agriculture, balance the interest of your water resources and environmental considerations and balance the interest in the need for housing. But not in the context that because everybody say they want a quarter acre of land or a quarter inch of land that all of that could ever be satisfied. There are some urban people today who do not want any land at all. If they have any they do not even want to keep it clean. That is a significant thing we have to remember.

1.05 p.m.

The other policy about Barbadians who have gone abroad, sometime some decision has to be taken about... because people who go abroad and buy land in Barbados and leave it there for the rest of us who live here to clean it up are in my **opinion** acting in a very anti-social way and we should have proper policies to determine that. So, Sir, as far as I am concerned I welcome the initiatives that are taken by the Government in increasing the areas of income for which people are eligible. I welcome the idea concerning those people who have been displaced. I have tragic cases **with** it, Sir, in St. Lawrence. I have some real hard cases in St. Lawrence. We have cases by the airport. There are cases in St. Lawrence where people as old as **80** years old who have been living on that land. That

tenantry used to have 20 or 30 people on it and gradually and systematically it is down to 5 or 6. As a result of the new law we have to provide alternate house spots for those people. So I welcome that **too**, Sir.

I think it will be right for the Government to continue with its objective of trying to satisfy the needs of the people who cannot, without governmental help, have housing and at the same time they should not be afraid of a debate on a modernisation of how you deliver housing in Barbados and how you plan our land resources in Barbados.

SUSPENSION

Hon. G. W. PAYNE: Mr. Deputy Speaker, I beg to move that this sitting be now suspended until 2.15 p.m.

Hon. R. C. EASTMOND: I beg to second that, Sir.

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

RESUMPTION

Mr. SPEAKER: This sitting is resumed.

Dr. R. C. HAYNES: Mr. Speaker, I am very pleased, not only to see a Resolution before the House which addresses the issue of housing to a limited extent but also that the opportunity has been taken by those who preceded me on their feet in this debate to give slightly wider scope to the second reading component of this matter. During the course of that, Sir, several issues were raised and the fundamental issue is that there is a very major problem of housing in this country.

Over the past 20 to 25 years, as legislators, we have been tinkering with the problem and not dealing with the problem in a decisive manner. We have had maybe hundreds of Resolutions of this nature before this Honourable House and in each instance, Sir, many of those Resolutions involve the acquisition of small bits of land which would involve not only expenditure in relation to land acquisition but in many instances infrastructure far in excess of the cost of the particular land in order to place a few houses, and in some instances causing stress because of a lack of infrastructure where the particular new housing units would be placed without the infrastructure required for an effective and modern housing development. I refer, Sir, to the number of acquisitions we have seen especially in the areas of Christ Church, in the areas of St. Michael. Certainly we have had one or two in my constituency

which is relatively immune from this **kind** of thing, apart from the Valerie area, because there is simply no space. There are many areas in your constituency, Sir, and the constituency of the western half of St. Michael, constituencies in Christ Church where this kind of thing has been done.

Enormous expenditure has taken place and we have not begun to deal with the problem of housing. I have advocated in this Honourable House again and again that instead of dealing with a large number of small acquisitions which are extremely costly and never dealing with the problem, to take into consideration that we have an endless amount of roads in Barbados, many of them where a few cars pass once in a while even at this time in our development, where the road is down, the water is in, the electricity is in, all the infrastructure has been paid for by the Government again and again and try and build communities using that existing infrastructure to provide a thousand houses, a thousand house spots, proper playing fields, proper recreational facilities and look and see what the needs of Barbados are over the next 5 years and I am quite sure 6 or 7 of those developments strategically placed would go a long way to solving the problem, not only in terms of house spots but also in terms of providing some element of government housing for those who are at the bottom of the ladder. The opportunities are there, the infrastructure is there and yet they are doing nothing about it.

Sir, we had the ridiculous situation where I have seen a road almost two miles long put in to service 12 houses in a pre-existing tenantry and nothing done to utilise the rest of the road so **that** other houses can benefit from that particular infrastructure. We have to put an end to this **kind** of thinking if we are going to deal with the problem. When we put in infrastructure then, once that infrastructure is in it should support as many **units** as possible so that the cost of the infrastructure is **correspondingly** reduced per unit of housing.

I believe, Sir, that this offers a tremendous opportunity if we make use of existing infrastructure. Now a number of these roads also pass through many of the plantations in Barbados where there is a significant amount of **rab** land and it is vital for the viability, not only the National Bank which is a wholly owned institution of the Government of Barbados to **begin** to recover some of those costs by utilising large chunks of the **rab** land that is available. So that it is not a major problem. It can be done, utilising existing infrastructure and without in any way reducing the critical mass of land which is required for agricultural development and for our national security because it is important to understand that when you are **talking** about the amount of land available for agriculture you are not only **talking** about agricultural policy but you are speaking of issues as national security.

There was a time in this country in my life time when we had to feed ourselves because of the Second World War and problems relating to shipping of commodities to Barbados. We do not know what will happen in the world at **anytime** and we must never find ourselves with our land mass so marginalised that if we were forced to we are not able to produce enough food to make sure that this population can survive. So you are not talking agricultural policy, you are **talking** also of critical security for this country. We must always have enough land that is capable of feeding this population and any land use policy which compromises that is not

Asides.

Mr. SPEAKER: Continue, Sir.

Dr. R. C. HAYNES. Any land use policy which compromises the security of Barbados is a non-starter as far as I am **concerned**. And any policy that speaks to the question of the highest yield for land without bearing in mind the security aspect of Barbados in a crisis I consider to be a policy not in the interest of Barbados because, Mr. Speaker, what may be a low yield in financial terms now might be a critical yield in terms of **survival** of this country in the years to come. You never know what can happen.

The second point, Sir, is this. We cannot discuss housing unless at the 'same time we discuss the financing of housing. It is quite clear what needs to be done for people who cannot uphold housing at any kind of level. The Government has a responsibility to provide shelter for those persons. It is quite evident to me that those people who are well-off will always be able to provide housing for themselves no matter what kind of fiscal policy you pursue in relation to the components of costs of those particular houses. Where is the large bulk of people? It rests somewhere between those who cannot afford at all and those who can comfortably afford housing. That is what we have to deal with by establishing an appropriate **financial** environment in Barbados **that** is geared towards housing.

Now, Sir, you may recall that the issue of 100% mortgages was raised in this country in 1989 by the National Democratic Party. You may recall the number of persons who said that it was an impossible task. In 1991, and this is already a document of the House, Sir, clearly written, Our Housing Policy, 100% mortgages. Now, Sir, I am going to deal with this. The tragedy is that we have a whole lot of houses in Barbados that represent a tremendous value in terms of the fixed assets of Barbados. ... then these instruments must be in place and readily in place. In other words, I am saying, if I were in a position to create a reverse mortgage on my home to lend my son the money as a down payment on his home, then my home is creating another home in Barbados. The mechanics have

to be there, the dynamism has to be there if you are going to create that kind of dynamic market for housing.
2.35 p.m.

The second area, Sir, we will never, ever, be able to help those people who can qualify for a mortgage but cannot save a deposit unless we have 100% mortgages in Barbados. The commercial banks in Barbados have never and will never, in my lifetime, gear any of their policies in Barbados to meet the needs of small black people, except in terms of hire purchase lending, when they can make a fortune out of them. In terms of the development of small black people in Barbados you can forget the commercial banks. They are not going to do it. As simple and straightforward as that. They have never done it and they will never do it.

Therefore, Government has to come up with an important policy mix to create an environment where those banks can be induced, or coerced, or offered some kind of level of security to get them involved in the whole area of 100% mortgages.

I can never understand the problem, because the same people who are going to tell you that you cannot give 100% mortgages, you know what they **are** going to do, they are the people who are going to be **making** the money in the long run, in terms of the interest payments over the years on the mortgages. They are the people who link up with the insurance companies, and you not only have to insure the house, and in many instances they are going to force people to go and take out either mortgage insurance or insurance on their life, in order to get a mortgage. It is always criminal what goes on in the country in order for a poor person to assess a home in Barbados.

Already we have had a discussion on the excessive transaction cost, for over and above the legal transaction costs, which are excessive. There can be no question that the financial burdens imposed on people before they can access a mortgage. That is totally undesirable and it needs to be dealt with by this House in a decisive manner if people are to ever access a house.

Now, Sir, you take a young couple who can afford to pay rent for **\$600** a month, but cannot save \$6 000. They get married, they have two children, they are living somewhere and they are paying **\$600** a month. They **are** paying \$7 200 a year. At the end of 10 years they have paid \$72 000 in rent, but the two of those persons might not qualify for a mortgage in Barbados, because they cannot save \$10 000 or \$15 000, because of the nature of their running commitments. That is wrong. We cannot live in a society where we are depriving young people of the opportunity of owning a home because of a barrier

of \$10 000, or whatever it is, that they have to save for a deposit. I think that we will never ever go forward in Barbados unless we deal with that problem.

Town Planning Department. They have served their purpose in Barbados, in some instances they have served their purpose well. They can be a major nuisance in relation to dynamic development in Barbados, especially in **dynamic** housing development.

At the very beginning of my contribution, Mr. Speaker, I raised the issue of making use of existing infrastructure. Those long **stretch** of roads that you would see in St. Lucy, St. Peter, St. **Philip**, Christ Church, St. George, St. John, areas outside of the zone one or zone two areas. Areas running through rab land in many areas, and you know that the Town Planning Department of this country has consistently objected to that concept on the grounds that they cannot support what they called "ribbon development." "Ribbon development," as I understand it, Sir, is where they are talking about having houses along the road and so on.

There are many ways in which one can overcome this by reducing the number of exits onto the road and the number of "ribbon development" onto the road, and that has been one of the stumbling blocks of Town and Country Planning objections, to what they called "ribbon development." As though all over the world you do not see "ribbon development." Do you know of any suburb that has ever developed anywhere in the world that does not have characteristics of "ribbon development"?

I am not, Sir, too hopeful, that in the immediate future, we are going to see any possibility of any significant high-rise development in Barbados. It would be desirable but the reality is, that however desirable high-rise houses in Barbados are, you have to have the infrastructure in place. You have to have the water in place, you have to have the water and the correct pressure, you have to have lifts in place, for example. We know already the kind of problem that you have in the management of elevators in Barbados, just see what happens at the Queen Elizabeth Hospital and well over the years.

So until that infrastructure is in place, it is going to be very difficult to sustain high-rise development in this country, and in the meantime, I think the answer lies in the Minister of Housing coming to this House with a White Paper, demonstrating to me how you are going to provide 10 000 houses by the year 2000. It can be done. It can be done because the infrastructure is there. People have the money or can get access to money if we create the climate. But what **figu** are we **talking** about? It may not be \$10 000 but I **am** talking about a drastic improvement on

what is going on now. What I am saying is that the infrastructure is there and the resources among private individuals and mobilizable resources are there. The partial transformation of the existing fixed assets of housing into financial assets for use for further housing development is all there and it can be used. It is not only in the private area, Sir. It is not only through the mechanism of the very small agencies and so on, but also in the public housing sector there are opportunities there to make use of those fixed assets that were built over the past 20 to 25 years and they can be used productively for further development.

2.45 p.m.

In our proposals here, we spoke to the issue of selling off Government housing stock. We talked about repairing them. We talked about giving some degree of credit for rent previously paid and the reason for that is that there are a large number of people in Government houses who can raise a mortgage to purchase the unit that they are in. Let us say it cost an additional \$40 000 or whatever, you credit whatever rent they have paid or some proportion of the rent that they have paid. But that same unit now can raise \$40 000 to \$50 000 in cash for the Government to move on to get involved in more housing development particularly for those people who cannot participate by way of mortgage in any particular way. The point that I am making is that the assets are there. The opportunities are there. The infrastructure is there. What is important is the thinking. What is required is the organization. What is required is the **planning** and that is not going to come about as a result of **activity** of the commercial banks. If the commercial banks in Barbados were interested, they could have been for years now the leaders in trying to develop a secondary mortgage market in Barbados. They have done nothing. Unless the Government gets involved in this in some way, unless the Government is the catalyst for it nothing is done because that secondary mortgage market can become another financial instrument for investment available to the people of Barbados whilst releasing new mortgage funds for further lending.

So **that**, Sir, I have no doubt in my mind that with creative thinking and without excessive public expenditure except for the provision of welfare housing that a major difference can be made and a substantial number of houses can be built in Barbados. Do not be deflected by the foolishness that you hear coming out of the Central Bank of Barbados. Instead of supporting a position so that ordinary Barbadians can get access to housing, they are saying that they are against 100 per cent mortgages. I mean they have got to be crazy. They just have to be crazy. Sir, given the present day markets of Barbados if you contract a house for \$70 000 by the time that house is completed, it probably will have a resale value of \$75 000 or \$80 000. So by the time you sign the first contract and the completion date, you already have your 5 per cent

equity in it. So what is the 'big deal'? If you now set about actively to reduce the transaction costs, you have another 5 per cent or 10 per cent available to the person there. Those people just do not want to see small black people get access to houses. One of the problems you have in this place is that people who have been the beneficiaries of free primary, free secondary, free tertiary education who have become big shots in Government institutions paid by the taxpayers year after year, they turn around and they do not want to help anybody in this country. That is one of the big problems that we have. That is the problem. If they did not have free secondary education, they would not be in the Central Bank today. If they did not have free tertiary education, they would not be in the Central Bank today and these are the same people now who come as a matter of policy talking about you cannot have a 100 per cent mortgage to help poor black people. Some of them you know, Sir, would move into the terraces and they would not even go and visit their mothers on a Sunday or, if they go at all, they borrow another car and go at night. These people, Mr. Speaker, cannot be allowed to dictate public policy because we are the people who go out there into the constituencies...

Aside.

Dr. R. C. HAYNES: I am not cursing anybody. I do not use abusive language. This is a sociological problem that we have to deal with because they should be very compassionate. Listen, it is not only in terms of housing. You have heard them in the past trying to bring the credit unions under their umbrella, and do you know why they want to do that? They want to bring the credit unions under their umbrella because they saw the credit unions helping too many poor people and I agree with the Honourable Member for Christ Church South that the credit unions have become a major player in this area of helping their membership to acquire housing in Barbados and that nothing should be done by any regulatory institution to interfere with that process. We have no building societies. We have no financial organizations in Barbados apart from the trust companies and commercial banks and so on. Many of the commercial banks actively as part of their policy reduce substantially their portfolio in terms of any long-term lending in Barbados. Did you know that? That is an active policy. It is a short-term policy where they can lend somebody some money for a motor car and probably get an effective rate of interest of 27 or 28 per cent over 3 years and, if they cannot pay, they can go and repossess their car and sell it and make some money on it. That is their business. But in terms of long-term money although they are supposed to be here to stay and I have been hearing that for many a year, they are not interested in getting involved in that particular exercise. That is what the Central Bank should be doing. The Central Bank as a regulatory agent should not be seeking to discourage 100 per cent mortgages. What they should do is to try and find

instruments to force the commercial banks to get themselves more and more involved in long-term lending such as mortgages which is a relatively safe area for any form of banking. It is just the question that the rate of return on cash is not the same as it would be in the other short-term lending under hire purchase and that kind of thing like that. Hire purchase is just another form of impoverishing people in Barbados and I try my best to encourage people not to get involved with any hire purchase arrangements if they possibly can avoid it altogether.

I try to tell them to save as much money as possible before you go and buy anything because, in the long run by the time you finish paying for the particular thing, the value is going to be wiped out. By then you would have paid 2 or 3 times. But with a house, it is the reverse. Although you would have paid a lot of money in terms of interest over the years with a mortgage, the chances are that unless there is some catastrophe in a country or some degree of political instability or economic instability at least you would have preserved the asset value at the end of 15 or 20 years. But the banks are not interested in helping people and that is, Sir, where there is wealth creation. When we look at the majority sector of the population of Barbados, so much of their money is wasted in areas which are non-asset generating or not asset forming and look at other groups and you see they spend their money in areas that are asset forming, and one of the reasons is this. It is not a natural propensity for our people to spend their money in that way. It is the fact that the accommodation that others get from financial institutions allow them to have access to capital to generate asset forming, borrowing and developmental activity which is deprived to our people. And the very primary one and the one which 99 per cent of people on this globe can acquire in a lifetime is a house.

Now the Honourable Member for Christ Church South who is not in his place, the Honourable Member for Christ Church West, the Honourable Member for St. George South and the Honourable Member for St. Lucy would be different from the rest of us in that they not only would be able to acquire assets for a home, but substantially other assets.

2.55 p.m.

Mr. D. St. E. KELLMAN: Mr. Speaker, on a point of order. The Honourable Member is misleading the House when he made reference to the Honourable Member for St. Lucy.

Mr. SPEAKER: You are not in that category.

Mr. D. St. E. KELLMAN: I believe he meant the Honourable Member for St. Michael South Central.

Dr. R. C. HAYNES: The point I am making, Sir, is that it is for the overwhelming majority of humanity the only asset that they acquire on this earth in this life will be a home, and anything that is done to help them can only be conducive to the advancement of humanity. Anything that is done to form an obstacle in their way, I think is an **inhumane** act and therefore, Mr. Speaker, I believe that we have the opportunity to do something about housing in Barbados. I do not think it is going to involve a large **amount** of Government expenditure. It seems to me that it is more of a catalytic activity that is required in order to get an effective housing programme going and to get people from the Central Bank, the IMF and the IDB out of the way who are going to tell you that you are stimulating demand and all this kind of thing. In other words, what I am saying is that housing is not only a social activity, it is also an economic activity. It is very important to understand that when you are encouraging housing it is not only social issues you are addressing, but critical economic and employment generating activity in this country.

Mr. Speaker, have you got any idea of the number of people, if we had 2 000 houses going up in Barbados today to meet that lower and middle income group, who would be employed directly and indirectly? Have you any idea of the amount of money that would be going into the Treasury in Barbados? Just think about those two concepts and you will **begin** to recognise what I am **talking** about. Think in **terms** of what it would do for **manufacturing**, the furniture industry in Barbados, and you see the tremendous multiplying effect that the kind of **policies** I am **talking** about can bring **about** for a small outlay.

One final point I want to make, Sir, and that is on the Housing **Credit** Fund. I think there has been a bit of **misinformation** about the Housing Credit **Fund**. My **recollection** of the matter is that the problem was not a lack of desire to use the Fund, I think the problem was related to some difficulty with the interest rate spread, the amount that had to be paid out and the amount which the local institutions at that time were prepared to offer mortgages at. That situation may have been reversed now, I am not quite sure, but my recollection is that there was a slight problem with interest rates which slowed down the rate at which that Fund was utilised, certainly in the mid 1980s. I am not sure whether that was a continuing problem, and probably the situation is reversed now so that greater activity can take place in that particular Fund. But I am quite sure it was no malignancy or lack of desire or wickedness not to have utilised the Fund maximally, but one problem was the interest rate problem and as the Honourable Member for Christ Church South explained to the House earlier, the other **problem** was getting the commercial **banks** to lend in **relationship** to the Housing Credit Fund.

I thank you very much, Mr. Speaker.

Mr. D. St. E. KELLMAN: Mr. Speaker, I would like to start where the Honourable Member for St. **Michael** South Central has ended, referring to the statement that gives the impression that 100% mortgages would **be** a bad thing for Barbados.

Some time ago, Sir, in one of my speeches I made a criticism of the Credit Unions of Barbados and I said their priorities were wrong, **their** interest was in lending money for cars and not for houses and businesses. So I am happy to know that there is some support of the view that the Credit Unions of Barbados should be prepared to lend 100% mortgages to the poor people of Barbados, and I am going to tell you why, but I must say something else.

You just cannot have a policy where you are going to lend them 100% mortgages, there must be **certain** infrastructures put in place in the districts of Barbados. In most districts you find land owned by the grandmother, the father **or** the aunt, who are prepared to give this land to some youngster **and** this youngster once the land is given can find the capital to build a home, but in most situations you have water **and** electricity, and sometimes you might not **have** the road. **All** I am saying is, if Government sets a policy where they are **prepared** to put roads in all the districts of **Barbados**, then there might not be the need for all the sites and services we are talking about today. In most of these districts once you put in the amenities, Sir, you would see that as soon as they **are** put in the housing plan for that **district** starts, because the person who is born in that district has no need to go and buy a piece of land in another area just because it has sites and services. What you are actually doing is creating the same atmosphere in the district as you are in the area with the sites and services.

We **talk** a lot about how the young people **are** behaving and we must ask ourselves if we are not changing the pattern of the young people, instead of putting the national amenities in the district we are removing those amenities from the district and putting them elsewhere and calling them sites and services. We are paying more attention to the sites and services where there is not a direct relationship with the young people than to the districts where they were born. If we do the necessary things we can continue to hold the family unit in the districts. This is not a criticism of the Minister, Sir, fear not! **All** I am trying to do is to help you with your job. I am saying that once he gets the necessary finance and we can continue to build the district relationship instead of the sites and services relationship, that is, where you go and **find** a piece of land which you call idle land, then you have to go and build a community again. We need to get away from that, we need to continue having the community

we always had and stop dividing and ruling, because you will get a situation where you have a sites and services area and then people from all about who do not have a particular relationship with the area come and live, and then you get attention. I **am** saying that in Barbados in 1996 we have to **try** to get away from that and if we are going to do things like that, then we cannot come and blame the young people, because if we are creating a situation where there is no direct relationship and the young people behave in a particular way, we cannot blame the young people. You are taking the young people away from their parents, their grandparents, their godfathers and godmothers. What I **am** saying is keep them in the districts where they can continue to have that relationship. I am not talking about those who can afford the \$100 000 mortgages. There are a lot of young people out there who would like to have a home and because they do not have the capital they are forced to continue living at their parents. I **am** saying that if they had 100% mortgages, all they would have to do is to find the money to build the house and their godmother or their godfather or their father or mother would provide them with a piece of land at the back of their house or something like that.

3.05 p.m.

Another problem, Sir, you go and you have sites and services, and then there is something called a transfer tax, where the poor man who **is scrambling** to build a house has to pay, but then there are people who will come and say that they are bringing investment to the country, they have the money but yet they do not have to pay the transfer tax. That is something that we have to look at. We have to look at conditions that will afford the poor people in this country to have their own homes.

Hon. G. W. **PAYNE**: On a point of order, I really don't want to **interrupt** the Honourable Member, but he is misleading the House in the sense that he does not understand the **workings** of the Property Transfer Tax system. The purchaser only pays if he is a non-national. He doesn't pay the Property Transfer Tax.

Mr. D. St. E. **KELLMAN**: I would have to go back and check some documents to see if that is correct. **As** far as I know, that is not correct. There are some kinds of transfer taxes. I know there is something called transfer taxes whenever there is a property transaction. If I **am** wrong, I beg to be corrected there, but I am **sticking** to my point.

I **am** saying that all the facilities available to the large investors should be given to those poor people out there who are trying to own their own homes instead of having to ask Government to build units. We must get away, and I have said it before and I will repeat it today, from this rent mentality. We must continue to provide the

opportunity for people to own things. If we are a country where we encourage people to own things, then you will get a situation where people will be able to appreciate their own country. If you give them the rent mentality, they are not going to have the same type of respect for the property as if it had belonged to them.

Sir, that is something that we have to strive for. When you see your people moving towards owning their property, then that is when the country is progressing. If you have a situation where there is a continued demand for rental units, something is wrong somewhere.

Mr. Speaker, we also have a situation in my constituency and I understand earlier that the Minister mentioned **MPs** not coming forward and giving areas to be developed, but there is also an area in St. Lucy called Mount Poyer and I would like the Minister to tell me the position on that particular area. I have said in a debate on rural Barbados in this Parliament, that in rural Barbados a road is a very important thing. One road means rural development. You will find in any district where a road is built, if you build a road tomorrow, I can assure you that in 2 or 3 weeks from now you will see houses next to that road, once it is done in a district.

I **am** not sure, Sir, that if you go and you have a sites and services programme that 2 or 3 weeks after you are going to see houses, because the persons then have to purchase the land and then they have to turn around and look for money to build a house, whereas if roads are put into the district, all they will have to do is find the money to build their houses.

Mr. Speaker, I do not know why people believe that when we are supporting foreign interests, everything is well but when it comes to Barbados and you are supporting **the** poor people things are wrong. It is not a crime to lend a man \$100 000 to buy a motor car to support Japan or Germany or England, but it is a crime to give a man a 100% mortgage to build a house for himself and develop family life. We must ask ourselves what example we are setting for the young people when a young man can pick up a paper and read an article that gives the impression that it is better to have a car than to have a house. We must ask ourselves what type of educational system we have in Barbados.

I **am** saying that the slant is such that you get the impression in Barbados that anything that is foreign is good and anything that is local is bad. We must move away from that, Sir. When we see situations like these we must be prepared to come and talk about these situations. If we do not represent the interest of those small people out there, who **are** going to represent them? I will give you a good example, Sir. We **are** in the crop season. You know,

sometimes you can say things are well, but you have to be very careful. When I think about the machine, I automatically think about the rich man. When I think about the cane cutter I think about the poor man.

We have a good sugar crop, and I want to ask the MPs on the Other Side what effect that sugar crop is having out there for the poor man. We had a discussion in this Assembly about cane fires and I said certain things that time, but I am saying that it doesn't make sense having a **good** sugar crop when the poor people in this country are not feeling the true effect of that sugar crop. We have that situation today and there are a lot of people who would tell you that they cannot feel the good sugar crop.

A couple years ago you used to have a situation that **during** the sugar crop when you go through your constituency you used to see cane cutters building on, adding to their houses or building new houses but we do not have that situation this year. So we must ask ourselves where the revenue is going and if the poor people will have the same connection to the sugar industry that they had years ago.

Thank you very much, Sir.

Mr. G. A. CLARKE: Mr. Speaker, I rise in this debate to support the Honourable Minister who introduced this Resolution. It is a fact that Dodds or Church Village, St. **Philip** has significant history, especially when one looks at the development of housing in this country. It was at Dodds in 1981 that the first three old persons, pensioners received their lots free of cost. Not one cent. It was when a Barbados Labour Party Minister of Housing gave 3 pensioners their lots, titles and conveyance, free of cost.

I want to make the point that ever since then persons who are pensioners receive their lots free without paying 10 cents. That is what I call revolutionary government and I want to speak to some extent on the revolutionary **thinking** of the Barbados Labour Party, not only in this session, but also in the sessions that passed 8 years ago. I also want to compliment in my speech the National Housing Corporation for doing a fine job over the years and, finally, I want to look at the Housing Credit Fund which so many members have referred to.

I believe that the case of vesting lands in the National Housing Corporation is indeed a strong case because it is the National Housing Corporation which carries out and implements the policy of government in housing. The function of the Corporation is not only to acquire but also to hold and manage government lands, to lease as the Minister determines, to carry out development, building maintenance and repairs, improvement and other operations, provide water and gas, as the Minister **sees** fit.

Over the years the National Housing Corporation has developed a reputation of building fine homes and communities across Barbados. If you want to look from St. **Philip**, the Six Roads Development to St. Lucy, St. Michael, all across Barbados large housing estates were created to develop not only homes, but communities. We see not only at low-class housing but also middle-class housing. One can think in terms of Husbands, Cane Garden and most recently Wotton, Christ Church. We have to compliment the National Housing Corporation for doing a fine job and they continue to do a fine job.
3.15 p.m.

I believe that lands should be vested, in a more speedily manner in the National Housing Corporation. I think it takes too long. For example, from 1981, fifteen years after, we are now vesting Dodds into the National Housing Corporation. Between 1986 and 1994 when the National Housing Corporation built their units at Dodds, they were not vested in the National Housing Corporation so we had the Corporation in those days building on Crown lands although they were not vested in the Crown.

We need a system put in place where the vesting of the lands in a Corporation should be accelerated. I can give the assurance that in the very near future other lands will have to be vested in the National Housing Corporation so that we can carry out the programmes of housing.

I was very delighted to hear so many Honourable Members speaking so highly and so forthright on the plans and new revolutionary thinking within housing. Members **talked** in terms of 100 per cent mortgages. Members spoke in terms of providing homes for the poor. We know there are some banks in Barbados and financial institutions which do not necessarily care too much about giving persons in a certain income bracket 100 per cent mortgage. But 100 percent mortgages exist today. There are some people because of their income bracket can walk into a bank and receive 100 per cent mortgages. There are a number of people who will go and borrow their first loans to start their homes and then as time goes on they will borrow the remaining mortgage to finish their homes so 100 per cent mortgages exist. We see no problem why today once a person is working and he has security, the security is his job, the security is the land that he is going to purchase and therefore 100 per cent mortgage should be automatic because he cannot take the land. He cannot take the home.

One finds that sometimes you go to the bank, they will give you 100 per cent mortgage for a car, 100 per cent mortgage for furniture, no down payment for beds and so on and these are things that do not last. They depreciate in value. We are calling today to the banking institutions to at least go hand in hand with Government. Very soon we

are **looking** at a pilot project' where we will be able to provide through the National Housing Corporation, and I will explain it as we go on, 100 per cent mortgage with certain incomes for people living within certain areas, also, persons who qualify based on their income.

It is important, Mr. Speaker, to look at the Housing Credit Fund which so many Members spoke of today. As the Minister has pointed out before, the Housing Credit Fund has over **\$20** million in balance and it is still to collect more than \$43 million from financial institutions which they have **onlent** to, for example, the Barbados Mortgage Finance, the credit unions and so on across Barbados, over the years.

From 1994 or thereabout, this Fund which started with only U.S. **\$10** million, has **onlent** more than \$45 million for home improvement and mortgages in Barbados. They lend mainly at **7½** per cent to the credit unions who will then lend to their clients at about **10** per cent. Of course we know the system that is being used by many banks because despite the banks will tell you they are lending you at 10 per cent, when you work out the interest rate sometimes they lend you at 18 per cent and 19 per cent. Now I believe, it needs to be adjusted. I believe something has to be done because when you borrow for home **improvement**, the banks are getting it at **7½** per cent from us but by the time they lend a person in the market to repair his home he gets it sometimes at **18, 19** or **20** per cent. The way they work it out sometimes the ordinary people do not know but it is fantastic.

The other problem is that one must see the Housing Credit Fund as a revolutionary way in putting money into the market. In 1994/95 money was put in. We do not see a problem with money now because we have money but the type of thinking the Minister is advocating, and we are advocating today that banks can give 100 per cent mortgage, we believe that very soon we will have to call on the Minister of Finance to go into the capital markets to borrow additional money for home improvement. We would want to know that if we are going to give 100 per cent mortgages that funds **are** available, at least, to back what we are doing.

The Housing Credit Fund has money and I understand it collects over \$4 million per year because it is a 25-year mortgage where you lend your clients over 25 years so every year they collect approximately \$4 million from the banks. But it is revolutionary thinking and we believe that something can be done to help replenish these funds as we go on.

I also want to say, Mr. Speaker, that the National Housing Corporation today is looking at projects across

Barbados. We have projects in St. Michael in your constituency, Mr. Speaker. We are looking at land at Bank Hall and Bush Hall where we hope projects can be done.

Aside.

Mr. G. A. **CLARKE**: The process of Government takes a long time and that is why I was calling for a speedier solution to the **vesting** of land because the acquisition process takes a little time and despite the fact we have gone through parts of St. Michael, we have visited many areas, not only in Bridgetown but in St. Joseph and St. George South. We have visited areas across Barbados where we have identified for housing development, but the process takes time. I believe in the next year or so the National Housing Corporation would be spending more than **\$20** million in building construction. They have completed 25 terrace units in St. Peter. We hope to complete about **43** terrace units at **Pondside** where we have shops. That was discussed previously. We are looking at possibly **30** terrace units at Bank **Hall/Bush** Hall area, in your constituency, Mr. Speaker. We are looking at another **30** terrace units in the Flat Rock, St. George area, that is my constituency. We are now in the planning stages.

3.25 p.m.

The **Government** has pledged that we will go on to build about **50** terrace units per year. So far we are behind time, not because of the lack of money. I think the tender process has taken very long and we want to make sure all contractors have an even chance of tendering for these units. The National Housing Corporation is spending more than **\$20** million this year in building sites **and** services and also in repairing a number of units.

Honourable Members were asking about the repairs of the old units. Now certainly most of the old units in the Pine and St. **Stephens** would need some repairing. The asbestos roofs need to be changed. Old toilets that used to be in the yard need to be upgraded. So there are a number of things that need to be done to the old units which the National Housing Corporation is currently **looking** at and which they are currently repairing.

In terms of sites and services, it is the pledge of the Government to provide more than **200** sites and services lots per year for a number of people who are in need of house spots. Surely, Mr. Speaker, you will agree with me that there is a constant demand, not only in my constituency but throughout Barbados for house spots. Many people in the countryside especially do not particularly like the terrace units, they want house spots. The Honourable Member for Christ Church South pointed out today every person needs a home and therefore the demand for lots is even greater.

We have another problem where we find that a number of persons have been asked to remove their homes from lots which they have been occupying over the years. We have cases where persons have been living on the tenanted land for more than 35 years have now been asked to move. It is not the lawyers' fault but the owners are asking the lawyers to send the notice. They are saying I want the land for my son, my daughter and they are asking house owners to remove their homes. I saw a letter recently where one lawyer sent a letter to a tenant telling him if he does not remove his home within 7 days he will put the home on the dump. This is the type of letter that we see going out to tenants from lawyers and the lawyers are only following the law but we have to provide lots and the onus now falls on the Government to provide lots for these individuals. I know it hurts because many people are hurting, many people cry daily because they need a spot. They cannot rest comfortably. They cannot go to sleep at night and sleep comfortably because there is a need for a house spot. That is why we must insist that we provide more than 200 fully serviced lots for these people who have to move and those persons who would want to buy a lot.

Now, it is important that the House knows, I do not **think** most Honourable Members know this but we started a programme when we first came to Government in 1994 where persons who had to remove their homes received up to a maximum of \$15 000. That is a new programme started only in 1994 where if you lost the right to purchase we not only provide and rent you a spot but you could buy it eventually. Most of the cases where a man was renting for all these years he does not have the money to purchase the spot so we provided a lot for him and also provided him with a grant of \$15 000 to help him, not only remove the house, but to put down foundation, dig a well, help him to put up his blocks and so on so that we have found this programme to be very successful and over the last year or so this caring Government has spent over \$300 000 in assisting persons who do not have the means to remove their homes.

There are many cases where people who are not working, who do not have the money to pay transportation, who do not have money to pay a carpenter or mason, the Government will provide them with a loan if they are working and also provide a grant of up to \$15 000 depending on the size of the house for the purpose of reciting the house and eventually they may be able to purchase the house spot at a reasonable price.

I believe that we are heading in the right direction. I think we will have to do more but we have started and the demand for house lots and homes seem to be very great. I believe there is need for a **revolution** in housing. I believe there is need for a revolution in our thinking. If we do not have this revolution, Mr. Speaker, we will not be able to

satisfy the demands. We have looked at other problems across the world. I have heard of the Korean model. I have heard about the Malta model and I have heard about the Chilean model where homes are provided by the state at concessionary rates for a number of poor people and over the next months we will be studying some of these models. I have heard Members talk about a White Paper and already the Minister has instructed that a White Paper on housing be drafted and we are looking at a White Paper in housing. We will announce very shortly when we will give the public the opportunity to contribute. So far a number of businesses and banks have called and they have been giving their opinions. The legal fraternity has also been called and the real estate agents have also been called, Mr. Speaker, to give their input. So we have a cross-section of Barbadians who have given their input into a new White Paper in Housing. I hope that this would form the base for a new and exciting policy for the next financial year.

3.35 p.m.

I also want to say that despite all of this and despite the expensive programme, the National Housing Corporation will still want to collect its money. A lot of people have called for improved housing in their housing estate. Especially, I know that I have visited Eden Lodge yesterday and I have seen a number of areas where some of the roads within the housing area need to be spruced up and cleaned. But despite all of this, the Housing Corporation still needs to collect its rent. We have a number of people who still owe and some owe as much as \$10 000 and this has been of concern to the National Housing Corporation. So far to date the National Housing Corporation is owed more than \$4 million in arrears and it is growing. In 1992, it was only about \$3 million. Today, it is almost \$5 million. It is about \$4.5 million today. We cannot promise to wipe off the arrears, Mr. Speaker. There are a number of people who can afford to pay and we have cases where Honourable Members will send their constituents down with a letter to the Housing Corporation saying to give them a little chance. We give them a chance and they do not honour the new agreement. So the only thing that has to be done is to give eviction notices. I know that people complain about the eviction notices but it has to be done because so many people are in need of a home.

We have cases, Mr. Speaker, where tenants are not only leaving their homes in arrears, but they are putting other people there and they are going overseas and leaving the unit. All of these things the Housing Corporation is aware of and they are trying to put a stop to it. But Members must understand that the Corporation must collect its money if it has to repair the homes, clean around the housing estate, and also to provide new housing estates for the many people who are in demand of a home. I understand there are over 6,000 people who have registered with the Housing Corporation who are seeking a home.

Mr. Speaker, I believe that, if we continue on our path and if we continue to provide homes for the people, we will see this Revolution that we have called for. For example, only recently the Honourable Member for St. Michael South Central had about **4** fires in his constituency. The demand for homes was so great at that time we could not find all at the same time but he was lucky that he got the homes and I must say that the Housing Corporation has gone out of its way on numerous occasions to find homes for people and getting up at midnight and all hours of the night to find homes for people who have lost their home through a fire. We have to compliment them because we put tremendous pressure on them.

Dr. R. C. HAYNES: Sir, I must thank the National Housing Corporation for the assistance given to me, but I want to assure this Honourable House that I worked very, very hard on behalf of those two families whose homes were destroyed last week in **fire**. We have accommodated one temporarily and still accommodating one probably in our constituency office with the help of the Defence Force providing beds and so on and we are looking forward to further cooperation with the Ministry of Housing and the National Housing Corporation to find a definitive solution to the problems.

Mr. G. A. CLARKE: All Honourable Members have had problems and emergencies within their constituency. At times it puts tremendous pressure on the National Housing Corporation, but in the final analysis I know sometimes, Mr. Speaker, you would have pressures on you for homes...

Mr. SPEAKER: Sometimes.

Mr. G. A. CLARKE: But I know you received help where some people were being evicted and the National Housing Corporation came along at that time. But Members must be patient. Land is being provided but the process takes time. We want Honourable Members to understand that despite the process is long, they will still be accommodated eventually.

Mr. Speaker, we need to compliment the National Housing Corporation and we need to vest more land into the National Housing Corporation. I thank you.

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

Dr. R. L. CHELTENHAM: Mr. Speaker, Sir, housing has for a long time represented the area of greatest social need in this country and at the same time it constitutes the biggest area of weakness in our social structure. Successive Governments prior to **1986** have done their utmost to meet

to some extent the housing needs in this country. But the years **1986** to post election of **1994** have been wasted years in this country in terms of the provision of public sector housing. It is not widely known that less than 200 houses were built by the public sector during the period of **1986** up to **1994**. That is a matter of record. So that housing was one of the biggest victims of structural adjustment with all of the social dislocations and loss of employment that resulted. But we have come out of that period except that I do not perceive that there has been a full restoration of confidence on the part of would be home owners to the point where they are prepared even though many of them are again working to go forward and make that 20-year commitment in terms of taking out a mortgage in relation to the construction and the ownership of a house.
3.45 p.m.

I am sorry I cannot join with Honourable Members in offering widespread congratulations to the Government in relation to its housing efforts. It ought to be remembered that in the run-up to the **1986** elections, when West Terrace was on stream, the Government had managed to so energize that sector that the country was building about 2 000 houses a year. We have to continue to see it as a challenge to both the private sector and the public sector, but when the Government is talking about providing 50 terraced units a year, that is laughable, and no one should be talking in terms of congratulating a Government that is committed to providing 50 terraced units a year in the context of more than **6 000** people on a housing list for houses.

We are not anyway near beginning to meet the demands of the people or to scratch the surface. The figure of 50 has just been given by the Parliamentary Secretary in the Ministry, who spoke of 50 terraced units a year as the target of the Government. Even though that is an improvement on the recent past where no houses were being built, it still is a far cry from what is needed. It seems to me that the Government has to energize the entire construction sector, of which the housing sector is only a **part**.

The Government has to take the lead in bringing energy and dynamism to the housing sector and the construction sector, and while we must continue to view it as a private **sector/public** sector challenge, the Government as always must lead the way. It must offer more carrots to construction companies and builders. It must encourage financial institutions to put their money in that sector. It must educate the would-be home owners with regard to the sources of funds available. It is not widely appreciated, Mr. Speaker, that not many would-be home owners **are** aware of the fact that for the lower and middle income person there are two funds governmentally related, the General Workers' Fund through the National Housing

Corporation and the Credit Fund through the Ministry of Housing, that are available. Often people come to me and say they do not know where to turn to get money. I had that situation only last Friday where a couple with a joint income in excess of \$2 500 a month came to see me and they did not know where to turn in order to get a housing loan of \$50 000.

The country needs to take on house building as a kind of national crusade and the Government itself needs to take the lead in making sure that energy and dynamism is brought to the entire construction sector. It has implications for the quality of life people live, for their well-being and very serious implications too for employment creation in this country. As I was saying at the lunch table not too long ago, Mr. Speaker, we will never be able to put that middle and lower class to work – that artisan class, those plumbers and steel benders, carpenters, masons and electricians, truck drivers and truck hands, those who mix mortar and the whole class of person who will provide the mauby, the fish cakes and the cutters on the building sites – in the numbers we would all wish to see at work unless we get the construction sector humming again. It is my view that we can do it without overheating the economy and without a drain on our foreign reserves, because we have the Cement Plant here now and we are not labouring under the mistaken view, which was very much the dominant view in the 70s and 80s in this country, that 70% or more of the cost of every house went abroad. That was a false statistic. I think the position now is no more than 40%. That is why I say we can aim towards a target of 2 000 houses or more without putting a drain on our foreign reserves, and we can do it without overheating the economy.

So I am sorry, Mr. Speaker, that I cannot join with others in finding any satisfaction with 200 units in two years. Those sorts of figures are laughable, they do not begin to address the dimensions of the problem, they do not sufficiently appreciate the extent and the urgency of the demand out there for housing and house spots. I am not satisfied, as I have said, that the Government is taking the lead in injecting the dynamism and energy into the sector. Barbados Labour Party Governments in the past have done it and the atmosphere is now appropriate for this administration to make sure that it takes the lead in ensuring that we begin to tackle this problem of the housing shortage and the deficiency in our social infrastructure in a very serious and relentless way.

Let me say, Mr. Speaker, that this whole question of levies arose under the Barbados Labour Party. It was part of the thinking of myself and the Honourable Member for Christ Church South. We made a tour of South East Asia in the late 1970s and we were very impressed with the social experiment in Singapore. Through a series of levies

they were able to address and correct deficiencies in their social infrastructure, whether it be in housing, road construction or whatever. We came back and sold that idea to the Barbados Labour Party at the time and so a series of levies were introduced: transport levy, health levy and now today we are talking about an environmental levy.

I have been the voice arguing in the Barbados Labour Party for 15 years and more that one of the first areas that should have been addressed through a levy was housing. The former Prime Minister, now of blessed memory, Mr. Tom Adams, had promised me months before he died that he was committed to that idea of a housing levy, I had been pressing for it, and it was the very next thing he was prepared to implement in this country. We have since had the view of the international agencies that levies should be abolished. I see they are becoming fashionable again, but if we are in a fashionable era again I am again repeating that housing is the area we should be addressing at the public sector level through a levy, and I believe that all Barbadians would support a levy for housing. Those who already have their houses would be able to get repair funds too out of that levy, because we would have to make sure that we structure it in such a way that the man who already has a house may also benefit by way of repairs from time to time. Let me say one or two additional things before I take my seat.

3.55 p.m.

In my experience, a good 4 out of every 10 people who come to see me from the constituency of St. Joseph need either housing or house spots and that is a good index of the enormity of the demand out there for housing and house spots. One of the inhibitions to the Government getting ahead with despatch has to do with the fact that it has not acquired onto itself enough land for what the Honourable Member for St. Thomas for years spoke about as though it was his own expression as a land bank. Mr. Speaker, he used it as though those words were his own creation. But the idea is sound, and the Government must have a large acreage of land at its disposal if it is to take some of the initiatives in relation to sites and services and other initiatives in house building that we had been talking about.

St. Joseph and the Scotland District have a particular problem. It results from the fact that there is a high incidence of land slippage and there are a lot of people who through no fault of their own, through acts of God, as it were, have been forced to move to new neighbourhoods after 50-60 years living in a particular spot. I can think of many people in upper parts in the Chimborazo area and other parts of St. Joseph that is subject to land slippage. I do not think that the Government's policy in relation to rehousing those who have suffered through no fault of their own from land slippage is as humane and caring as it should be.

It has already been drawn to the National Housing Corporation and to the Ministry that a lot of people to whom house spots can be provided, in Lammings for example and other areas, have not after 2 to 3 years been able to move to those house spots because the process of moving is expensive. Sometimes an old house is dismantled beyond repair when you have to move it. Many of them are owned by pensioners and they will not be able to move unless the Government undertakes the cost of relocation. That has not yet been done and so we have a lot of people in **Chimborazo**, in St. Joseph, for example, who have not been able to move to the spots given to them in Lammings over 3 years, because no one has come forward to say the cost of moving is going to be borne by the Government.

So there are a lot of areas in which the Government can look in new directions, areas in which there is a need to bring more energy, more humanity to its policy and needs to move with greater despatch. I am not happy that the National Housing Corporation is as fast moving a bureaucracy as it ought to be. I have heard all sorts of congratulations showered on them. I find that my people cannot get them to respond with urgency and speed but I understand that they cannot do any better because they don't have the wherewithal, they don't have the houses.

I think there is need for vast improvement with respect to the policy and with respect to the education to would-be home owners, with respect to the speed at which we acquire additional land for the land bank and, generally, in terms of our conceptual outlook with respect to housing the nation for the future.

I am looking forward to a full scale debate in this House on housing where we can return to the whole issue of housing Barbados for the next century. In the meanwhile, I would like to conclude as I began by calling upon the Government to inject new energy and dynamism in relation to the construction sector and to continue to view the housing of Barbadians as a challenge to both the private sector and the public sector. I thank you, Mr. Speaker.

Mr. L. R. **TULL**: Mr. Speaker, Sir, having listened to most of the contributions in this debate, from both sides of the House, I get the feeling that we are on our way to the good society. I have heard in this debate a lot of concern for what is one of the greatest social crises in Barbados, housing for the poor. I have not heard for a very long time the kind of expressions of feelings for the lot of that segment of our society as I have heard in here today. I believe, Sir, that the seeds are beginning to germinate and we all accept that housing is a critical social need, not a luxury. People have to be sheltered and in a country like Barbados which is a relatively affluent, developing country the state of the housing stock in Barbados is appallingly

poor and the lack of housing for a wide cross-section of our people, not only the poor but others, is something that should be causing all of us concern.

A lot has been done in recent years for a progressive approach to be taken to these needs and principally through the enactment of the Tenancies Freehold Purchase Act in 1981 when the plantation tenancies across Barbados were given a new lease of life, where thousands of Barbadians who had had a legacy of poor and rotting chattel housing, a lot of them who were almost themselves the chattels of the plantations, were given an opportunity through the passing of that **farsighted** piece of legislation to transform their lives and across Barbados now in most of the plantation tenancies we see the rising of a large number of permanent structures to replace the sub-standard housing of 2 decades ago.

So we have been on our way, Sir. Housing has been discussed in recent years in the international community through the United Nations Organisation and its agencies in a broader framework of human settlement. In other words, we are not concerned only about building a house with 4 walls and a cupboard. We have to be concerned about the integrity of the life that people live and particularly the people who live in depressed areas. It has been observed that many of the social problems that confront most societies in this modern world are spawned in the environment of poor living. The slums and depressed areas of big cities and first-world countries or of developing countries where many of the social problems have been spawned have had their birth in the poor social environment in which many people on this planet live. Therefore, the problems that **confront** much of the world will continue to confront Barbados unless we take a position now, not merely of how many houses you build this year and how many you build next year, and that kind of thing, but how housing for the people of Barbados becomes and remains a critical aspect of their human settlement.

4.05 p.m.

Now, I am going to applaud the Minister of Housing for this new departure where he is moving away from this concept of **bigness** in housing, a big Pine housing area, a big one **down** in Deacons Road and all over the place, Ed'n Lod **ge**, Gall Hill and Silver Hill. Those projects were conceived in a time when the social problems confronting Barbados and other countries were not as clear as they are today. We have to look at those big projects in the context of the disintegration of community life in Barbados.

It is easy to build these big projects and then pull people away from districts all across Barbados, pull them away from their roots, their **community**, from the places where they went to school, where they went to Church

and grew up, from the shops where they lime, and the corners they lime and throw them into a community and expect that you can build a community overnight without breeding a lot of social problems.

The new concept that I am hearing from the Minister of Housing, and I am not going to give him all the credit because it is not new, but at least he is prepared to do something about it, where we are going to look at Barbados, the whole island, all the parishes, and see where we can build on to existing communities, to existing villages, some here, some there, and reject the notion of bigness and building housing that can easily integrate into existing communities, I think that is a laudable move. I support it, Sir. It makes not only for the integrity of the community in all its senses but it gives a lot of support to **family** systems. Even for the politicians, it allows for a certain electoral integrity.

I am hearing about building all these houses all over Barbados and I have not heard anything that they are going to build in St. George South. Frankly, Sir, that is not a big thing to me whether they build in St. George South or not at this stage. But if they build in areas outside communities, it means that perhaps a number of people **from** settled areas, I am talking electorally now, Sir, will have to be moved and go in other areas. Certainly the people of St. George South do not want to go down in St. **Lucy** to vote against that Honourable Member. They would like to remain in St. George. We need to take that into consideration.

I have heard the argument used about if you build roads, houses will spring up alongside those roads. That is true, Sir, but only a certain set of people fall into that category because if they are going to spring up on the land alongside the roads, we are talking about people who are the owners of land. You cannot have houses springing up alongside the road, chattel houses owned by people who are landless. So I do not quarrel with that concept because that is one approach. I believe we have a responsibility in this country to make allowance for those who do not have.

Now, Sir, in the whole context of housing and human settlement planning must be dovetailed another programme or the Barbados Labour Party Government and that is the Rural Development Programme. You cannot segment these things. You cannot **talk** about an enlightened housing policy that will make provision for housing for a large number of people who do not now have a house, housing that is so bad is not fit for human habitation without taking into consideration, as I have said earlier, all the other aspects of their settlement. The Rural Development Programme as conceived, articulated and advocated by the present **Administration**, must be an important part of any

new housing thrust in this country otherwise we will have to ask. What is it all about?

What I am saying, Mr. Speaker, is essentially what are the means of approaching the problem. What I **find** interesting, and that is why I started at the beginning by saying there is hope for us at building a good society because every single speaker on both sides who has spoken has acknowledged the need for housing and good housing for many of the dispossessed and disadvantaged people of this country. Everyone has accepted that, and where some have proposed that we **travel** in one direction to achieve the end and some another, at least we are agreed on that. Just as the Freehold Purchase Act has transformed the living conditions of many people in the plantation **tenancies**, and just as the Rural Development Programme as articulated by this Government is now beginning – not to take the bite yet, Sir, – but at least we are talking about it, at least with these programmes we are sure how we want to approach certain aspects of the problem. We have to pull all of them together. We cannot be like a man riding two horses going in two different directions because you know what will happen. We have to get these things working together.

I want to urge on the Minister not to let either his advisers or political people on either side, even from the back benches, to stampede him into his dealing with housing merely as a numbers game, but it has to have the ring of quality. It has to be planning for the future, planning that has as its central purpose the development of human beings. It is not a mortar and brick project. It is about people, and **this** is what I would like to see as central to the policy of the Ministry of Housing.

A little politics, Sir. A former leader of the Democratic Labour Party, the late Mr. **Errol** Barrow, promised that one of the things I heard Members complaining about today would not happen, that he was going to set aside 300 houses, or some big figure for fire victims, flood victims and so on with a great amount of pomposity. He said he would bring that situation to an end. After eight years of Democratic Labour Party Government, he for a short period, and his legatees, including the Honourable Member for St. John who has been his legacy in more ways than one, have not delivered and we find ourselves – and I hear the Parliamentary Secretary in the Ministry of Housing, the Honourable Member for St. George North today wringing his hands in agony at the problem of persons evicted from your constituency, Mr. Speaker, and from those burnt out in the constituency of the Honourable Member for St. Michael South Central – those are the constituencies, and the City of Bridgetown, of people who have to sleep on the sidewalks. He is **wring** his hands that he does not have the plant to accommodate these people which the former Administration had **promised** they would deliver.

Now, we have to do something about it. It cannot remain in a country as endowed as Barbados that when people have a fire in a chattel house and all their possessions are destroyed that they should have to be driven from pillar to post, cap in hand, begging whosoever will for a lodging, and an old chair, and a basin. This society has gone too far for this kind of thing to be happening.

Recently there was a certain big-up who had his house **burned** down and he stayed for a couple of months at Sandy Lane Hotel. We cannot afford that, Sir. The people of St. George South cannot afford that. I shutter, Sir. Every time I **tun** on the radio and I hear the news start, "last night there was a fire," I hold my breath because I do not want to hear that the fire was in St. George South because if I hear that, I literally do not know what to do. If I call the National Housing they are going to ask me if I am **drunk** to call them in the middle of the night because they **are** civil servants. If I call the National Assistance Board, waste of time. If I call the Welfare Department more waste of time. So that is what you have to do. Carry them home at you.

4.15 p.m.

Now, Mr. Speaker, I speak with a great deal of feeling about this matter because Barbados is a relatively affluent society and we should not in this year of **Our** Lord, 1996 be in a position where poor people across Barbados would get themselves in these predicaments, driven about, running around, like fowls with their heads cut off, can't **find** succor anywhere. I believe, Sir, we have to address this as a major social problem.

I do not know what the immediate plans are but I am sure no Member of this House on either side, has any quarrel with the submission I am making that provision should be made with these people when they have these accidents to be treated with respect and dignity and be put in a position in which they could start to rebuild their lives.

I know, Sir, I represent a constituency that is in the heart of the sugar belt in this country and I have houses that are in close proximity to sugar cane fields. Certain parts of my constituency we have chronic water problems. People cannot get water for whatever reason. The Barbados Water Authority tries its best to do the adjustments and readjustments but we still have problems with water and since we live in the sugar belt and many of our houses and chattel houses are in close proximity to sugar cane there is **always** the fear that there might be a holocaust in some **lage** or district in St. George South because when the **fi** starts and there is no water around, God help us, **esp**ally if there is a good wind coming through the St. George Valley. We have to look at these things, Sir. These **are genu**e problems that we have to look at and this is all

part of the thesis that I am advancing that you cannot only be talking about housing, but we have to talk about housing within the context of how people live within the community.

I want to mention, Mr. Speaker, Sir, something about the Housing Credit Fund to which every speaker who has already spoken in this debate has alluded. I also hear the Honourable Member for St. Joseph mention the general workers fund. I have been in this business for a very long time and I cannot understand why these facilities are not so well known to the public that they do not have to feel that they have to go to their representatives to get a letter. They go to their representative, can you give me a letter. They feel they have to go to a godfather who must pull a string for them to get money that really is lying down there waiting for them. When I say to them, you do not need any letter, the Housing Credit Fund was set up by the Barbados Labour Party in the early 1980s in an administration of which I had the honour to be a member **and** I know that when we borrowed the **first** set of money from the Americans we set it up for the people of Barbados of certain income groups to be able to go and get this money to build houses, buy houses, repair houses. You do not need any favour. The word has to go abroad in this country that you do not need any godfather, any big-up friend, to put in a word for you, this money is there for the people of Barbados to assist them in their housing. But it is **one** of the best kept secrets. There is money there that nobody knows about.

I urge on the Minister of Housing and he can take all the credit for it when it blooms and everybody says I went down and get mine. He must take the credit for it but he has to do it in such a way as to let the public of Barbados know, advertise it, shout it from the house tops that there is money there to be had to **fix** up your homes, to do extensions and so on. Mr. Speaker, I would urge that the Minister does not require us to go through the present system of going and standing up in the sun and waiting for a number of not always very 'hospitable persons to deal with it. Devise a form, a simple form, that anybody could fill in and push it into a mail box where they do not have to go and stand up and be pushed around or humiliated by anybody. Make it easy for himself as he seeks his moment of glory when it works and works **properly** and also allow us to give better representation to our people.

Now, I always had a problem, Sir, in understanding this business about shortage of land and you have to put in districts to build on. I am 100% sure that the National Housing Corporation has enough land in Barbados to build all the houses that are needed. I used to be part of a land registration survey where we asked for orders and we got a land bank. We looked around Barbados to find out how much land the Government really owned for this

purpose. There are large tracks of land across this island and the National Housing Corporation has got to get up and get. Go out there across the Island and identify every piece of land owned by the Government for housing, put it together and get cracking.

This house spot problem is not an easy problem. Every single Member of Parliament, bar none, hears from constituents and others, their constituents and other constituents, where there is a crying need for a house spot. **People** have nowhere to put their houses. If you want to get the construction industry going and the improvement of houses, people need somewhere to put their houses and we have about 6 000 applications in the National Housing Corporation. These can be cut in half over night if these people are provided with house spots and they are given an opportunity to construct their own chattel houses on those spots.

We have to move from the promise to the performance and hearing about sites and services and hearing that spots are delivered to people. If we can get these spots available we are going to see hundreds of Barbadian people start to construct their own chattel houses on those spots and with the policy of the Government to make it possible for these people to eventually own the house spots we will see an important transformation in the quality of housing in this country.

Now, in respect of this question of land use, I heard the Honourable Member for St. John, and I **am** sure he must have been talking tongue-in-cheek when he sought to criticise the administration of the Barbados Labour Party for approving certain land division. There needs to be a more flexible policy and I am one who is prepared to learn. I do not know everything. But Honourable Members who have spoken have stated or gave assurance that there is plantation land without doing any damage to the cultivable land to provide land for other pursuits as housing, industrial or whatever, rab land or so on. Now I have seen the **document** between the Inter-American Development Bank and the Government of Barbados for the loan which is very much in public discussion over the last couple of weeks. That document spells out a land management efficiency policy which puts into writing between the two parties a new policy in relation to the management of land giving the Government the flexibility to move away from the straight-jacket of policies of old plantation owners and their ilk who shout from their **housetop** over certain practices but keep quiet about something else. So this new land management efficiency policy will allow the Government to do just what Honourable Members are advocating, to adopt a flexible land use policy that will retain the required acreage for **agriculture** and using lands that are marginal for the development of this country. It is not only housing that I speak of. I **am** speaking of industrial and even

tourism use. So that is being addressed if the document that I have read means what I **think** it means.

4.25 p.m.

Now I want to urge the Government to combine their new thrust in housing with an aggressive and creative policy of the environment. We talked about the environment last week, Mr. Speaker, and we are **talking** about housing today. I hope, in fact, that we can spend a whole day talking about the environment. As they talked about housing, I **am** hoping that it is not lost on anybody that the two are intimately intertwined and that the two must go together. We have to be very careful, Mr. Speaker, and I urge the Minister of Housing not let us constantly try to re-invent the wheel. Every single person who has been in this Chamber or has an interest in public **affairs over** the last 20 years will know exactly what is the **cc** of the policy of Governments in relation to housing. The fact that everybody on all sides agree that it is a serious social problem and that we have to do something about it speaks for itself and we must be careful that we do not, as I said, try to re-invent the wheel. When one has been in this Chamber for a while, you get to understand that the same things are said over and over again in different language by different persons, but generally in Barbados as a society that is homogeneous we know what we want. There is a **general** consensus among all sectors of people in Barbados as to what our basic goals are. Therefore, I **am** urging...

Mr. SPEAKER: The Honourable Member has 2 **minutes**.

Mr. L. R. TULL: I therefore, Mr. Speaker, Sir, am really urging that we do not get involved in a great deal of analysis **and** studies and all of that. We have done that. We know what we want. Let us go ahead and do it.

Now in that regard, Mr. Speaker, I want to tell the Minister this that having listened to this debate he will know that everybody has an opinion of his own how we should approach housing and he must not be confused by the voices that he hears. He has to get his policy and get cracking. I saw a Latin thing in the newspaper today, Sir, in the column of one of the political parties – that Party, Sir. It was a massacre, a butchery of good Latin, Sir. It was temble Latin. You read it and see what it says. But the one that I want to mention before I close in speaking with the Minister and advising him not to listen to everybody because you can get confused. The one I use is: "*Quot homines senfentiae*".

Mr. J. O. **TUDOR:** Mr. Speaker, I intend to make a few comments in this regard. I really was quite surprised that the Honourable Member for St. Joseph was so severe in his attack against the present Administration. I was

really quite surprised and I was also surprised that in this Parliament we have heard so many positions taken on the question of levies that it was strange to hear from the same Honourable Member from St. Joseph that he was in fact calling for a levy for housing in this country after having criticized..

Aside.

Mr. J. O. TUDOR: I am speaking about the Honourable Member for St. Joseph where he was part of a team, Sir, that bitterly criticized the Democratic Labour Party's Administration for the advent of levies, *etcetera*. So we have a scenario where we are not clear about the **kind** of language that comes from the Other Side and it is confusing, particularly at a time when it seems to me that there is some effort to seek to address the problem that is confronting us in this country and that is by way of the provision of house spots. I think that any effort that is made to provide additional house spots to Barbadians should be appreciated, even though it is fair to say that it is in a piecemeal fashion considering the **kind** of pressure that is coming to bear on the society for the provision of housing units.

Sir, what I find is particularly frustrating, and I have listened to the **Honourable** Members and I heard a lot of the concerns that they have in the various areas of housing, is that we have been turning around people of low income in this country for a very long time. It is sad that week after week members of this public are put on fair promises that they are going to be given a chance to get into a unit next week or the next week and the National Housing Corporation tells them one after the other every Tuesday or every Thursday: "Come back next week". That is a routine that has been going on for a number of years and it is still happening where they are being turned back and they come back and back. I think that we should say quite frankly that we do not have the units at present and stop putting the Barbadian public on fair promises that they are able to get some degree of hope next week when you know there is nothing. It is an affront to the intelligence of the people of this country and really and truly I **think** that any effort whether it is to acquire land or whether it is to build terrace units must be appreciated at this time.

I am not going to be getting into the argument about the whole question of 100 per cent mortgages because I believe, Mr. Speaker, that you could provide a 100 per cent mortgage to everybody in the society but if there is no land available then the provision of a 100 per cent mortgage makes no sense. If you are unable to access a piece of land, then you are wasting your time even if somebody gives you a 100 per cent mortgage:

4.35 p.m.

One of the main objectives for this country is to make a decision without delay about the land that we want to make available to the citizens of this country. If we look at the requests we have on record to date, where there **are** over 6 000 people waiting on housing units, there are several other people who are unemployed and are dreaming to have houses, you could easily say, Mr. Speaker, that there are at least 10 000 potential home owners in Barbados who are desperately in need of housing in this country. In my constituency many of them cry to me on a daily basis. They are desperately in need of housing, yet we have no resources available to us that can satisfy the demand out there in the society.

I do not think it is fair for any Honourable Member to condemn the slightest effort, and I am going to make that point because I think we should put this notion and political posturing aside. It is indeed a social issue and one we should come clean on and tell the public what resources we have available to us, how we are going to help them, because as we go towards the next century we are going in a totally disorganised manner where we cannot convince the young people of this country that they have a stake or that they have a safe future and that they and their children can rest comfortably.

Mr. Speaker, I was making the point about mortgages. Many of the people who are desperately in need of housing, even though you provide land and mortgages for them, and the National Housing Corporation has indeed increased the limit from \$20 000 to \$40 000, that is a big difference in terms of what they can in fact acquire for that amount of money, but even though you move it to \$40 000, the average housing unit, a three-bedroom or **two**-bedroom with a wall kitchen and bathroom, it is going to absorb the \$40 000. In addition to that, you are going to have to pay for a septic tank which is going to **run** you into additional finance. You have to pay labour costs, insurance, legal fees and all other **kinds** of charges. You have to ask yourself the question, how come all of this land is available? How come all of this mortgage money is available? How come everything seems to be in place for you to access a house and yet people are still unable to build houses? Something has to be wrong. Something is wrong with the co-ordinating of the whole effort, because on the one hand we are talking about giving 100% mortgages, without understanding that to give 100% mortgages without assisting the persons in finding house spots, without assisting them with the other start-up capital to build the homes, we **are** literally wasting our time.

I think we have to confront this problem. I am not going to share the view that the National Housing Corporation is not trying, because from time to time they **are** confronted with a situation where they have people

coming at them on a daily basis and they have to say something to those people. What they are saying to them every day is that they are going to give them hope, but it is not that they are wilfully or deliberately ignoring the Barbadian public. I **think** the message must go out that there is a crying need for assistance in terms of allowing people to get house spots and to allow them money so they can build homes in the short term. It really is a sad day, Mr. Speaker, when we do not tell people exactly what they have to do to access a housing unit.

I just want to make one other point, Sir. The limit has **been** raised to \$2 054.47 for persons who were **working** for below \$1 030 to qualify. There are very few people who are **working** for that amount of money on a monthly basis. The majority of the **working** class Barbadians are **working** for between \$1 000 and \$1 200 and it is going to be extremely prohibitive for a person working for that amount of money to be able to pay for housing, food, pay bills and so forth. It is almost impossible, Mr. Speaker, and if you notice the amount of units that are presently being sold, there are so many housing units being sold out because people are unable to make payments on their homes at this present time, and not at the low income level. Many of the West Terrace units and those in the middle to low income range are being sold out, because persons in this society today are unable to meet the payments. You can look at the newspaper every weekend. A large number of people are unable to make the payments, and that is going to be a trend that will happen at all levels.

To some extent we as a Government, or as a group of people whether we are in Government or in Opposition, are **going** to have to make the bold decision at some time to subsidise housing in this country. We will have to find a way how to determine what level of subsidy will be given to individuals, but it really is an affront to keep putting the Barbadian public on fair promises. Let us tell them that we understand the problem, we have **limited** resources and we **are** going to be subsidising housing at some time, because we are not going to achieve any results unless you make the way from a governmental position. You cannot ask the private sector to do it, because they **are** not going to subsidise anything. They might give somebody a loan if they know A, B or C, or they may even give you a letter to take to the National Housing Corporation to get some assistance from the Housing Credit Fund, but at the end of the day unless you are able to make those payments or pay the rent, unless you are able to get enough money to really make the home comfortable, Mr. Speaker, we are literally fooling ourselves that we are doing something for the people of Barbados.

Do not let us create any impressions about housing in this country, let us tell the **Barbadian** public straight **what** the score is, that we do not have the units available for them to rent. It is **sad** to see the Barbadian public lining up

week after week, going back like lambs to be told come back next week. That itself must be a terrible experience for the workers at the National Housing Corporation. That cannot be a pleasant experience to be seeing the same people every week, because the public starts to believe that they are liars, then the public starts to believe that the politicians are liars and that everybody is telling you a lie, you can get a house but you have to know somebody. It is really not **fair** and I think the public should get the message clearly once and for all that the Government cannot provide the level of housing they are seeking to provide.

Even if you took the entire \$20 million or whatever amount was available under the Housing Credit Fund and you divide it by the demand of 5 000, you would only be able to cater to about 500 people at a maximum, and you are only doing 20% of that, so it means that in any period of time the most people you will be able to satisfy will be at least 100 over a year or just over a year, which is insignificant. It is revolving, so it is a very minute portion of the demand that would be able to be facilitated. At some stage this country is going to have to address the question of housing, but the impression should not go out that you are doing so much in the area of housing, yet we cannot see the results on the ground. It is all well and good to keep in hope, but at the end of the day you frustrate an entire society and they have all kinds of misconceptions about what is the real position as far as housing is concerned, and until we address that we are doing a disservice to the society.

Mr. Speaker, I am going to support this effort. I think that this is the right direction for us to go down. It has to be stepped up. We have to identify more areas we can acquire and vest lands in the National Housing Corporation without delay. This is a good process which must be extended without delay.
4.45 p.m.

In my constituency, I have huge problems. 70% of the land area in St. Michael East is a zone 1 area. So even though the Government owns land in that particular area they still cannot use it. They cannot even use it for agricultural purposes and it is just lying there. People see these open spots and you cannot change the use of the land because of the water zone law that was introduced in the 50s or the 60s so there is a lot of Government land lying around in the zone 1 area and that happens throughout the whole of St. Michael where all this zone 1 land is not **available**.

The Government is going to have to acquire land on the outskirts of St. Michael. We are going to have to identify land outside of St. Michael. So there is going to be a need for an educational programme to sensitise the Barbadian public that you are going to have to move

into rural Barbados to some extent and I expect that some attention will finally be paid to the residents of St. George which is contiguous to my constituency and I am going to make a plea for the residents of St. George because they seem to lack representation and I would encourage the Government to look in St. George which is primarily a zone 2 area going into zone 3. The Government should be seeking to identify land in St. George. There is a lot of land that they have paid no attention to. We understood that they would have done roads in St. George that when the Democratic Labour Party went out of office that they were not repairing the roads in St. George and that they would fix the roads right away. I drove through St. George only last weekend to find that the land is still there open, that the roads are still very bad in St. George, in many of the communities and there is a lot of land that you can access if you fix the roads so that you can start housing some people.

Mr. Speaker, my contribution is that this is a good effort. We must get real and we must continue this effort in haste and we must give the public the impression that we really understand their needs and stop confusing them. Tell them straight what the score is. Thank you.

Mr. H. deB. FORDE: Mr. Speaker, after having been in this House for 25 years I suppose I can reflect on the style of speeches which Honourable Members make in this House. I can distinguish those who are very serious about their subject, others who are concerned and genuinely concerned and others who are scoring in the course of a reasonably good speech the odd, political points and not really meaning it, trying to throw some lashes at the Honourable Members for St. George South and North and others who - what I would like to call - "out-richie" Richie by going for the headlines, like the Honourable Member for St. Joseph, and speaks in extremities that one does not expect normally from him.

This afternoon, he was a little bit, if I may say so, in very high pejorative terms, without having his feet on the ground and being realistic in putting a political sense about matters. The position is that this Government has been in office for just over a year and a half. It is totally unrealistic for either the Opposition or any Member in this House to expect that within 18 months a Minister of Public Works and Housing would have solved all of the problems in the housing sector that have been there for several years.

I'm not in here to make political points, but the DLP in its last 8 years in office produced 50 houses for the lower income sector. This Minister already has got over 45 houses either completed or in the course of completion. Now anybody can realistically judge, if you are talking about aggression and performance, that if you took the

comparison, you would have to say that this Minister has performed better than the last 2 or 3 Ministers under the Democratic Labour Party.

Sir, I want to make the point because I have been in here too long to come into a House merely to be scoring political lashes or not being realistic about the position. I have looked to see what the Minister has been doing. He has already resited 14 houses in Dacres. There is another 30 lots that are available. He has got 92 house sites and services at Haggatt Hall. He has acquired land in Waterhall and has started putting in the infrastructure for sites and services. He has acquired land at Farmers for 150 sites. Land has been acquired at Groves in St. George. The Honourable Member is listening, Sir. Constant in St. George, Coverley in Christ Church, again for sites and services. He is in a phase of Flat Rock - 30 sites, Cave Hill in St. John - 50 sites, Waterhall - 50 sites and I have given Maynards some other time.

He has done this Sir, and Honourable Members must be fair to themselves and the politicians. We are being very unfair to ourselves sometimes in order to make political points and that is where we are falling down with the public, because this Minister, from the first day he took over the portfolio, not only got his civil servants to write to each one of us but himself spoke to the Members of this House on both sides of the House and asked us to identify areas in our constituency which could be acquired for sites and services.

Now I have had to say to the Minister that I cannot identify any area in my constituency because Christ Church West, like St. Michael South East, is very over built already. So I have had to say that; but it is unrealistic to come in here and then give the impression that the Minister and his Parliamentary Secretary and therefore the Government are not performing and do not have a humane face. Sir, I don't believe anyone of us in here lacks humanity when it comes to providing housing for those people in the lower economic sector of the community.

The Labour Party has too good a history for me after 25 years of membership of the Party to let that sort of comment go unnoticed in this House, Sir.

We started to transform housing under Grantley Adams and Hugh Springer and Frank Walcott and the whole lot of them. Never forget that! We started the transformation, and there is nobody that could re-write the history of Barbados to say other than that when we passed the Tenancies Freehold Purchase Act in Barbados it was an act of courage and of democratic socialism the like of which we have not seen in other parts of the Caribbean or elsewhere.

That has led to the transformation of areas in St. John in my constituency, represented by the Honourable Leader of the Opposition, and when he passes through he will notice that the people of St. John are showing initiative following their appreciation of what the Barbados Labour Party has done for them, in converting their houses to upgraded quality. That is having the vision to help people. I really want to make those points in this debate because while both sides of the House are agreed that we have remaining problems in housing I am going to do like the Honourable Member for St. Michael South East and appeal to us to bring a little bit of realism into the debate and don't make people believe that you will overnight transform problems that have accumulated and deal with those problems. That way, we ourselves are doing each other and the public damage.

I believe that the Government has started out to try to solve an accumulative problem.

I have **2** housing areas in my constituency, Pleasant Hall which was built during the Democratic Labour Party's time at the urging of the late Sir **Edwy Talma** and Bonnetts which was built during the Barbados Labour Party's time. It is very difficult to get a housing unit in that area because they are near to the basic social services and they are reasonably priced. To that extent the Government is already subsidizing housing for people.

4.55 p.m.

I would be **lacking**, Sir, in appreciation if I did not extend my thanks to former Ministers of Government, the Honourable Lionel **Craig**, and the late Honourable L. B. Brathwaite for putting Bonnetts the way it is. I would be further lacking in appreciation if I did not say that the residents of Bonnetts have not looked to the Government to do all for them. They have been upgrading Bonnetts, and you have an ideal Tenants' Association in Bonnetts who paint their own houses. I help them with ideas and what's not, Sir.

Aside.

Mr. H. &B. FORDE: I always see the former Minister Lewis in that area giving a helping hand. Mr. Speaker, as the Chairman of Committees and the Deputy Speaker would know, my constituency is a very attractive place for everybody. I usually like to see those faces in my area.

Let me get back to housing, Sir. Let me bring a little bit of realism to the debate again. I do not want to go into dry statistics, but increased funds have been made available to housing over the last **10** years. This is by the normal private sector lending agencies. Let me give Members very quickly the figures. Even taking into account inflation, there has been a real increase. These are:—

1978	\$ 59.7 million
1979	76.9
1980	103.5
1981	116.7
1982	126.1
1983	132.6
1984	149.6
1985	167.3
1986	200.5
1987	241.1
1988	291.6
1989	466.7
1990	519.4
1991	554.5
1992	570.1
1993	573.7
1994	590.2
1995	610.5

This is outstanding mortgage credit available. So even if you discount for inflation, you would find that more money has been made available by the BMFC, the commercial banks, trust companies and insurance companies for lending in the mortgage field. If you look at mortgages extended to housing, between **1988** and **1995** these are the figures:—

1988	\$ 65.5 million
1989	72.6
1990	57.7
1991	59.0
1992	38.8
1993	42.7
1994	63.4
1995	66.4

What has happened in the structural adjustment years is reflected in the low of **\$38.8** million. I **am** not going to go through and criticize the Democratic Labour **Party** now to say that the amount available for new housing was **lacking**. The reality is that Barbados went through **an** economic crisis and it is reflected in those figures. Now it has gone up. It has almost doubled under us since the economy has started improving over the past three years so we as responsible debaters must say to the country that as the economy improves...

Mr. J. O. TUDOR: On a point of order, Sir. The Honourable Member is indicating that there has been an increase over the last **three** years but he should note that they have only been in Government for about **14** or **15** months.

Mr. H. deB. FORDE: I thank the Honourable Member for the comments, Sir. The point I am making is that as the economy improves, more money is being pushed into the housing sector at all levels. That is not to say there is not a need for more money, and that is not to say that there

are not problems. As a matter of fact, the problem area is mostly among those people looking for loans from anything between \$50 000 to \$170 000. That is the major problem area and if Honourable Members would talk to the institutional lenders, including the Barbados Mortgage Finance Company, and talk seriously to the lenders at the National Housing Corporation who operate the General Workers' Loan Fund and help in the Credit Loan Fund, you will see that is the critical area that is being addressed. Now, how are we addressing it?

I have already a couple of weeks ago made the point in this House that the National Insurance Fund has been channelling funds to the Public Workers' Credit Union and the Barbados Mortgage Finance Company to assist specifically in this area. Therefore, we are using some of the workers' own funds in this way for lending and giving them the opportunity once there are house spots available for them to have their own houses because Barbadians would prefer to own their own houses than to rent from anybody else. Two things Barbadians like are to educate their children, and I hope this will continue as part of our culture, and to own a piece of land and their own housing.

Therefore, certainly those of us, including the workers' representatives, who sit on the National Insurance Board, are deeply conscious of the necessity of investing the workers' funds and the social security funds to channel them in the areas most needed, like in this particular area, and not lending to other institutions that may be pushing off this into consumer lending. That has been the policy of the Government.

Now, the Minister has already spoken in this debate to point out that one of the early decisions which he put to his Cabinet colleagues and which Cabinet approved was doubling the loan from the Credit Housing Fund and the General Workers' Fund from \$20 000 to \$50 000 now so he is answering part of the problem. That must show aggression. That must show a human face. That must show concern and therefore I really have to say that I am deeply disappointed in Honourable Members who speak in this House, and use pejorative language without basing it on a basis of fact. That is why when I speak in this House I try to base it on fact. It does not get to the newspapers because when you are talking truth and reality you do not normally get to the newspapers. When you go for impressions, you probably get the headlines. I am too old in politics to want to get headlines. I go for votes, Sir.

Aside.

Mr. H. deB. FORDE: Not Tull. The Honourable Member for St. George South has spoken in this House this afternoon with tremendous realism...

Aside.

Mr. H. deB. FORDE: The Honourable Member for St. John is trying to heckle me, Sir. I know he is a good friend of the Member for St. George South but that does not prevent the Member for St. George South when the time comes from putting some blows on him, Sir, which he deserves. I do not think I need to justify the commitment of the Honourable Member for St. George South to the people in Barbados and particularly the people who are the poorest in our society. I do not have to do that. His reputation is too high already so I do not want to be sidetracked by the Honourable Member on this matter.

What I am appealing to Honourable Members to do is to let us deal with the real problems and encourage them to deal rapidly with the problems that exist in the society in a realistic way and ask those who have to deal with them and who are explaining what we say to the public to bring the same realism in it. I want to see us get on with the programme which we started when we did the Kensington Lodge and some of the development in Nelson Street and Wellington Street. I know that the Minister is there trying to get house spots cleared so that he can get on with his building programme in that area but it takes time.

5.05 p.m.

If the Government is redeveloping in Wellington Street and it has to move people off it cannot do this overnight, it takes some time to achieve that. The Minister had been working on it and I am sure that before this term of the Government's life is out you will see new apartments going up in that area.

We also are attacking the problem of suburban tenancies and we have had the foresight to bring it into this House already. It may be a tentative start. It may not be enough at the moment but we have started to attack the problem of diversification in the rural areas. I believe the Prime Minister has already spoken of the approach which we have made to the People's Republic of China to help us finance the rural development programme and I have no doubt that that approach will bear fruit.

The other thing I want to say to the public of Barbados. With all respect, Barbados is still a very small land area. 166 square miles is very small. Our people now want to live in family units that are smaller. Once before it was easy for 13 of us to grow up in a house, be part of the household, take times at sleeping, sleep in a chair and whatnot. Those standards have changed. When persons reach the majority age they now want to move out from their parents. They are no longer staying at home and that is adding pressure on the Member of Parliament and on the National Housing Corporation for additional units. We

have to recognise that and I agree with the statement made in this House not too long ago by the Honourable Member for Christ Church South. We must say to them we will have to go up in the air and we cannot just litter the whole of the countryside of Barbados with concrete because after a time we will damage our environment and we will also be very limited in the amount of land which we will have for **future** generations. So we will have to build up particularly under the coastline coming from St. Lucy right up to Christ Church and St. **Philip**.

The second thing, Mr. Speaker, we will have to do in developing our housing is we will really have to restore and rehabilitate too many of the units that have become substandard. Parts of the city and the larger St. Michael are a tremendous reflection of the problems that we have and in your own constituency, Mr. Speaker, Sir. The answer is not to move everybody out, the answer is to go in with renewal.

In my own constituency, if I go in **Bonnetts** and take the area between **Rollins** Road and **Reservoir** Road, and if I go into Grants Avenue in the constituency of the Honourable Member for St. Michael South Central, Grant's Avenue coming right back to **Layne's** Gap the answer there is that where we have units that have fallen into disrepair and disuse we must rehabilitate those units and get them going.

Now, Sir, the Honourable Member for St. Joseph also said he would support a housing levy, so will I. I remember a former Member of this House, a friend of mine and a colleague of mine, Dr. Donald Blackman, proposing a housing levy many years ago. It is nothing new. The problem is that if the issue of levies became a partisan political issue the IMF seised on the division in our society about levies, the Democratic Labour Party said if you had a levy it should be in the Consolidated Fund. At some time or other they accused us of slush funds, we accused them of slush funds so the division between the political sides led us to the position that levies became unpopular. I do not know of any progressive society in Europe, in North America or elsewhere that at sometime has not had to resort to the use of a levy as a special tax in order to rectify a social problem.

I refuse to give any commitment to any international institution that levies will for all times be out in this country because, Mr. Speaker, make it quite clear, if those of us who are better off in the society and are able to own and live in houses that are more than we genuinely need, cannot pay in order to house those people who will never get the opportunity as some of us have got then I believe we are a sick society and if I would have, as part of a Government, to institute a levy on those who can pay in order to help those who cannot pay and cannot get a proper

living standard, then so be it, IMF or no IMF. That is my approach, Sir.

I had the good fortune to be adopted. I was not born rich, Sir. I had the good fortune to be adopted by a woman who understood that those of us higher up in the society have to make the sacrifices for others who are not as fortunate as we are and that is the philosophy that should inspire us. And one of the attractions of the Barbados Labour Party, certainly for me, has been that that is part of the bedrock of its philosophy and nobody expresses it better than one of our contemporaries now, the Honourable Member for St. George South. I have to say that because it is a fact. He speaks about it all the time. So I do not see this Party as **lacking** in any humane face when it comes to housing, Sir.

Mr. J. O. TUDOR: On a point of order, Sir. It was the Honourable Member for St. Joseph who condemned the Government for not having a humane face. It wasn't us.

Mr. H. deB. FORDE: Sir, one of the other high points of the Barbados Labour Party is this, and perhaps I will say this, perhaps what future Democratic Labour Party Governments will learn from us is that we are able to let a thousand flowers bloom. We accommodate different points of view without necessarily division and I can do no better than end on that point and quote the words of my friend, the Honourable Member for St. George South and say, "*Quot homines, tot sententiae*" – so many men, so many opinions and views.

His Honour Mr. R. D. MARSHALL: Mr. Speaker, I rise too to support the Resolution before this House. Mr. Speaker, Sir, in the late fifties and sixties, Sir, we have been having problems especially coming from the St. Michael areas of Bank Hall, Eagle Hall and Spooner's Hill. When people were living on tenantry lands and people were not yet able to afford good housing and good roads, Sir, and as people became more and more educated people were able to improve their standard of living. I remember and it was probably in the 1960's when one of the **first** projects set up for housing people was in your same area. That was in the Rock **Dundo** area, Sir, and then came on stream was the Husbands area for housing for people.
5.15 p.m.

Mr. Speaker, as people work for more and more money and their standard of living increase, people look for better conditions for themselves and their families. In present day housing, Sir, especially with the people of the lower end of the ladder, these people look more and more to Government for their housing. That is why we have so many demands being placed on the National Housing Corporation for houses because a lot of them work for very small salaries and they cannot go into the heights and terraces, Sir, and build or buy houses.

Mr. Speaker, on the note of the National Housing Corporation, I would like to support the Member for St. Michael East when he spoke about what these people have to go through when they go to the National Housing Corporation seeking housing. When these people go and they are turned around and having to come back week after week hoping that they would get a house, I believe that up front you should tell people that we do not have enough housing. Government has to build houses for people now. At the same time, I would like to see politicians keeping out of the National Housing Corporation's business. Too often people come to you. We know that they are not paying their rent to the National Housing Corporation. I agree that some people cannot afford to pay their rent because of their economic condition. But there **are** those who are living in the Corporation houses who can afford to pay the rent but they **are** not paying the rent. When those in charge at the Corporation have to evict them or try to evict them, they can go to a politician and a politician can call and say: "Do not touch that person". I know that happened in the past and I am hoping that it will not continue under this new regime.

Another thing, Mr. Speaker, is that some politicians too can run down there every week with a letter or run to the Press or call in on the call-in programmes talking about poor people. But when you look at these same poor people, a lot of them are in a position to pay their rent and they will not pay their rent. They drive their fancy cars and park it by the house. They have carpet so deep that it can break your ankle when you step into the house, 2 and 3 videos, and they have **Max** in their house and call-waiting. I am not saying, Sir, that people are not to improve their standard of living, but some of these things are not necessary for those people and these same people cannot or will not pay their rent. Mr. Speaker, I know of a case where someone who works at the Corporation will get on the phone and call people and say: "Well, look they are going to put you out". Those same people would go and find \$1 500 or \$2 000 in a lump sum to pay to stop from being put out. So it tells me that these people are using the Corporation. They can afford to pay the rent but they are not doing it and, Mr. Speaker, as I said I hope that the Minister will take a serious look at these things. We cannot be scared about that people are not going to vote for you because, as I said, there are people in there who we know who cannot pay their rent because of their situation and we will make sure that we give those people a chance to bring their arrears in line. But the ones who can afford and will not pay are the ones that I am hoping the Minister will deal with.

Mr. Speaker, we in this country should be educating "John Public" about housing and its housing needs. In St. Michael, we have a serious problem all over with housing especially when people cannot get house spots. There **are** people who **are** living on tenantry land and the owners of the land will not do anything to help these people. Let me

explain this to you, Sir. You have people living on the tenantry land who do not have proper facilities with water mains running to their house. In some cases, they cannot get proper accommodation for a pole to run electricity to their home. I know that under the Urban Programme of the Barbados Labour **Party** we will be looking at alleviating these problems from these people.

Aside.

His Honour R. D. MARSHALL: It is part of our Manifesto. Mr. Speaker, if we can look at the tenantry roads for these people and put the roads in place for the people and put all of the facilities of water, light, natural gas, we will be uplifting the people's standard of living. We have the programme in place at the National Housing Corporation where people can come through the National Fund and can borrow money to repair their homes and to build homes on the spots that they are renting from these landlords. When people build these homes and they repair their homes and having all of the amenities in, **Sir**, with good roads and so on, the houses have a resale value for one and number 2 the owners are building **equity** in the home. So that when these people need money and they might have a daughter or son who want to further his or her education where they might go to a college and do a computer course or something and it might cost \$3 000 or **\$4 000** to help them, the parents can go to a bank or some lending institution and they can use their property as security where they can borrow the money in order to help that girl or boy. They are building equity as I said, **Sir**, in their home that down the road they can have, as the Member for Christ Church West said, their own piece of this rock. They have something that they can pass on to their children.

Mr. Speaker, I am **looking** now at a lot of the houses in Barbados in St. Michael. When you drive around, you can see houses in a bad state of disrepair. These people need help. As I said if we can keep educating the people about the funds at the National Housing Corporation where if they apply and **qualify** for the loan, **Sir**, they can borrow the money and they will be able to repair their homes and make the house a better place and at the same time building equity in these houses.

Sir, better roads would give us a better collection service from the Sanitation Department because some of these roads are so small and in some cases since the houses are in the back as it were the truck cannot get to these people. Sometimes when the people have to leave the garbage out overnight, the dogs get the garbage and it is scattered all over the place. It does not say very much for our environment. So I am saying, **Sir**, that once the Minister comes on stream which I know he will do and give us for our people in the constituencies of what we want for these people and what these people need, I am quite sure that we would have delivered in our Urban Development Programme. I thank you, **Sir**.

Mr. G. W. PAYNE: Mr. Speaker, there are a number of comments which have been made by Honourable Members. In winding up, I will reply where necessary to some of these comments. I would like to say at the outset that when we came to office on September 6, 1994 there was no plan or White Paper as I am hearing on that side with respect to housing. There was no blue print and the situation of housing at this particular time must be seen within the context of what transpired during the 8 years of the last Administration.
5.25 p.m.

As we have said on more than one occasion, only 50 units were built during that period. Mr. Speaker, in this connection I am somewhat disappointed at some of the comments which were made by the Honourable Member for St. Joseph, who is a Member on this side and who I thought would be more understanding with respect to the position of Government when we came into office, as a former Minister of Government himself, and the problems which we faced in the sense that we literally had to start from scratch.

Aside.

Hon. G. W. PAYNE: Mr. Speaker, if ~~the~~ were plans within the Ministry to build 1 000 houses in six months, I believe with the enthusiasm of the Ministry of Housing those 1 000 houses would have been built. But we must not look at housing in terms of the amount of houses that have been built. One in judging this Administration would have to look at what we have done in ~~the~~ area of housing since we came into office. When you look at the interventions we made – the intervention with respect to the Housing Credit Fund, the General Workers' Loan Fund, the provision of lots on the periphery of existing villages – and you realise we were only in Government for less than two years, it is impossible for us to have done any better.

One must take into consideration too the hindrances that we face along the way. Take Pondsides as an example. This is a programme which was on stream under a previous Barbados Labour Party Administration. Nothing was done during the last eight years. It is one of the projects we wanted to see come to fruition, but one problem there is there are a number of squatters on the land obviously we would have had to remove those squatters. The Honourable Member for Christ Church West alluded to that. Even while we were in that process, Mr. Speaker, we had the unfortunate situation which occurred at Weston. The attention of the National Housing Corporation had to be diverted from its normal programme to deal with the situation at Weston where 29 families were dislocated, through an act of God, and we had to find alternative serviced lots for them. In addition to that, we had to find alternative lands...

Mr. D. J. H. THOMPSON: Mr. Speaker, on a point of order. I must raise this as a point of order because I would not want the Honourable Member to mislead the House. This House was told that what happened at Weston was not an act of God, it was an act of the Democratic Labour Party...

Mr. SPEAKER: That is no point of order, please.

Mr. D. J. H. THOMPSON: ... We were accused of killing a man and now I am hearing from the Minister it was an act of God.

Mr. SPEAKER: Let us continue, please.

Asides.

Hon. G. W. PAYNE: Mr. Speaker,...

Asides.

Mr. SPEAKER: Please, please. This will not be an act of God, this will be an act of the Chair. Please.

Hon. G. W. PAYNE: Mr. Speaker, I am just saying that we were diverted from our normal programme. I have worked very closely with the National Housing Corporation during the past 22 months or so and I have found that the officers within the National Housing Corporation have been very accommodating to the plight of persons who are in need of house spots or accommodation in the terraced units. But there again we have to go back to the problems which we faced during the period of the last Administration in that the required amount of houses were not constructed, and there are simply no houses available.

I would not like to tell the Honourable Member for St. Michael East that he is not correct when he says that the National Housing Corporation has been turning back people asking them to come next week, but it is highly unlikely, taking into consideration the housing stock, that the National Housing Corporation could be telling persons to come back next week when there are no houses available as a result of the failure of the last Administration to increase the housing stock. The National Housing Corporation has, to my knowledge, been telling people this fact, but what has happened not only during the course of our time, but during the period of the last Administration, there are a number of persons who will turn up this week and will come back the next week no matter what you tell them and keep a lot of noise. The National Housing Corporation cannot put people in housing units if there are no housing units available. They simply cannot, and this is a problem which we have been facing for a considerable length of time and the National Housing Corporation, with its limited resources, has been doing its best in order to remedy the situation.

We have a situation where almost every month there might be eight lots becoming available as a result of some persons giving up their units, or for some other reason, maybe as a result of repossession, but these units are taken almost immediately and then we have the problem with respect to fires, Mr. Speaker. We have to leave a certain amount of these units every month to accommodate those persons who have been **affected** by fire.

The Honourable Member for St. George North spoke a little earlier about the problems being faced by a constituent of the Honourable Member for St. Michael South Central. If we did not make this accommodation available for persons affected by house fires, it would mean that we would have no place to house them. And here is where I am saying that even if we had not built any houses, any terraced units between the time we took office and now, one has to look at what we have done in the area of housing. We have realised the plight of these people, Mr. Speaker. I did not mention the fact that the Ministry of Housing, through the initiative of the National Housing Corporation, has embarked on a programme whereby they would construct two or three buildings in order to make accommodation available for **these** fire victims in cases where the National Housing Corporation through its normal resources would not be able to accommodate them, but all of these are interventions we have made.

Mr. Speaker, even if the Honourable Member for St. George South is **correct** when he says that we had all the land that was available, it would still be necessary, even without accessing the other house lots, to go to the Town and Country Planning Office in order to get permission for these house lots and to construct the various units. Very early in our term, Mr. Speaker, we took a decision with respect to areas like Apes Hill and Waterhall, for example. Firstly, we had to go through the acquisition process. That is a process. The problem with the vesting that we **are** dealing with takes time. We are dealing with a vesting here today, Mr. Speaker, that began in 1990. So if people in 1990 wanted to take their conveyance from the National Housing Corporation to a bank to get money, this is 6 years. It has nothing to do with the Democratic Labour Party or the Barbados Labour Party and I take very strong objection to the type of comments coming out from the Honourable Member for St. Joseph who should know better. I would not expect those types of comments from the Honourable Member for St. Joseph, a former Cabinet Minister at that.

It is unfair to the Division of Housing and the National Housing Corporation to make those types of comments.

5.35 p.m.

As I said, we made application immediately upon coming into office to the Town and Country Planning Office for the subdivision of land, 100 house lots at Apes

Hill and Waterhall. There are also other agencies of Government that we have to look at. The Barbados Water Authority must make its input. No matter what Government says, no matter what the plans of Government are, if we **are** to follow laid down procedures with respect to these acquisitions, with respect to the construction of buildings, we cannot ignore government agencies like the Town and Country Planning Department, the Ministry of Agriculture, the Barbados Water Authority, and the Ministry of Health with the environmental concerns that we are constantly facing. There is not much that we could have done.

With respect to St. Joseph specifically, we have a situation in an area like St. Joseph and St. **Andrew** where people who have been displaced by the Tenantry Freehold Purchase Act will tell you that if they do not get a lot in their village they are going to St. Michael. They say, "You cannot send me from St. Joseph to St. Andrew." We have a development and this is immediately after coming into office, representing a rural constituency like the one that the Honourable Member for St. John spoke about, knowing the plight of those tenants, I gave specific instructions that we should at least complete the development at **Corbins** Village. The people in St. Joseph have refused to go to Corbins Village. They are not going down there. The people in St. Joseph are not leaving to **go** to St. John or the people in St. **Andrew** are not going to St. Joseph. The people in St. John are not coming to St. Andrew, but they will go to St. Michael and that is the problem of those people that he is **referring** to are facing.

What do you have when the Honourable Member for St. John quite rightly says that he cannot find any land in St. John. There is very limited space, so it really pains me Mr. Speaker, when the Honourable **Member** for St. John could come in here and talk about the Ministry doesn't have a human face and about the National Housing Corporation not doing its work. There might be officers within the National Housing Corporation or within the Ministry of Housing who are incompetent, but you will find that in any Ministry. But when you are looking at the interventions of this Administration since the 6th September 1994 we have done as close as possible to what we honestly could have done.

With respect to one or two other comments that have been made by other Honourable Members, the Honourable Member for St. John, on the last occasion with respect to **Clifton** Hall Tenantry, **promised** to take this matter to court. I don't know if he has actually filed a writ as yet. He said...

Mr. D. J. H. **THOMPSON**: Mr. Speaker, on a point of order, I don't have any lot in **Clifton** Hall Tenantry, so I cannot take any matter to court. I merely said on the last **occasion** that if the NHC had already given the people

approval for house lots that perhaps the recourse they should take is to take the matter to court in pursuance of those approvals. I don't think they **are** going to bother with that. If you give me the assurance that I asked you for, the discussion will end. I wouldn't even trouble you about it anymore.

Hon. G. W. PAYNE: Mr. Speaker, I was just trying to remind the Honourable Member for St. John that he obviously is not doing his job in his constituency because by now I believe that the writ would have been filed. The **type** of lots we **are** talking about would not include the development to be done at **Clifton** Hall Tenantry because that is one that is already on the list and it will be dealt with when we get to it. I don't want to use the word "priority" to give him anything to write his constituents but these **56** lots at **Clifton** Hall we cannot, in our survey, find many people. It is interesting that he is saying that people come to him every day, but in terms of the people who have been disenfranchised as a result of the Tenancies Freehold Purchase Act many people don't want to go to St. John, even some of the people in St. John don't want to go. So it is not a high priority area in that sense. That is the reason why we have not pursued the **Clifton** Hall Tenantry with the same vigour as we did with respect to some of the other lots.

The Honourable Member for St. John can rest assured that when **funds** are available and we get to **Clifton** Hall Tenantry on the priority list, that it will be dealt with.

I just want to make a correction with respect to the interpretation by some Members with respect to the General Workers' Fund and the Housing Credit Fund. There are 2 separate funds. The General Workers' Fund is the Fund which is issued out of the Ministry of Housing and is administered by the National Housing Corporation and that is the fund that I spoke about when I talked about the interventions that we made in increasing the Fund and raising the wages and salary ceiling.

The Housing Credit Fund is a fund which is not administered directly by the National Housing Corporation or the Ministry of Housing. We actually lend to the commercial banks in order to on-lend to the prospective mortgagors. There is no such limit as is applicable to the General Workers' Loan Fund. If there is any criticism of the National Housing Corporation it is that they have not done a good PR job in allowing people to know of the General Workers' Loan Fund.

At my last check on that Fund that presently stands at **\$6** million, the Housing Credit Fund, as I said, we came and found that standing at **\$20** million.

We have made provision for **\$4** million to go towards the National Housing Corporation Building Programme this year and we have also made provision for accommodating the credit unions to a tune of **\$2.5** million for on-lending to prospective mortgagors. I have indicated to the Housing Credit Fund that I believe that the highest amount of money that they should be holding would be in the region of about **\$5** million. As I said, we are in the process of meeting with them to find out ways whereby we can make the fund more known to the ordinary Barbadian so that even if it comes to us encouraging them to on-lend to the credit unions so that they can lend to prospective mortgagors in terms of the 100% mortgages that I am talking about that the Fund will be utilised more readily.

Mr. Speaker, with those few remarks I move that this Resolution do now pass.

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

ORDER NO. 8 – RESOLUTION TO APPROVE THE COMPULSORY ACQUISITION OF LAND FOR THE BY-PASS ROAD IMPROVEMENT PROJECT

Hon. G. W. PAYNE: Mr. Speaker, this is a Resolution for the acquisition of **418** parcels of land for the Bridgetown Bypass Road. Around 1982, the Government of Barbados obtained a loan from the Inter-American Development Bank to carry out a feasibility study to improve traffic management in and around Bridgetown and the study among several recommendations considered that the **2** bypass roads should be improved and rehabilitated and that other traffic management measures be put in place.

Subsequently, Mr. Speaker, the Government entered into a loan agreement with the Inter-American Development Bank for the Bridgetown Road Safety and Improvement Project, the objectives of which are to increase the road capacity and improve general conditions of traffic in the inner and outer comdors of Greater Bridgetown and in the intersections with the main road, to reduce accident risks and in general to increase safety for all urban road users through the improvement of highway infrastructure and the implementation of more effective traffic control measures; to **optimise** the use of resources for traffic planning, management and control and support the effective applications of laws and regulations relating to those topics.

The project includes the following components: highway improvement along the outer bypass road, Garrison Hill, **Dalkeith**, Culloden Road, Pine Road, Welches, Road, Eagle Hall to Black Rock, Spring Garden Junction. Highway improvement along the inner bypass

road – **Jemmotts** Lane to **Martindales** Road, Halls Road, **Roebuck** Street, Country Road, Passage Road, **Westbury** Road to Kennedy Drive. Technical assistance to improve the traffic and management in Bridgetown and for increasing highway safety; development of a national programme for traffic education and for procurement of equipment to support traffic management.

The loan amount is **US\$18.5** million with Government providing an additional \$8 million giving an overall estimated cost of \$26.5 million. The construction works include the demolition, removal and setting back of walls, fences, the construction of sidewalks along the entire corridor, installation of new traffic lights and improvement of existing traffic lights at all junctions, relocation of utilities, services, widening of the road throughout its length to 7 metres, approximately 22 feet, reconstruction of the roads, the repositioning of an alteration to some properties.

The project is to be executed in 3 packages:

Package 1 – Eagle Hall to Spring Garden, 3.1 kilometers of road.

Package 2 – Section B from Welches to Collymore Rock, 1.3 kilometers.

Section 3 Culloden Road to the Garrison, 2.4 kilometers.

Package 3 – Section D from **Roebuck** Street to Kennedy Drive, 2.2 kilometers.

A total length of approximately 9 kilometers.

In order to carry out the improvement to the bypass roads 418 parcels of land are to be acquired. Included in these parcels are 65 whole properties and 25 partially affected properties. Approximately 25 persons **are** tenants in the whole properties to be acquired and they will need to be accommodated elsewhere. The Ministry has set up a sub-committee to plan for the relocation of all persons affected by the proposed works and it is expected that a paper will be forwarded to Cabinet very shortly with proposals for these relocations.

It should be noted that the National Housing Corporation is represented on the sub-committee and they have completed the social survey that identifies all of the properties which **are** affected by the proposed project. This information is being used to determine the number of permanent and temporary properties which will be needed. Permanent houses are required where whole properties are to be acquired. Temporary houses are required where the

whole property is acquired and accommodation is to be provided until the permanent house has been obtained. Where alterations **are** to be done to a property and accommodations are required, until the alterations **are** completed, temporary houses will also be required. Similarly, where tenants are to be accommodated.

Special mention should be made of the Eagle Hall Junction where it is proposed to carry out major works **as** part of the project. This includes major widening of the junction, total refurbishment of the markets, including repositioning it southwards, acquisition of the small shops around the market and the development of the area into a market complex.

The Inter-American Development Bank has approved a consultant and we will be in a position very shortly to look at those contractors who have tendered for the project. The provisional construction programme for the project, with respect to package 1, we **are** hoping that we will be in a position to start in October but all of this will depend on how well we have done with respect to the relocations. That project should take under one year. **The** estimate is 11 months.

Package 2. We hope that we will be in a position to begin that in March next year and that project will last for 1 year. Similarly, Package 3, we are planning to begin that in October next year and that is expected to be completed in September 1998.

It is hoped, Mr. Speaker, that if all goes well and we do not encounter any major disruptions in terms of relocations or in terms of the weather that the entire project will last approximately 2 years.

With those remarks, I beg to move that this Resolution do now pass.
5.55 p.m.

Mr. J. O. TUDOR: Mr. Speaker, I would not want to delay the House on this particular acquisition except to say that we do recognise on this side that the acquisitions were somewhat delayed in the sense that we had hoped that this project would have started since 1995 in that the process of consultation et cetera was ongoing. We had hoped that the project would have started since January 1995 but we **are** very happy that the Minister has been able to make progress with a project that was initiated since 1982, which is true, was under the former Barbados Labour Party Administration, but it is necessary for us to recognise that this is a continuing pattern of development around the inner Bridgetown area and is one we support very much on this side of the House.

There was some consideration at the planning stage where we were trying to give serious consideration to the problem that vendors had in Bridgetown **and** we were seeking to make provision along the Highway wherever possible. I heard the Minister allude to the Eagle Hall area, but we had plans in the pipeline to make sure that the vendors were properly facilitated because there is a lot of congestion of vending in Bridgetown. We felt that, if you are going to have a bypass road, it may, in fact, create new opportunities for vending in the Bridgetown area where we could avoid a lot of that congestion. You will find that a lot of people will be coming out of Bridgetown, rather than having to go, say, on the west coast by going through Bridgetown, so the bypass road is going to create some new avenues. It is a project we support on this side. It is a project we left in place and we certainly look forward to the project progressing and being a significant improvement in the Bridgetown area.

Hon. G. W. PAYNE: Mr. Speaker, before I move that this Resolution do now pass I just want to comment on a point that the Honourable Member for St. Michael East made with respect to when the project was supposed to have started. The impression is created that this project should have started last year and that nothing had been done. I think the record should show that the last Administration dragged its foot on this project. During the period of structural adjustment they used the excuse of the strictures of the IMF Programme in order not to...

Aside.

Hon. G. W. PAYNE: It is an explanation but the Honourable Member for St. Michael East should have said nothing. To get up and make it appear as though this project should have started in January **1995** is not really fair to this Administration because immediately we came to office specific instructions were given that everything was to be done to ensure that the project moved smoothly.

Mr. Speaker, the whole question of the acquisitions took some time. The acquisitions were not even sorted out when we came into office. We are here with speed because we had to get behind those persons who were responsible for demarcating the area and getting the plans together to ensure that we reached this stage. This was a rush. We could not have done it any quicker.

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

Hon. R. C. EASTMOND: I beg to second that.

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

ADJOURNMENT

Hon. G. W. PAYNE: **Mr.** Speaker, that concludes Government Business for today. I beg to move that this House do now adjourn until Tuesday, May **21, 1996** at 5.00 **p.m.** when it is expected that the **Honourable** Prime Minister and Minister of Finance will present the Financial Statement and Budgetary Proposals for the **financial** year.

Hon. R. C. EASTMOND: I beg to second that.

Mr. SPEAKER: **Before** putting the question, earlier today the Honourable Prime Minister indicated that he wanted certain remarks he had made withdrawn. I had asked that these remarks be expunged from the records of the House. I want to say now when I referred to "these remarks" what I meant was not only the offending words but all the adjectives that came before the offending words. The Chair so directs that all those adjectives and the offending words be expunged from the records of the House.

The question is...

Mr. J. O. TUDOR: Mr. Speaker...

Mr. SPEAKER: On what do you rise, Sir?

Mr. J. O. TUDOR: I am not quite clear in my mind. I had sought leave of Your Honour to **raise** this particular matter on words that were spoken...

Mr. SPEAKER: The Honourable Member, please, may I yet again say to you that you are out of order, and you are totally out of order.

Mr. J. O. TUDOR: Mr. Speaker, I am speaking for clarification, Sir on the...

Mr. SPEAKER: The Honourable Member, please! The Honourable Member sought leave to have a matter raised. That leave has been denied.

The question is...

Mr. J. O. TUDOR: Mr. Speaker, my understanding, Sir, was that...

Mr. SPEAKER: Will you take your seat, please?

Mr. J. O. TUDOR: ... I was instructed that I had to write...

Mr. SPEAKER: The Honourable Member, will you take your seat, please?

Mr. J. O. TUDOR continued speaking.

Mr. SPEAKER: Will the Honourable Member leave this Chamber, please?

Mr. J. O. TUDOR: But, Mr. Speaker...

Mr. SPEAKER: Will the Honourable Member leave this Chamber?

Mr. D. J. H. THOMPSON: Mr. Speaker, on a point of order.

Mr. SPEAKER: I am asking the Honourable Member to leave the Chamber.

Mr. D. J. H. THOMPSON: Mr. Speaker, on a point of order.

Mr. SPEAKER: Please. Just take your seat, please. Take your seat, please.

Mr. D. J. H. THOMPSON: You are referring to me, Sir?

Mr. SPEAKER: Yes, I am referring to you.

Asides.

Mr. SPEAKER: Just one minute, please.

Mr. D. J. H. THOMPSON: On a point of order, Sir.

Mr. SPEAKER: Please. Just hold on a minute, please.

Mr. D. J. H. THOMPSON: Mr. Speaker, Sir...

Mr. SPEAKER: The Honourable Member, will you hold on a minute, please?

Mr. D. J. H. THOMPSON: Mr. Speaker, Sir, I want to make it clear. You have made a ruling before the Honourable Member had even been told...

His Honour R. D. MARSHALL: On a point of order, Sir.

Mr. D. J. H. THOMPSON: I am on a point of order. You cannot rise on any point of order.

Now, Mr. Speaker, Sir, as I understand it...

Mr. SPEAKER: The Honourable Member, please!

Mr. D. J. H. THOMPSON: I am rising on a point of order.

Mr. SPEAKER: I know, but I am... The Honourable Member, take your seat, please.

Asides.

Mr. SPEAKER: Order, please. Just let me say that this Chair has made a ruling according to the rules of the House. I have asked the Honourable Member to leave the House.

Asides.

Mr. SPEAKER stands.

Asides.

Mr. SPEAKER: The Honourable Member...

Mr. D. J. H. THOMPSON: If he had said something it would be acceptable but we cannot function like this. This Chamber is for Members' rights and I am saying **that** this cannot be fair and reasonable. We are not standing for this.

Mr. SPEAKER: Will you take your seat, please?

Mr. D. J. H. THOMPSON: **Take** what seat. I am not taking any seat.

Asides.

Mr. SPEAKER: The Honourable Member, please!

The question that the House do now adjourn until Tuesday, May 21, 1996 at 5.00 p.m. was put and was resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly. 6.05 p.m.

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ARTHUR, Rt. Hon. **O. S.** (St. Peter)
CHELTENHAM, Dr. R. L. (St. **Joseph**)
CLARKE, Mr. G. A. (St. George North)
EASTMOND, Hon. R. C. (St. James North)
FORDE, Mr. H. **deB.** (Christ Church West)
HAYNES, Dr. R. C. (St. Michael South Central)
KELLMAN, Mr. D. St. E. (St. Lucy)
MARSHALL, His Honour R. D. (St. Michael West Central)
PAYNE, Hon. G. W. (St. **Andrew**)
St. JOHN, Hon. Sir Harold (Christ Church South)
TUDOR, Mr. J. **O.** (St. Michael East)
TULL, Mr. L. R. (St. George South)
THOMPSON, Mr. D. J. H. (St. John)