
THE

House of Assembly Debates

(UNOFFICIAL REPORT)

PARLIAMENT 1999 – 2003

HOUSE OF ASSEMBLY

Tuesday, July 25, 2000

Pursuant to the adjournment, the House of Assembly met at 11.25 a.m. on Tuesday, July 25, 2000.

PRESENT

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

His Honour J. M. EDGHILL, J. P., (Deputy Speaker)

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

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

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

Mr. L. R. TULL, Q.C., M.A. (Oxon).

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

Hon. Miss B. A. MILLER, (Deputy Prime Minister, Minister of Foreign Affairs and Foreign Trade)

Hon. R. C. EASTMOND, J.P., B.A.(Hons.), Dip. Ed., LL.B. (Hons.), L.E.C (Minister of the Environment, Energy and Natural Resources)

Mr. D. CARTER (Chairman of Committees)

Hon. R. N. GREENIDGE, B.A., LL.B., (Minister of Labour, Sports and Public Sector Reform)

Hon. R. D. MARSHALL, (Minister of Public Works and Transport)

Hon. H. F. LASHLEY, (Minister of Social Transformation)

Mr. D. St. E. KELLMAN

Hon. Miss M. A. MOTTLEY, LL.B. (Minister of Education, Youth Affairs and Culture)

Mr. T. A. PRESCOD, B.A.

Rev. J. J. S. ATHERLEY, B.A., B.Sc. (Parliamentary Secretary, to the Attorney-General and Minister of Home Affairs)

Mr. D. T. GILL, B.Sc.

Hon. A. P. WOOD, J.P., B.Sc., M. Sc., M.Phil (Minister of Agriculture and Rural Development)

Hon. R. R. FARLEY, B.Sc. (Minister of Industry and International Business)

Prayers were taken by Canon Father Ivan Harewood.

Mr. SPEAKER: The House is now in session.

MINUTES

Mr. SPEAKER: The Minutes of the Meeting held on Tuesday, July 18, 2000.

Hon. Miss M. A. MOTTLEY: Mr. Speaker, I beg to move that the Minutes for the Honourable the House of Assembly for its meeting of Tuesday, July 18, 2000, which Minutes have been circulated, be taken as read.

Hon. R. N. GREENIDGE: I beg to second that, Sir.
Mr. SPEAKER: If there are no corrections or observations, then let these Minutes stand confirmed.

PAPERS

Rt. Hon. O. S. ARTHUR: Mr. Speaker, I am commanded to lay the Financial Institutions (Business Transfer) (Royal Bank of Canada Financial Corporation) Vesting Order, 2000.

Hon. R. R. FARLEY: I am commanded to lay the Annual Report and Financial Statements of the Barbados National Standards Institution for the year April 01, 1998 to March 31, 1999.

FIRST READING OF BILLS

On the motion of Hon. Miss M. A. MOTTLEY, seconded by Hon. R. N. GREENIDGE, the following Bills were read a first time:

(1) The “Centennial Honour” Bill, 2000.

(2) The Final Appropriation (1999-2000), Bill, 2000.

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

CONGRATULATORY AND/OR OBITUARY SPEECHES

Hon. R. N. GREENIDGE: Mr. Speaker, on behalf of the Government of Barbados, I would like to offer our heartfelt congratulations to the Barbados National Men’s and Women’s Volleyball teams on becoming double-crowned champions at the recently concluded eight Caribbean Volleyball Championships. The Barbados women’s team defeated Trinidad and Tobago 25-14, 25-20, and 25-20 while the men’s team defeated Suriname 25-18, 20-25, 25-23 and 25-19.

I also take the opportunity to commend and congratulate the executive of the Barbados Volleyball Association on the really wonderful organisation which they had for this particular tournament. Indeed, Sir, I would also like to commend the massive crowd which gave support to volleyball and the way in which they conducted themselves at these championships.

Mr. D. St. E. KELLMAN: Mr. Speaker, we do concur but I would also like to say that we also recognise that the sporting organisations in Barbados are doing their work to promote the interests of Barbados and we want to congratulate them for the work they have been doing to promote the image of Barbados.

Mr. Speaker, I would also hope that the Honourable Minister would have recognised that we also have a role to play to make sure that the same way the athletes in other countries can get the necessary benefits that we take this opportunity to recognise that our athletes also need to get those benefits.

I thank you.

SUSPENSION OF STANDING ORDERS

Hon. Miss M. A. MOTTLEY: Mr. SPEAKER, I beg to move that Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44 be suspended for the rest of today’s sitting.

Hon. R. N. GREENIDGE: I beg to second that.

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

GOVERNMENT BUSINESS

ORDER NO. 2 – THE SUGAR INDUSTRY ACT, CAP. 270

Hon. A. P. WOOD: Mr. Speaker, I rise to move the second reading of a Bill to amend the Sugar Industry Act, Cap. 270.

Mr. Speaker, since I have entered this Honourable Chamber, the Chamber has not benefited from a debate on the sugar industry. I would like to take this opportunity today to widen the issue taking it way beyond the simple amendment to the Sugar Industry Act and to engage the attention of the House over the next hour or so in a debate on the status of the sugar industry and the way forward.

Mr. Speaker, the sugar industry has found its decline in importance in terms of its contribution to the national economy, when compared to many years ago but it still continues to maintain its dominance in the agricultural sector. It is the main contributor of foreign exchange earnings generating in 1998 in net terms some \$56.6 million. The industry accounts for almost 38 per cent of agricultural output and provides direct and indirect employment for approximately 3000 to 4000 persons.

In addition, sugar cane is considered the most suitable crop for Barbados. It performs an important ecological role in terms of helping to protect the soil from erosion and degradation. Further, the greenery of the sugar cane field is an added attraction for the large number of tourists who visit our precious island. Another proclaimed benefit of the sugar industry is that a large proportion of the export earnings from sugar are retained in Barbados. This, Mr. Speaker, means that the local multiplier effect of the sugar industry is fairly significant and we cannot overlook that point.

Finally, the sugar industry has an important link with the Barbados rum industry and supplies this industry with approximately 15 000 tonnes of molasses per year.

Mr. Speaker, at this time I would like to make contact with the historical and empirical evidence just to make a couple points. From time to time, we hear from the Honourable Member for St. Lucy who professes to be an expert on agricultural matters, but I would just like to bring to the House’s attention the treatment which is given to the sugar industry by the Democratic Labour Party relative to the Barbados Labour Party just to clear a few things.

Mr. Speaker, the issues I would want to focus on will be the tonnes of sugar produced and the export price for the sugar we obtained on the European market. I will take us as far back as 1976 and move through time to make the point as strongly as possible.

I am looking at Table 16, which was copied from the Annual Statistical Digest of 1999 - that is the statistical publication by the Central Bank of Barbados. This would have been made a document of the House on previous occasions

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Hon. A. P. WOOD: and the figures for the final two years obviously would not have been taken from that document because they are updated figures.

Mr. Speaker, what I see here from 1976 to 1986 in terms of tonnes of sugar produced, and this is the period

during the Barbados Labour Party's reign, is that sugar remained in excess of a 100,000 tonnes. In 1976, it was 102.2 thousand tonnes and 1986 it was 111.1 thousand tonnes. There would have been fluctuations in the intervening years but we were able to maintain a level of sugar production in 1986 in excess of 100,000 tonnes. Now let us compare that with what has happened since 1986 and the period between 1987 to 1994.

Mr. Speaker, the Government changed in 1986. If my memory serves me correctly, the election was in May, 1986. What that meant, Mr. Speaker, was that the fortunes of the sugar industry for the year 1986 were predetermined for the Democratic Labour Party. I would just want to caution the Honourable Member for St. Lucy in his attempt to create glory for this 111,000 tonnes that were produced in 1986. Look at the time series since 1986, Mr. Speaker. We have a steady decline. In 1987, it was 83.4 thousand tonnes down to 1994 51.9 thousand tonnes and in 1995 even lower. But we know the problem associated with that.

Mr. Speaker, since 1986 we have been unable to achieve a level in excess of 100,000 tonnes. It is interesting, Mr. Speaker, that the decline in the production of sugar which occurred between 1987 and 1994 would have occurred alongside a reasonably significant increase in the export price of sugar. Mr. Speaker, let me make that point again because it is significant. We had a situation where in 1976 to 1986 the Barbados Labour Party had showed its commitment to the sugar industry notwithstanding the fact that the export price of sugar showed a significant fluctuation and did not at any point reach in excess of Barbados \$1000 per tonne. Whereas between 1987 and 1994 when the export price of sugar increased in a material sense, it was \$628.00 per tonne in 1996 when the level of production was 111.1 thousand and in 1987 when there was a hike, because the jump was from \$628 per tonne to in excess of \$1000 per tonne. It stood then at \$1040 in 1987. Mysteriously or otherwise, the Democratic Labour Party when they should have been

capitalizing on such gains, instead the production was one twelfth of 111.1 thousand tonnes to 83.4 thousand tonnes. But that is not the best, Mr. Speaker.

Looking further in time and up to 1993, Mr. Speaker, the export price increased to \$1249 per tonne. We started at \$628 and by 1993 it increased to \$1249 per tonne. That is a virtual doubling of the export price.

Mr. Speaker, do you know what happened? While the price was going in a positive direction, look now what was happening to the sugar production. Would you believe, Mr. Speaker, that in 1993 the actual tonnage of sugar stood at 111.1 thousand and now in 1986 it stood at 48.5 thousand tonnes? Mr. Speaker, do you understand what the Democratic Labour Party has done to the potential of the development of this economy to an industry that all recognize was the backbone of the economy up to the 1960's before effective structural transformation took place in the Barbadian economy?

Sir, we just want to set the record straight at this time to give this Honourable Chamber an indication about which administration has remained steadfast and really committed to the sugar industry. I do not think, based on what I have just exposed to this Chamber, that the Democratic Labour Party has any basis in recent times for any claim that they have been promoting about the sugar industry.

Let us look at the performance since 1994, Mr. Speaker, and I am going to stop shortly on this point. The level of production dropped to 38.8 thousand tonnes in 1995 and through consistent efforts on the part of the Barbados Labour Party, and I will explain how the Barbados Labour Party has been signaling its commitment to the sugar industry later, we have seen an increase from that 38.8 thousand in 1995 to this year 2000 when the level of production was around 57.1 thousand tonnes. There would have been fluctuations between 1995 and 2000. But the important point is that over time the trend would have been one showing increases.

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Hon. A.P. WOOD: All of this is occurring alongside a reversal in the trend of the price variable. We continue to experience falling prices on the European market but quite unlike the Democratic Labour Party that had the benefit of the increasing prices and chose not to match the increasing prices with increasing production, the Barbados Labour Party, recognising the strategic importance of the sugar industry, still has sought to provide the necessary assistance to the sugar industry to effect an increase in production.

Those of us who have been following the performance of the sugar industry in the last decade or so would agree that the industry for some time now has been experiencing some drawbacks and some of these problems relate to what we might consider inadequate capitalisation of the industry. However, some of the problems in the industry are structural and they are deeply embedded within the fabric of the sugar industry. I will mention a few. It is important that when we seek to discuss the sugar industry that we do it in a historical context and recognise that, notwithstanding the fact that the relative importance of sugar has declined, it still has an important role to play in the agricultural sector.

With respect to the weaknesses, we can identify a number of reasons for the decline in sugar production. Firstly, reduction in the area planted in sugar cane which once stood, in the late 1960s, at around 50 000 acres fell to approximately 21 000 acres in 1998. Of course, as I said earlier, this is a direct result of the structural transformation of the Barbadian economy and we all have benefited from that structural transformation. It is also a result of the competition from other competing land uses, mainly tourism and real estate interests.

Secondly, Mr. Speaker, there have been inappropriate cultivation practices which have resulted in a decline in the yield of cane per acre. I am going to be fairly exhaustive here because the next point I will get on to is the restructuring effort and what has been the response of the Ministry of Agriculture and the Government to arrest some of the problems the sugar industry is currently experiencing.

Thirdly, the declining sugar prices which I just mentioned and the increasing indebtedness of the industry have resulted in reduced management standards, lower productivity, higher costs and a reduction in factory efficiency as a result of the lack of adequate capital investment in improved technologies and failure to initiate timely repairs to factories.

Mr. Speaker, under the current revenue-sharing formula, growers receive approximately 73 per cent of the revenue from the sale of sugar and molasses. Mr. Speaker, this figure is high by international standards and one can argue that it has been a contributory factor in explaining the relative under-resourcing and under-investment in the factory sector. We must also note that young persons, especially in more recent times, have not been attracted to the sugar industry and the sugar industry has an aging workforce and finds it difficult to attract skilled young persons. In some cases, we have seen a movement of some young skilled persons away from the sugar industry.

Mr. Speaker, perhaps the most important factor contributing to the current performance of the sugar

industry has been the relative uncompetitiveness of sugar production in Barbados when compared to the other ACP sugar-producing nations. I am stating the facts because I need to do this.

In 1996, the average cost of production stood at \$1344 dollars per tonne and this is equivalent to US\$30.5 cents per pound. The cost of production in the industry continues to increase, and when compared to the rest of the Caribbean's average, the cost of production in Barbados is high and of course compared to the ACP average, it is a lot higher.

Mr. Speaker, it is against this background that the Ministry of Agriculture, in a very systematic way, has been trying to develop a programme which would help us to deal effectively with the sugar industry. What we are experiencing in summary is that the Barbados sugar industry is a high-cost producer with the costs at the factory and if the level continues to increase, our guaranteed market, the price we fetch in that market, will continue to decline. If I look back at the time series, for the benefit of the Honourable Member for St. Lucy and others, since 1995 when the export price stood at \$1362 per tonne the movement has been downwards - \$1174 in 1998. Because of the payment arrangements and the adverse movement in the exchange rate of the EURO relative to the US dollar, the actual price that we get from the sugar exported to the European market where payment is fixed in EUROS is \$523 per tonne. When the EURO weakens against the US dollar we feel the pressure here. The price for this year's sugar has been reduced to less than BDS\$1000 per tonne.

Mr. Speaker, this is where we are with the sugar industry in Barbados and this is what we have to deal with: high cost of production and declining prices in our guaranteed market.

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Hon. A.P. WOOD: Mr. Speaker, the ultimate aim of the Ministry of Agriculture and the Government of Barbados is to restructure the sugar industry with the overriding objective of reducing the cost and increasing efficiency in this sector, that is, to aim to be more cost competitive. To this end, the Ministry of Agriculture, during 1999, commissioned a multi-disciplinary Task Force comprising members drawn from the private sector as well as the public sector to review the operations of the industry and to provide a detailed report for the rehabilitation and long-term viability and survival of the sugar industry.

The main objective of the task force was to study issues related to the production of sugar and the future of

the sugar industry in Barbados in depth, with a view to identifying critical problems impacting on the performance of the sector as well as opportunities presented and to identify programmes, policies and strategies required to solve these problems and to ensure the long-term viability of the sugar industry. In short, Mr. Speaker, what this task force on sugar was asked to do - recognising where the sugar industry was placed at before, recognising that there are a number of weaknesses some of which are structural and deeply embedded in the industry - was to review all the pertinent issues pertaining to the functioning of this industry and collectively identify programmes, policies and strategies to solve these problems and to ensure the long-term viability of the sugar industry.

Mr. Speaker, if anyone was in doubt about Government's position on the sugar industry, I would like to rid their minds of such doubt by letting them know that this task force, which had its first meeting as a group on November 4th, has been working very assiduously to give us sensible and realistic recommendations which would ensure the long-term viability of the sugar industry. It is the Government's intention to ensure the viability of the industry.

A number of sub-committees were established to review every aspect of the industry. I will identify them and give you some idea about how extensive the work of the task force has been. One would appreciate that previously, queries had been made of the performance of the sugar industry and studies would have been done but to be very honest, Mr. Speaker, when I was given the ministerial responsibility for the sugar industry I thought that it was important to take a comprehensive view of the sugar industry and in so doing to establish this team to look at all aspects of the industry with a view of effecting a proper restructuring of the industry and not to have things done in a piecemeal fashion. Once we recognise that there is interdependence in various areas of the industry, it is important that we take a holistic view when we seek to effect a restructuring of this industry.

The subcommittees of the task force included the Sugar Industry and Land Use Committee. We cannot seek to deal with the sugar industry in any effective way if we do not review the land use policy. We also had a Fields Operation Committee which would look at all those issues related to the field sector. We have a Factories Committee, a Finance Committee and an Institutional Strengthening Committee.

Mr. Speaker, while I accept that the task force report should have been finalised already, I am happy to report that it will be finalised and discussed by Cabinet very soon. I was hoping that that work would have been completed before I came here today but because of the nature of some of these issues, Mr. Speaker, I am prepared to accept the

delay. When one looks at the composition of these sub-committees, one will appreciate that what is intended here and what will be achieved is a comprehensive review of the sugar industry to give the industry the necessary assistance to ensure its long-term viability.

Mr. Speaker, as I have said, the task force's report is incomplete but I will still give the House some details of the report. With respect to the land use policy, Mr. Speaker, the task force reviewed in detail the current policy and based on the information supplied relating to land available for sugar cane cultivation, recommended a number of things some of which I will mention, Mr. Speaker.

Firstly, an effective land use policy should be adopted and adhered to, to prevent land escaping sugar cane cultivation and to ensure that a critical amount of land remains in production.

Secondly, Mr. Speaker, the Land Use Committee was firm in the recommendation that incentives such as the cane replanting incentive scheme should be continued to support agriculture and retain land in production.

Mr. Speaker, I think at this juncture I will say a bit about the cane replanting incentive.

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Hon. A.P WOOD: When the Barbados Labour Party took office in 1994, we recognised the plight of the cane growers who were represented in a very articulate fashion. If the Government of the day did not come to the assistance of the independent growers, chances are that land would have been taken out of sugar cane cultivation at a faster rate. What was necessary at that time was for the Government to make a determination as to what about adequate level of sugar production and the amount of acreage of canes which had to be under active cultivation in 1995 and succeeding years, in order for us to reach our production targets. What the cane growers were asking, was for the Government to signal its true intention about the sugar industry belt and what the Government's response required.

The Government agreed to the introduction of a Cane Replanting Incentive Scheme. This initiative centred around instilling confidence in farmers to remain in sugar production. This Cane Replanting Incentive scheme aimed to replant suitable cane lands which were not performing or were out of cane, and also the intention was to increase the average yield of cane and sugar per acre.

Mr. Speaker, the Government, in 1994, gave a commitment to provide a level of finance for a five-year

period to help the growers with their efforts to bring increasing levels of sugar cane land back into active cultivation.

Of course, this compares in a stark way to what happened previously. What has been the result of the introduction of such a very important scheme? The scheme was opened to all farmers, independent as well as small farmers. The project witnessed measurable success with increases in acreage of some 4 000 acres or 22 per cent between 1995 and 1997. In 1995 the acreage harvested was just more than 18 000, Mr. Speaker, and in 1997 it was 22 000, Mr. Speaker. The tonnes of canes per acre, it moved in 1995 from 19.7 to 25.8. When we compare 1995 to 1999, Mr. Speaker, we still have an increase, though not as significant when one compares 1995 to 1997. Overall the scheme has been reasonably successful, notwithstanding the fact that between 1997 and 1999 levels have declined.

Mr. Speaker, the first period for which this subsidy was guaranteed expired and we have been engaged in discussions with BSIL and others about the importance and the future of this particular scheme. I am happy to report, Mr. Speaker, that the Minister of Finance has consented to the continuation of this Cane Replanting Incentive Scheme. It is the Government's intention to make available during this financial year a sum of \$1.6 million for the scheme for independent plantations and small farmers. This would cover the cost of replanting some 550 acres of 'force-back' canes scheduled to be planted during the period up to July this year, and a further 2 760 acres of conventional cane plants which will be planted during the period October to December this year. To be more specific, this payment is based on the level of incentive of \$550 per acre and \$450 per acre for 'force-back' and conventional planting respectively. Mr. Speaker, it is also the Government's intention, while recognising the importance of maintaining this type of assistance, to have this scheme continue in subsequent years until there is to be a review.

However, between this year and 2003, it is the Ministry of Agriculture's intention to make sure that this scheme is run in an efficient and effective manner and it is the Ministry's intention to conduct an assessment at June of each year to ensure that the required targets which are set at the beginning of the period are met.

We have been discussing with the representatives of the independent farmers and the small farmers what realistic targets should be set between this year and 2003 by which performance will be judged to justify the continuation of payment within this first three-year period. We want to work in the best interests of the industry and Barbadians at large.

Mr. Speaker, this is an example of real commitment to the future of the sugar industry.

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Hon. A. P. WOOD: Mr. Speaker, the Land Use Committee also recommended that agricultural management systems be examined or improved to ensure maximum utilisation of the arable land. Also, that the production of non sugar crops which can provide financial returns and are complementary to sugar, for example cotton, should be encouraged.

Mr. Speaker, without being too detailed, when one examines the empirical evidence of the farmers or the various estates, what one sees as a discernable trend is that the better-managed estates which do inter-cropping in a very effective way, perform better. So it is very important that those crops that are very complementary to sugar cane are encouraged and the Ministry of Agriculture will be doubling its efforts to ensure that this is done.

With respect to the field operations, Mr. Speaker, let me start by saying that the field operation is the main cost component of the industry. It accounts for 64 per cent of the total cost. I said earlier that one of the major objectives in this restructuring which is necessary in the sugar industry, is the reduction in production costs.

We know on the other side of the equation that returns are declining and will continue to decline. Estimates are that the rate of decline will be as large as 2 per cent or 3 per cent per annum over the next six to seven years. So it is incumbent on us, since we have little or no control over the costs, to move with dispatch to deal with the cost side of the equation. We can no longer postpone certain decisions, Mr. Speaker, because we have no choice but to seek to reduce the cost of production and increase efficiency. On the fee side, Mr. Speaker, there is some scope for an improvement in cane and sucrose yield through improved land preparation, the planting of high-yielding varieties and effective weed control.

Mr. Speaker, I remember years ago when I was employed elsewhere and before that, Barbados had a level of expertise in cane breeding and we could have exported some of this expertise and I am being very truthful here, Mr. Speaker. One of the things that carried our sugar industry of yesteryear was our ability to introduce the right variety and at the right time for the yields were very encouraging back then and we have fallen away somewhat.

Mr. Speaker, a lot of work is still being done at the cane breeding station. It is a centralised station, centralised in the sense that it serves the region but we need to get back to the more successful days when we were able to produce high-yielding varieties of sugar cane.

The Task Force recommended also that we move away from conventional ploughing operations to strict tillage as a way of reducing costs at the field level. Of course this will require some investment in the initial stages because we have to purchase equipment.

Other important inputs which were identified as having a burdensome cost were fertilisers and other agrochemical inputs. Therefore, one way of dealing with this particular strategic input is to engage in more bulk importation to effect a reduction in the average cost of these important inputs to the individual farmers or plantations.

Mr. Speaker, with respect to the field operations, I think it is important for me to note that the Barbados Agricultural Management Company has, in recent years through the amalgamation of farms, achieved some level of success. The amalgamation has led in part to more efficient production units but I stress that at the field level there is some work to be done in reducing the main cost component.

Mr. Speaker, I now turn my attention to the factory operations. This concept of an appropriate factory model for a tighter industry than Barbadians possess has been one which has engaged the minds of commentators for some time. Mr. Speaker, I must admit, the Task Force members spent a considerable amount of time looking at costing of the various operations.

Mr. Speaker, this in my considered opinion, as one who knows a bit about financial analysis, is perhaps the most important issue which has to be addressed as we seek to affect a restructuring of the sugar industry.

Mr. Speaker, I had the good fortune of attending and speaking at a ministerial meeting on sugar in Swaziland last year.

Asides.

Hon. A. P. WOOD: It would have been nice if I could have gotten to Swaziland a little faster and it was a really long, drawn out flight, Mr. Speaker, but it was worth the effort.

Asides.

Hon. A. P. WOOD: I have benefited from a presentation made by the consultant Dr. Fye.

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Hon. A. P. WOOD: He gave a presentation on competitiveness when he identified all the major indicators one could use to judge the performance of sugar industries across the region and within the region. In terms of competitiveness, the most strategic indicators he used left us with no doubt that Barbados and others in the region needed to do a lot and do it quickly to enhance their cost competitiveness.

Mr. Speaker, I want to say at this particular juncture that Barbados is in no position to entertain the luxury of having three sugar factories of the type that currently exists in this country. What we are resolved to accept is that the appropriate factory model for Barbados is not the current three-factory option. For a number of reasons it is not the appropriate option.

Asides.

Hon. A. P. WOOD: Mr. Speaker, I do not want to get involved in any private discussion with the Honourable Member for St. Lucy at this stage about which way we will go.

Mr. Speaker, I think it was important that the Cabinet of the day had the benefit of a presentation on this particular issue given its immense importance. However, the three-factory option is the least preferred option for an industry the size of Barbados.

We have two other options. We have a one-factory option with co-generation, or a two-factory option upgrading two of the three factories. Mr. Speaker, this issue of the appropriate factory model for Barbados is a very interesting one. The Factory Committee had detailed discussions with the Barbados Light and Power Company about the level of involvement they would want to get if we were to move to a one-factory option with co-generation.

These discussions with the Barbados Light and Power Company especially the last set have been very encouraging because in the initial stages when the discussions started about the feasibility and appropriateness of this one-factory option - with a new factory of course - with co-generation, the costs obtained were clearly prohibitive because we had reached a stage in the discussions with the Barbados Light and Power Company about who would underwrite the costs and if they would be keen on underwriting the costs of the co-generating facility.

The location issue for the 1-factory option obviously would have been discussed. Sharing of the costs by the Barbados Light and Power Company would also have been discussed, that is, whether the Barbados Light and Power Company would be interested in underwriting the costs and maintaining the co-generated facility and letting the Government be responsible for the construction of the

factory through some product exchange agreement between the Barbados Light and Power Company and the industry whereby the factory receives electrical power and processes steam from the co-generating plant in exchange for bagasse which would be used at the co-generating facility. Those were the types of very delicate discussions that had to take place with the Barbados Light and Power Company.

Mr. Speaker, we are at the point now, as I said earlier, where the honourable thing to do would be for me to report this information to Cabinet first. We are at the stage now where the financial analyses have been completed and where we are reasonably comfortable with where the discussions with the Barbados Light and Power Company have reached.

It is my sincere wish that in the very near future once the Factory Committee Task Force's report is finalized that we will be in a position to report to the sugar interests in Barbados and the wider interests, the Government's position on this particular issue.

Mr. Speaker, the future of the sugar industry depends crucially on what decisions we make about the factory options. I am certain that the Honourable Member for St. Lucy who would have spent some time, I hope wisely, reviewing these particular issues would agree with me that this particular issue which has to be determined very soon is very important.

I do not think I would say anything more on that particular issue at this point in time. I will just sum up on that issue by saying that the country cannot afford the luxury of continuing with the current factory option. It is not appropriate. It is too costly. We have to move away from the three-factory option. Mr. Speaker, it is very coincidental that the Honourable Member for George South walked in as I was about to say that but we need to make a determination on this particular issue because the way forward for the sugar industry depends heavily on what we agree to do with the sugar factories.

Mr. Speaker, I made mention earlier of Government's support to the sugar industry and I need to revisit this item to bring this Honourable House up-to-date with the other areas in which the Government thinks it is necessary to assist the sugar industry.

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Hon. A. P. WOOD: Mr. Speaker, I said earlier that the export price of sugar has been declining since 1995. I said also that the table system in place is such that the price which we get for exporting sugar to the European Market is

fixed at \$526 per tonne. The industry in Barbados has been suffering like elsewhere from the weakening of the Euro-dollar against the U.S. dollar. We feel this in a big way. There was a time when the rate was \$232 not very long ago and now it is somewhere in the region of \$1.90. So you get some idea of the measure of the deterioration. We feel this, Mr. Speaker, each time there is an adverse movement in the Euro-dollar.

Mr. Speaker, on this side, we do not intend to let the cane farmers in Barbados suffer as a result of that external movement. This brings us to the issue of price supports, Mr. Speaker, and which items the Government will consider in its determination of the level of support. This is another issue, Mr. Speaker, on which we have had discussions. After a careful study of the level of information submitted to us, we learned that that information dealt with the impact on the price per tonne as a result of the adverse movements in currency. I do have people at the Ministry of Agriculture who are in a position, if I do not have the time to do it, to check how reliable this information is.

Mr. Speaker, the Minister of Finance has agreed to provide a level of support to the cane-farming community to deal with the hardship which was brought to them as a result of the adverse movements in currency of the Euro-dollar. From 1999, Mr. Speaker, the Minister of Finance has consented to provide support for the 1999 crop to the independent growers to the tune of \$10.20 per tonne to offset the adverse effects of the fall in the value of the Euro-dollar against the U.S. dollar. This price is based on the difference between the average price of \$74.80 received by the industry at the time the decision was made with the recommended price of \$85 per tonne.

Mr. Speaker, regarding the level of support for the cane growers and the independent farmers and the type of people who the Honourable Member for St. Lucy likes to come in here and give us the impression that he is the champion of their cause, I want to say that this is a Government that has responded to a request from the cane farmers for this help. This level of price support for the 1999 crop is in the order of \$3.5 million.

We recognize that this is a problem that might continue, but we are in discussions in order to reduce the level of uncertainty which naturally will still exist in the sugar industry at the level of the cane growers. The discussions will be tending towards a minimum guaranteed price for sugar. Of course, this will be the ultimate once we take all the necessary factors into consideration in trying to determine what is an appropriate minimum guaranteed price for sugar. If we can stabilize the price at a level which will create the right incentives for efficiency to be obtained, Mr. Speaker, then that will be fine.

We are saying, Mr. Speaker, that this particular issue is engaging the attention of the Ministry's staff. We are working towards developing a methodology for determining an appropriate minimum guaranteed price. This price should be set at a level which encourages a certain level of efficiency within the industry and at the same time provides an incentive to keep the independent plantations and small holders in production of the crop. Of course, this minimum price should be informed by reliable cost of production data provided by BADMC and the independent estates.

I am not saying, Mr. Speaker, that we are resolved in moving to the point where a minimum guaranteed price is in place. But I am saying, Mr. Speaker, that it is an issue that is worth active consideration. But any decision on this matter will have to be based on the most reliable cost production data.

Mr. Speaker, I would just want to say in summation that Government is committed to ensure the long-term viability in this area. We recognize that the industry is at a very critical juncture, Mr. Speaker.

12.45 p.m.

Tuesday, July 25, 2000

Hon. A.P. WOOD: Decisive action will have to be taken. We know the setting within which this action has to be taken. We are faced with the high cost of production in the industry in Barbados, the returns for the sugar exported to the European market and the increasing export price per tonne which has been declining since 1995. Once we resolve to maintain the sugar industry into the long-term we have to deal with that side of the equation over which we have some measure of control.

In responding to that particular challenge, Mr. Speaker, we have established a Task Force on Sugar which has addressed all the pertinent issues to the sugar industry. That report should be submitted shortly to the Government and the sugar industry and will be made known to all and sundry at a very soon date. In the interim, Mr. Speaker, Government continues to signal its commitment to the sugar industry as I mentioned earlier via the continuation of the cane-planting incentive scheme providing price support to the tune of \$3.5 million as a way of reducing the hardship which would have been wrought as a result of adverse movement of the EURO in relation to the US dollar. It is the intention of the Government to roll over financing arrangements with CITICORP for crop financing for BAMC so I would just want to say that we recognise that dealing with the sugar industry is a major challenge and we are resolved to sort out some of the problems experienced by the sugar industry because it is our intention to support the industry well into the future.

Mr. D. St.E. KELLMAN: Mr. Speaker, I rise to speak on this Bill and to say that it is clear to me that the Honourable Member for St. Philip South is far out of his depth and he knows not of what he speaks. To say that the Democratic Labour Party would have been the one to blame for the destruction of the sugar industry, it would have to come from someone who has not been properly briefed by the officials from the Ministry of Agriculture, and then to turn around and use statistics to prove that he is right, not recognising that the same argument he used for the years 1986-1987 could be used for the years 1994 and 1995. He said that in 1986 sugar production in the country was over 100 011 tonnes of sugar and that by 1987 it dropped to 83 400 tonnes. The truth is that the statistics are quite correct but somebody should have mentioned to the Minister that if you plant canes in 1986 those canes will not be reaped in 1987 but in 1988. The only canes that you can plant in 1986 that will be reaped in 1987 is what we call 'forced- back' canes. No Government can be judged on 'forced- back' canes.

It is clear that the Minister is quite ignorant of what he speaks. If he had used statistics on the year 1987, those statistics would have been more credible. What the Minister did not tell this House is that if he wanted to compare like with like he would have had to use the statistics of 1994 which would have been the year the Democratic Labour Party left Government and then the statistics for 1996. If one were to use those statistics one would recognise that the same slide he speaks of would have been shown to be the same for 1986 to 1988. To blame the Democratic Labour Party and accuse the Party of not doing something one year after is actually to admit to the House of Assembly that the Minister does not understand the workings of the sugar industry.

I would also like the Minister to explain and tell Barbadians how they arrived at the one-factory or two-factory option and also to prepare Barbadians for the impact on their lives of the closure of one or two sugar factories. One must recognise that the closure of a sugar factory impacts more on the people I regard as the small man in this country than on anybody else.

It is regrettable that the Minister did not take time to tell this country how the Government of the day which is supposed to be progressive will be instituting plans to correct or ease the impact that would affect the people, especially those people in St. George South whom the Honourable Member has always tried to protect.

It is also interesting that while the Minister was speaking about the closure of the sugar factories in this country that the Honourable Member for St. James North was in his seat and the Honourable Member for St. Joseph was in his seat but he took time out to mention the name of the Honourable Member for St. George South and a simple

consideration of this matter will prove that if you have to close one sugar factory, Bulkeley would have to go. The Honourable Member for St. James North would not have to worry. Clearly, the Honourable Member for St. Philip South has indicated that Portvale will remain and the Honourable Member for St. Joseph would know that Andrews Factory which is in St. Joseph will remain if one factory has to be closed and that the obvious factory to be closed will be Bulkeley. I wonder, Sir, after hearing the Honourable Member for St. George South in 1994 speaking on this particular matter, what he will say in a debate like this.

Hon. A.P. WOOD: On a point of order. Two things, Mr. Speaker. Even if I were to accept what the Honourable Member for St. Lucy is saying, what he should have done is to check before he spoke. He wanted me to deal with two-year intervals and I will take him back to Table 16 of the Annual Statistics.

Mr. SPEAKER: Honourable Member, you have to make your point of order.

Hon. A.P. WOOD: Mr. Speaker, when I look at 1988 and 1987 the Honourable Member is saying that what was planted in 1986 we should look two years after to get some idea as to its success.

12.55 p.m.

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Hon. A.P. WOOD: I want to tell the Honourable Member that in 1988 the level of production was \$80 300 when compared with \$111 100 in 1980 so, by his own admission he is agreeing that the Democratic Labour Party did a disastrous job with planting efforts in those years. Mr. Speaker, in 1989, production was at \$66 300 compared to \$83 400 in 1987 so we are talking about a decline that started in 1987 and continued right through to 1994 so I cannot understand the point he is making.

The second thing, Mr. Speaker, the Honourable Member for St. Lucy is seeking to import something into this debate and suggesting that particular mention was made that somehow I told this House that Bulkeley Factory was going to be closed. Mr. Speaker, I have not said anything of the sort. I do not want the Honourable Member for St. Lucy to mislead anybody in saying that this morning I said that movement away from the three-factory model will result in the closure of Bulkeley. Mr. Speaker, even if that is the case, I did not say it in here this morning.

Mr. D. St.E. KELLMAN: There are some Government Ministers who should hear me speak and keep their mouths shut because it is clear to me that the Honourable Member has just explained to the whole

House, and the whole gallery, that the slide in the sugar industry started in 1987 and continued right through until now. I have nothing further to say on that particular matter, I have proven my case and I have found him guilty.

Sir, the other point about Bulkeley. The Honourable Member never denied that he turned to the Honourable Member for St. George South and made a quiet apology but he did not do the same thing to the Honourable Member for St. James North nor the Honourable Member for St. Joseph. Sir, the evidence is before us that Bulkeley is the factory most likely to be closed based on the information given by the Honourable Member for St. Philip South and I now pronounce the death of Bulkeley.

Mr. Speaker, I want to say to this House that this debate this morning is seen as a sugar industry debate and I want to say that this debate should not be seen as a sugar industry debate but it should be seen as an economic debate of which the sugar industry is part. It also involves the tourism industry, our whole growing policy and the way we access funds in this country. When one listens to the Honourable Member for St. Philip South and hears about the particular problems encountered because of the Euro one can easily say that the same problems that the sugar industry is having, the tourism industry is having and any Government that attempts to borrow money on that particular market will have the same problems.

Sir, I am saying this morning that if the Prime Minister is hearing the Honourable Member for St. Philip South, that he should listen to the Honourable Member for St. Philip South and that if the Minister of Tourism is hearing the Honourable Member for St. Philip South he should also take his advice and do the necessary corrections within the tourism industry because it is clear to me, based on the picture painted by the Honourable Member for St. Philip South that our tourism industry is also in trouble because of the currency problem, that our sugar industry is in trouble and our borrowing policy can be severely affected if we borrow money on the London market.

I am aware that the Honourable Member for St. Michael North East would like to take the break and I am quite prepared to finish after lunch but I want to leave this with this House. The economy is under severe stress not based on what I have been saying previously but based on what has been said in here this morning by the Honourable Member for St. Philip South. It is by his own admission and one wonders how an Honourable Member can have this type of information and goes to Cabinet every Thursday and does not deliver this type of information to the Cabinet of Barbados. I cannot believe that an Honourable Member can have this information and would not point out to the Minister of Finance that the Euro market is the worst market to borrow on at this particular

time and how he would not point out to the Minister of Tourism that he needs to boost his tourism plan to make sure that he does not spend his energy but that he also needs to find a plan to enter those markets where the currency is not being impacted on as they are being impacted on in the London market.

Sir, at this point I will stop and allow the Leader of the House to take us to lunch and I will return after lunch.

SUSPENSION

Hon. Miss M.A. MOTTLEY: Mr. Speaker, Sir, I beg to move that this House be suspended until 2.00 p.m.

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

The question that the House be suspended until 2.00 p.m. was put and resolved in the affirmative without division and Mr. Speaker suspended the House accordingly.

1.05 p.m.

Tuesday July 25, 2000

RESUMPTION

Mr. SPEAKER: This sitting is resumed.

Mr. D. St.E. KELLMAN: Mr. Speaker, if the Honourable Member for St. Philip South had taken time out to look at the debates prior to this session, the Honourable Member would have recognised that this road has been travelled already. I want to remind this House, Sir, that in the year 1996 I was faced with the same problem in this House and I had to remind the speakers on the other side of these same statistics as it related to sugar production in this country.

At that time, Sir, I said, "Mr. Chairman, there is an argument in here this morning. The argument is that when the Democratic Labour Party took over in 1986, sugar production was 111 000 tonnes and by 1987 it fell to 83 000 tonnes." I want to stop here, Sir.

If you were following the debate this morning, you would have heard those exact figures quoted by the Honourable Member for St. Philip South, which meant that if the Honourable Member had read the files of the Ministry of Agriculture, he would have recognised that the information given to him was the same information given to the Honourable Member for St. James North. If this matter was taken to the parliamentary group for discussion he would have been warned, by the parliamentary group, not to use these particular statistics because this would have been a matter which was dealt with before, Sir.

The Democratic Labour Party got the blame for the drop in production. The same thing that happened in 1996 is now happening again. In 1996 they blamed us for the drop in production using those same statistics. Do you know that it is amazing that the Barbados Labour Party took over in 1994 and sugar production was 53 000 tonnes, and a year after, it fell to 38 000 tonnes and by 1995 it fell from 53 000 to 38 000? We are not blaming them.

This is the important part, Sir. When sugar production fell in 1987, after we took over in 1986, we in the Democratic Labour Party recognised that we could not blame the Barbados Labour Party one year after for the reduction in sugar production. The Barbados Labour Party does not understand the workings of the sugar industry and they do not understand that to blame a party for the decline in sugar production, you cannot blame it based on one year. Do you understand, Sir, that they want to blame it from 1986 to 1987? This is the same time factor, the same decline but everything must be thrown on the backs of the Democratic Labour Party.

I am saying that even though the Honourable Minister for St. Philip South had all of this information before him, he came to this Parliament with the information and he deliberately misled the House. Clearly, Sir, the technocrats in the Ministry of Agriculture would have advised the Minister that you cannot judge a performance of a Government when it comes to sugar production in one year. If he had spoken to the senior Member, Honourable Member from St. James North, the Honourable Member would have informed the Minister that the figures that he was using before the House would have been false, and that he could not be political with those figures because they do not substantiate the claims facts that he was making.

It is clear to this House, Sir, that the Minister is out of his depth when it comes to agricultural issues, especially as it relates to the sugar industry, that he has failed within his period of time, and he now seeks to find someone to blame for the decline of sugar industry. I will not blame the Minister. I am going to tell you why. It would be unfair of me to present an argument, like the one I presented just now, without recognising that the Minister was only the Minister of Agriculture for one year. I do not blame him. I would have to blame the Barbados Labour Party for not giving the sugar industry the necessary funds to keep sugar production at the appropriate level.

The Minister also recognises that there was a decline in the sugar earnings, and I am now hearing the Minister say that they would provide concessions to the sugar industry or, better yet, price support. You cannot provide price support unless you are prepared to match revenue with expenditure. If the support that you are giving is less than the expenditure, you are just wasting your time and

you are just asking the sugar industry to go into further decline.

I would like to hear from the Minister what is the production cost of a tonne of sugar and whether the price support that is going to be given to the sugar industry is enough, to at least, even. What is also interesting in the speech from the Minister is that he never once mentioned the agricultural industry during his debate. This is the biggest mistake that everybody seems to be making in this country. We have to stop talking about the sugar industry and recognise that we must deal with the agricultural industry and that sugar must be part of the agriculture industry and not agriculture part of sugar. We continue year after year to behave as though sugar is still king, and we do not recognise that sugar must be seen as a player within the sugar industry and not as the major industry.

If we continue to behave like that, Mr. Speaker, this country will not get anywhere with its agriculture industry. We must recognise that even though the sugar industry might lose money, that the agriculture industry of this country does not necessarily need to make money. With a proper plan in place we can have a proper agriculture industry in this country. If we continue to see agriculture as sugar, we will continue to make the same general error year after year.

That is why I am calling on the Government to recognise the need for a proper land use policy. Mr. Speaker, I have to be very careful here. The last time I spoke in this Parliament about land use policy, it was in relation to the White Paper on Education and it was the biggest joke in this Parliament. People feel that every time you speak about a land use policy that you can only relate a land use policy to housing or to agriculture.

They do not even recognise that where you place a school is very important to how you look at your land use policy. There are people who walk around Barbados as experts and who believe that they can make pronouncements on everything, and whatever you say is foolishness. The truth is it does not bother me, Sir. I know of what I speak and whatever interpretation is put by someone else is their business.

I am saying that until the Barbados Labour Party comes up with a proper land use policy, we are going to see a situation in this country where agriculture will continue to decline, and sooner, rather than later, we will not have a sugar industry. We have to be very careful, Sir.

I am going to make a statement in this House. I do not care about the political fallout because somebody must say these things at some time. I am telling the Barbados Labour that if they are serious about the sugar industry, and they are serious about modernising the sugar factory aspect

of it, the only sensible place in Barbados for a sugar factory will have to be in St. George. People must recognise that if St. George is the sugar belt and agriculture belt, it is not by accident. It is because of its location and certain other things that impact on the economic situation in Barbados that we must recognise that St. George is that area. If we continue to fool ourselves and do not recognise that point, then we will find that we will not have a sugar industry.

I want to remind you, Mr. Speaker, that there was a time when there were two factories in St. Lucy. This was in the 1970s, Sir. The closure of Spring Hall and Fairfield was met with a massive reduction in the sugar production in that particular constituency. There was a time when there was a sugar factory, Sir, in St. Peter. When Haymans closed the same thing happened, Sir. Those were not the significant areas for sugar production. The main fact that people felt that they had to take their canes to long distances et cetera, meant that they cut back on the sugar production because of the high transportation costs.

A lot of people do not recognise this, but the major hindrance in sugar production in this country is transportation cost. You get \$70, Sir, for a tonne of cane and you have to pay over \$20 to freight it. That is a serious thing. If the Minister of Agriculture does not understand that then he needs to understand it. I am saying to him that with all the replanting and the incentives for replanting, he needs to understand that Government needs to come up with an incentive to reduce the cost of freighting.

In 1994 when the Barbados Agricultural Management Company was formed, I personally felt that was one of the best things that ever happened to the sugar industry and the agriculture industry in this country.

2.15 p.m.

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Mr. D. St.E. KELLMAN: But the truth is, and I cannot say by mistake because I believe everything in this country happens for a reason, there was a change of Government and it seems there has been a change of policy.

I honestly believe that the Barbados Agriculture Management Company (BAMC) as one entity was the best thing that ever happened to the sugar industry. The only problem is that it might have been 100 years or 200 years too late because the problem in this country, in my opinion, is that we have too many players doing the same thing and that is why over the years we spent a lot of money on equipment. There were a lot of tractors and caterpillars and all of that foolishness spread all over Barbados, spending large sums of money that should have been in the banks building up reserves when everybody could have come

together, pooled their resources and maximise the use of the equipment. But instead of that, there were hundreds of plantations all duplicating the same equipment only to be used for short periods of time and I do not want to sound like the Minister of Agriculture, Sir, but I would hope that he would take some notes and learn from what I am saying. That is why when the BAMC was formed and brought so many plantations together, I thought that was the best start.

The belief that the independent growers can come to Government every year with the same belief must be looked at. We have to find a way, Sir, to get the independent growers to understand and work out a formula, where they could be attached to the BAMC because if you think about it, Sir, it makes economic sense. They are tying up a lot of money in equipment when that money could be better spent doing other things. It does not make sense, Sir, when the BAMC has large numbers of pieces of equipment and the independent growers are still spending large sums of money on equipment and on the other hand, asking the Government for subsidies.

I have said this in this Parliament since 1994 that the Government of Barbados must recognise that if they are going to be giving out the taxpayers' money that they must be prepared to trade-off: "If you want this thing you have to do that." I am not talking about a trade-off of votes and that is the problem with the Barbados Labour Party. They feel that they could only do trade-offs when they can count votes but the trade-off I speak of is the trade-off of economic gains for the people of Barbados. I will hope that the Honourable Member for Christ Church South who would have heard these arguments and who made these arguments before, would have been able to influence Cabinet, even though he does not sit there, but he would use his seniority and the power he controls within the Party, to teach the Honourable Member for St. Philip South that there is still some hope, if he is prepared to implement the sensible suggestions which he hears coming from this Chamber.

We also want to see another situation, Sir, and this is a point I would continue repeating in this Chamber as long as I am in here, that the cotton industry must be seen as the most significant industry in Barbados. I make no apologies for this. I have said already that cotton to Barbados must be seen like oil to the Arabs. I do not want a situation, Sir, even though I said that cotton in Barbados must be seen as oil is to the Arabs that when we develop our cotton industry, that there are certain organisations in the world which feel that this would give us economic power and that they would flex their muscles on us to bring us back to Christian understanding.

Sir, in March, while discussing a \$200 million loan that we were supposed to be borrowing, I took the opportunity to deal with the OECD, the World Bank and

the IADB, et cetera. I made the point that in the 1980s Barbados had a golden opportunity to develop its cotton industry but because of international politics, we in Barbados allowed people to destroy that good idea to develop the cotton industry. And instead of coming together as one united group in Barbados, what we did was allow outsiders to divide us politically and we lost the opportunity to develop the cotton industry.

Sir, now we are faced with a similar situation where our financial services are being threatened and as early as March this year, I recognised that the OECD would have been an organisation that we would have to send signals to rather early. And I took the opportunity to send those signals as early as March this year and to let the Government understand that because of the success that they were achieving, organisations like the OECD would have done everything in their power to flex their muscles on the Government of Barbados.

I was ignored, some sarcastic remarks were made and now, Sir, we are in the month of July and the same warning we were sending then, we are now witnessing in Barbados. It is not about whether we are doing anything right or wrong. These international organisations judge us by the progress we are making and it is clear to anybody who looks at the foreign reserves of Barbados that the financial services market is impacting on the economy of Barbados in a positive way. Because, when you look at the growth of the agricultural industry and the manufacturing industry, the only thing that you could look at and point to that could be bringing in those foreign reserves would have to be the financial services markets and the offshore banks, et cetera.

It is clear that if I could recognise it that organisations like the OECD, the World Bank and the IADB would have recognised it and because of the beliefs of certain people in Barbados, they can feel that they can use that, Sir, to bring us to Christian understanding. I would hope that the Minister of Agriculture would understand, Sir, that when we attempt to move to a one-factory stage and we attempt to develop and save our energy cost by reusing the byproducts of sugar that would cause us to depend less on certain imports from overseas, and he can also look for the international backlash from that.

Sir, we in the Democratic Labour Party would not blame the Barbados Labour Party for the drop in sugar production in the agricultural industry. Sir, this one cannot be challenged, we would be blamed for causing the BAMC to be in trouble with the European market when they fail to meet their quota.

I want to remind this House, and I know the Honourable Member for Christ Church South will

remember this, as early as 1995, Sir, I warned this Parliament that we would have been faced with that particular problem and I was told in this Parliament that I knew not of what I speak and I was talking ignorance. Sir, that was the normal charge from the Barbados Labour Party when they said to the people of Barbados that they would just supply their quota to the European market and the surplus sugar would be used for the local market.

2.25 p.m.

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Mr. D. St. E. KELLMAN: This sounded good politically but I am not in here about politics and votes, Sir. I am in here about what is in the interest of the people of Barbados because it would have taken a brave politician to get up and make the statement I made. I got up because I knew full well it was going against the grain of politics.

I said that we were making a grave error and that the Prime Minister and his Cabinet Ministers were not aware of what they were doing and that we had something called carried forward sugar. I know when I mention carried forward sugar, Sir, that will click with you. I also said that we could not just decide to bag the sugar for the local market because that sugar was needed to take us over to the following year for our quota and all the so-called experts got up and said that it was foolishness.

That is why the year when our sugar production went down to 38 000 tonnes and we had to supply the European market with 54 000 tonnes we were still able to supply that market for the simple reason that from the previous year we would have what we called carried forward sugar. You just cannot decide that because you have a surplus you are going to just use it up as you like. You have to understand that you cannot dictate what will happen in the sugar crop the next year.

What is also fascinating about this is that in this year's production we have 57 000 tonnes of sugar - very significant - and every single grain went to the European market. Based on the Barbados Labour Party arguments, 3 000 tonnes of that sugar should have been sold on the local market but based on my argument, every single grain would have been sold on the European market.

Sir, it is clear that it took the Barbados Labour Party nearly five years to recognise the point I was making. People have to understand that if we have to protect the sugar industry, what we need to do first is to protect our quota.

Sir, somebody needs to tell the Minister of Agriculture the real reason for carried forward sugar and also to explain to him what is carried forward sugar. It is

clear to me that the technocrats within the Ministry of Agriculture have done it this particular year because the main fact that all the sugar has been exported although we have a quota for 54 000, it tells me that the Minister will not allow the same problems that occurred previously to happen again if he can do better.

We also have to understand that in order for the sugar industry to continue - not only must cotton be successful but also the other agricultural produce like yams, sweet potatoes, carrots, beans and onions must be allowed to be able to compete fairly on the local market and we must not allow people to dump their cheap produce which is of no use on this market.

I will give you a good example of that, Sir. If you were to take a local onion and you were to take a foreign onion and strip them both of the outer layer, you will find that with the local onion you only need to remove one outer layer but with the foreign onion you will need to remove three. When you cut the foreign onion in the middle, you also need to remove some layers inside too. Although when you go to the supermarket, the cost per pound is cheaper, when you weigh the finished product you are better off when you buy the local onion. In terms of the juice that comes from the onion, when you are peeling the local onion, you have to wear glasses on your eyes or the juice would hurt your eyes but the foreign onion is so dry that you do not even have to worry when you are peeling it.

This should not be coming from me, Mr. Speaker, you know. All of this information should be coming from the Minister of Agriculture and the Ministry of Agriculture but I will do the farmers in Barbados a service.

The Minister also has to recognise that the megasse from sugar production in this country cannot only be for generating electricity and that there is a relationship between the sugar industry and the poultry industry in Barbados. I am a bit worried now because I am hearing of a plan to use all the megasse produced at the factory for the Barbados Light and Power Company. Am I to believe that the Minister is now admitting that the poultry industry in this country does not stand a chance and that instead of the poultry industry using the surplus megasse in this country, it will now be turned over to the Barbados Light and Power Company because all the merchants in Bridgetown will be importing chicken and all the local farmers in this country would have to close down?

This is a serious matter, Sir, because people do not understand the number of people that are employed in the poultry industry in this country. They do not even understand that because of the policy we have concerning what is put in our feed in Barbados that our chicken tastes better than the chicken which is imported from overseas.

Sir, the next time you go to the supermarket, buy one of our local chickens and one that is imported, prepare the same type of seasoning for both, cook them in two different pans and you will see that our local chicken tastes a lot better than the imported one which tastes bland. You also get our local chicken fresh but the one coming from overseas is frozen. So you do not know the age of the chicken that you are importing neither do you know how long it has been frozen and how long it took....

Asides.

Mr. D. St. E. KELLMAN: No, he knows I am a grandmaster at this. I am saying that when you go to the supermarket and you get a local chicken you can see everything about that chicken but with the one that is brought into the country, you do not know whether the leg was cut off for a particular reason or not.

I am saying that I am quite prepared to share this type of information with this Parliament because everything I speak of, I am accustomed to. The problem in this Parliament is that there are too many people who have started at the top and we need some more people in this Parliament

Asides.

Mr. D. St. E. KELLMAN: Yes, they are grave diggers. I agree. Mr. Speaker, I want to acknowledge what was said by the Honourable Member for Christ Church South, that the majority of the people on his side are grave diggers because they have started at the top...

Hon. Sir. HAROLD St. JOHN: On a point of order. The Honourable Member is misleading the House. I have not spoken in this debate at all.

Mr. SPEAKER: Yes, and I do not think it would be proper for those remarks to be in the record of the House so I will be asking that they be withdrawn.

Mr. D. St. E. KELLMAN: Mr. Speaker, I withdraw them because I was not including you, Sir, I only meant the others who fall into that group and I am not saying that all of them will fall into that group, Sir.

Mr. SPEAKER: You will withdraw generally.

Mr. D. St. E. KELLMAN: In terms of vegetables, we are also having a situation in this country where the records would prove that the majority of the vegetables going into the United States are imported from ...

Mr. SPEAKER: The Honourable Member, tell me something, how would the chickens and the vegetables be connected to the sugar.

Mr. D. St. E. KELLMAN: Yes, Sir, because the sugar industry is all part of the agriculture industry and we are in a diverse product when it comes to the sugar industry.

2.35 p.m.

Tuesday, July 25, 2000.

Mr. D. St.E. KELLMAN: The sugar industry is not the main player now within the agricultural industry, Sir. It is just another part of the industry. We cannot speak about the sugar industry, Sir...

Mr. SPEAKER: What I would suggest to you is to try and relate them and do not take them separately like you are doing.

Mr. D. St.E. KELLMAN: Oh, I see, Sir. I must apologise to this Chamber, Sir, because when I was speaking I really thought that everybody here, knowing of our background, knew of the relationship between the sugar industry and the agricultural industry.

Mr. SPEAKER: Do not take it for granted.

Mr. D. St.E. KELLMAN: I agree with you, Sir, because being a good 'country body' and having this knowledge, I thought that we were all fortunate in here to be blessed with some more country people. But I am forgetting that I am from rural Barbados and not urban Barbados. I am from the lower class and not the upper class, Sir.

Asides.

Mr. D. St.E. KELLMAN: I did not say there was anything wrong with "urban". But I thought better of you because you are behaving like the other class now. You do not behave like "urban" anymore.

Sir, we also have to recognize that the other crops are very important for the sugar industry because within the sugar industry we have something called rotation of crops. When we do not have sugar cane, you plant carrots, eddoes and other things. That is the relationship but I was not aware that I would have to go into these things. As I said before, Sir, this debate cannot be about the sugar industry. This debate has to be about the agricultural industry of which the sugar industry is a part. If we continue to treat this debate in this House every time as a debate only in relation to the sugar industry, we will be fooling ourselves as a Parliament.

We also have to understand, Sir, that during the early years in Barbados when the tourism industry was first started in this country there was a direct relationship

between the sugar industry, agricultural industry and tourism industry. All of a sudden, Sir, that relationship is not there anymore. It is regrettable in a country the size of Barbados that we cannot have a relationship between the agricultural industry, manufacturing industry and the tourism industry. We have to learn to maximize the use of our products that must generate the foreign exchange in our country. We have to utilize the local products to save foreign exchange in this country.

What we are seeing in Barbados now, Sir, is an act of selfishness where people feel that once they are 'getting through' nobody else needs to 'get through'. That is why you will find things like globalization impacting on Barbados in the sugar industry and agriculture in the way in which it does. All of a sudden there is this all-inclusive concept going right through Barbados where people feel that everything belongs to them now and they do not have to share anything with anybody. If we do not get away from that concept, Sir, we are going to destroy the fabric of Barbados that has built Barbados over the years. We as a people, especially parliamentarians, must be the ones to assure Barbadians that we need to come back and be together as a people again.

Sir, it is amazing sometimes to hear the people who support these concepts. How can you talk, Sir, about asking people to plant sugar cane and somebody telling you that when you harvest the crop that the same people who reap the sugar cane cannot suck the cane? They do not realize that a simple act like that is removing people from the sugar industry. It is a fact of life. I will say this, Mr. Speaker, that there are many Barbadians whose only meal was a piece of sugar cane. I know a lot of people would be surprised to hear that. A lot of people in Barbados do not know that the best 'breaker of air' in Barbados is when you suck a piece of sugar cane. A lot of people do not know this, Mr. Speaker. But it has to be a hungry boy who knows that. The rich and famous fellows would not know that.

Mr. Speaker, as simple as it sounds, we have to understand that we cannot push people away from canes and at the same time expect them to accept certain things and behave as if everything is normal. That is why, Sir, the sugar industry is suffering problems as mentioned by the Minister of Agriculture. It is going to be rather difficult to get young Barbadians to gravitate towards the sugar industry. Because in Barbados there are lots of people who believe that only a particular group of people can work in the sugar fields. Unlike Barbados, the sugar industry and the agricultural industry in Australia are seen as something done by a family unit. In Barbados the sugar industry is supposed to be what they call an industry that employs persons from the lower level of society. This is utter foolishness. If an industry is as important as they claim it is, it must be able to attract some of the best people. Right now our sugar industry is not capturing those people

because they feel that the labour of those people is not important. Foolishness!

We also have a situation, Sir, where we have to recognize that the sugar industry is important to us for our rum. I am not sure that we as a country can continue to promote having the best rum in the world when we are making it with somebody else's molasses. We have to be careful that somebody somewhere does not set up a rum factory and call the product Barbados rum and we cannot do anything about it. The simple reason is that Barbados rum was supposed to be rum made with Barbados molasses. If in Barbados we are not making Barbados rum with Barbados molasses, we cannot stop anybody else from making Barbados rum. The important thing to stop one from making Barbados rum is not there anymore. That is the significant point and people must recognize it. The total agricultural industry must be seen in a particular light and all of these factors must be taken into account.

Sir, we also must recognize that up to 1994 the sugar industry had over 45,000 acres of land available to it. I want to repeat this point, Sir. Up to 1994, the sugar industry had over 45,000 acres of land available to it. Today, Sir, the sugar industry has 22,000 acres of land available to it in less than 6 years' time, Sir. I think that the Minister should have addressed this particular problem because he was quick in blaming the Democratic Labour Party for the destruction of the sugar industry. But the Minister did not tell this Parliament that between 1994 when the Democratic Labour Party left the Government and the year 2000 that over 22,000 acres of land went out of sugar production. That is a point that must be made.

Hon. A. P. WOOD: On a point of order, Mr. Speaker. As far as I understand, it was between 1994 and 1995 that the total amount of arable land available in agriculture was 30,000 acres. The Honourable Member is misleading the House. All that he has said about 22,000 acres being the current amount is false.

Mr. D. St.E. KELLMAN: Mr. Speaker, there is the Development Plan that will show you that after 1994 45,000 acres of land was available. Earlier this year, Sir, or late last year and I challenge anybody in here to deny this, the Barbados Agricultural Management Company said that they only had 22,000 acres of land available to them. I am saying, Sir, that we have seen a significant drop in the agricultural land in this country.

2.45 p.m.

Tuesday, July 25, 2000

Mr. D. St.E. KELLMAN: All evidence available to us is that within the next year or two another 5 000 acres of land can go out of production. When the Minister comes to

this Parliament talking about one-factory options it is not because they want to maximise the efficiency of the factories but it is because the Minister recognises that the total acreage of land is falling so quickly that it does not make sense to have two factories.

I am telling the Minister now that based on the amount of land that is going out from sugar production into housing, it might be better to advise the technocrats looking at the revitalisation of the sugar industry to look at the one-factory option. It does not make sense to have two sugar factories and you do not have the land to supply the number of sugar canes for operating two sugar factories.

What will happen, Sir, is that you will have a situation like what was done in 1982 when they built Portvale Factory, when it was supposed to be a factory built to be a new factory and when you looked at it you only recognise the newness as newness to Barbados because all the parts were imported like the buses that came in to the Transport Board in 1997.

I am saying, Mr. Speaker, that I want to warn the Minister of Agriculture that when these proposals come before him and before he takes them to Cabinet that he recognise that he must look at the circumstances now and hereafter and not look at it only today but look for tomorrow. We cannot be spending two sets of money to correct one particular problem when we can spend one set of money and correct the particular problem. So I am asking the Minister of Agriculture to make sure that the proposal put before Cabinet is the best proposal for Barbados and that it is not put before Cabinet because he feels that there is going to be political fall-out but he puts the proposal based on what is in the interest of Barbados and when he recognises that, that he also recognises that St. George is the sugar belt of Barbados and it is the most central location for any sugar factory. The terrain is right. It is flat and everything can come down. Everything is right about St. George. The water levels are right.

I would hope, Sir, that with this type of advice, the error will not be made like the error they made on the sugar quota. Also, I would like to see the day in this country where we recognise that there is a need for agro-processing. I have already said in this Parliament that the truth is that we are 33 years too late with our agro-processing plant. If we had taken the wisdom of the great Errol Walton Barrow we would have been ahead of the Caribbean when it comes to agro-processing. In Barbados, I find that before we look at the positivity of a statement we tend to look only at the negativity and then we are deprived of good suggestions because we only look around the corner to see what is wrong with a situation and we cannot see what is good about it.

We, in Barbados, must recognise that if we are going to uplift our farmers our problem is not about production. Our problem in Barbados is right now about markets. It is regrettable the number of vegetables that the farmers at the Land Lease Project have to dump every year because of over production. It is not the farmers' fault. Over production cannot be the problem of the farmers. It has to be the problem of the Ministry of Agriculture and the Government as a whole. You cannot be in a country like Barbados and ask people to produce and whenever they produce there is no market for it.

To those selfish people within Barbados who feel that they have a right to import everything I want to remind this Parliament that when chicken was first imported in this country I came to Parliament and I kicked up dust about it. A selfish company in Barbados which feels that it has the right to everything within Barbados was the first group of people to introduce the Barbadian to foreign chicken and some people within the Barbados Agricultural Society who could not see better, instead of supporting me, got on the television of Barbados to criticise me and now they are the same people who would want me to come and put an argument on their behalf when I have been doing it for years.

The problem in Barbados, and I keep making this point, is that we in Barbados can only deal with things when we see a crisis. The Barbados Agricultural Society were warned years ago that if they allowed certain entities to import chicken into this country it would come back to haunt them. They ignored my advice and now they are wasting the people's money putting big ads in the newspapers. Stupidness!

I am saying that some of us have to be patriotic to our country. If we cannot be true patriots we need to get out of Barbados and go where we come from. We have to understand that the day that you stop employing people in Barbados there will be no workers to buy the goods that you are selling. Some people do not understand that if we do not use our local chicken the same people who buy chicken are the people who have to work in the poultry industry in this country. Because of selfishness and profits we want to destroy the local market so that we can build operations all over Barbados and brag about how many operations we have.

Mr. Speaker, I am saying that I should not be saying this. The Minister of Agriculture should be saying this but I know that he cannot say it because he is not prepared to say it. I am prepared to say it. This is the only row I know and this is the only row that I will defend. The masses of people in Barbados who get their earnings from the poultry industry must be seen as people and must be protected in this country.

I am telling the Barbados Agricultural Society that they have to recognise that they made a great error. They did not understand what they were doing at the time but they allowed certain people to go and forge markets knowing full well that globalisation and free trade was coming and that when those things were implemented they did not have to go and look for the markets, they knew them already. From the time the floodgates opened up, they knew exactly where to go, they knew the cost, they knew the delivery time and they even knew the quality.

The Barbados Agricultural Society failed to recognise those things and now all of a sudden are making noise. It is not only the Barbados Agricultural Society that must take the blame. It is the Government of Barbados that must take the blame because if the workers in Barbados are not employed it is going to impact on the amount of money that we get for social transformation. The Honourable Member for St. Michael East and the Honourable Member for St. Michael South East are going to be bombarded every day for handouts once people are not working. The Barbados Labour Party must tell me whether they are prepared to destroy the poultry industry and destroy the workers of Barbados so that people can come to beg for political favours and that they will hope to get some benefit down the road. They must tell me if that is their policy or not.

I am saying that no progressive political party would want to see that as a policy, that they would prefer to see Barbadian workers working and generating income to develop their families instead of looking for handouts. That is what I would expect from my friend from St. Michael East. I would expect him to get up in this debate and defend those people whom he has defended over the years. It is true that within the last year he has been very silent on these matters, but I know that somewhere in his bosom there is energy that is prepared to come to the fore and defend those underprivileged people.

If he does not do that, Sir, I would have to believe that he is a grave digger like "Comma-long". You can either be a grave digger or an undertaker. It would mean that he would have played on the backs of the underprivileged which, in this case is not a dead that the undertakers do, to get what they get. I know that he is not of that making. He is a sincere young man but he has to prove it and there is no better time for the Honourable Member for St. Michael East to prove that point than now. We already know where the Minister stands on this matter. He has spoken already and he has not recognised and he speaks for the Cabinet so that every single person on the Frontbench is guilty of everything that he is does not do and what he does.

2.55 p.m.

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Mr. D. St.E. KELLMAN: If they do not agree they need to get up and tell the Minister that he needs to change his action plan because a country that cannot feed itself is a country that will destroy itself.

This is why we in Barbados have to know who our friends are and we have to recognise that those selfish people who do business within Barbados who feel within themselves that the only thing they know are imported things, somebody must tell them that Barbados is important. Foreign reserves might be high but if we continue with this trend, some day we will not have a single cent in our Treasury. As I have said before, Sir, we must recognise that we are going through a testing time. Our foreign reserves are high and the OECD countries are after us. Every single item that we did not have before can now be found in Barbados which means that foreign reserves are being used up and we have to be careful. This is why the sugar industry cannot be seen as the sugar industry, it must be seen as part of the agriculture industry and the importance of feeding ourselves is even more important now than ever. Can you imagine, Sir, with the level of foreign reserves that we have that if we could convince Barbadians right now of the need to keep away from foreign foods and eat our local foods, how much higher the foreign reserves would get? We also have to understand that with manufacturing, tourism and the agriculture industries not performing that the only thing in Barbados that is performing right now is the sale of land.

Sir, I once said in this Parliament that the Government has a new industry and it is using land for foreign reserves and revenue and they have not proven me wrong. Rather than proving me wrong, every single day they are proving me right.

Mr. Speaker, I am saying that we have to understand that we cannot continue with a sugar industry structured like how it was in the 60s and 70s and never again should a Bill be seen in this Parliament as a sugar industry Bill. If we have to get a sensible discussion it has to be a Bill as it relates to the agriculture industry. Sir, I can tell you without guessing that I have the support of the Honourable Member for Christ Church South on this matter. He does not even have to say that he agrees because I know that it is something that he feels strongly about. The Honourable Member knows that you can plant an acre of sweet potatoes and make more money out of those sweet potatoes than you can make out of 20 acres of sugar cane.

Sir, I am saying that the same information that the Honourable Member for Christ Church South has at his disposal the Honourable Minister of Agriculture would have. He would have even more information because he has access to the entire the whole Ministry of Agriculture.

Every single organisation that relates to the agriculture industry, all the Honourable Member has to do is pick up the telephone, call any of them, request the statistics and they will produce them.

I am saying that the debate in this House, coming from the Minister of Agriculture, did not deliver what it should have delivered. I thought I would have heard a policy statement on agriculture in this country. Instead, I heard from the Minister of Agriculture how they will be subsidising the ratooning of sugar cane as though the only thing in the agriculture industry is about sugar cane.

Mr. Speaker, I have not heard anything from the Minister telling us how we can compete with the foreign onions that are being dumped in Barbados that are not of a high quality. Neither am I hearing about the carrots that are coming into Barbados that are loaded with pesticides unlike those that are grown here in Barbados and we do not know how long they have been on the cold storage.

Sir, I sat patiently and listened to the Minister and hoped that he could deliver, but instead of delivering, the whole morning, more than one hour and a half was taken up about the sugar industry and that is his policy. Mr. Speaker, if that is his policy we could well shut up shop because I do not think that the Honourable Member understands what is going on in the world.

Mr. Speaker, we cannot tell anybody what is going to happen in the EEC and what they are going to do with our sugar. Right now there is a picture and it is not rosy. We do not know whether they are going to accept 20 000 tonnes from us in 2004 or not but if we have an agriculture industry and we have a product that somebody wants, that is the important thing. Everybody in this world has to wear a shirt or a pants so why can we not have an industry producing those things?

Sir, we have the best cotton in the world and we are sitting back, allowing the industry to die and boasting about having all of these foreign reserves. Sir, if you have all these foreign reserves then we should use the reserves to help create more foreign reserves. The best time in any country's development is when it has money at its disposal.

Sir, I am saying that we cannot see the cotton industry as something that we should deal with only at the primary stage. We need to take it to the tertiary stage.

I am going to say something else, Sir. This business about every year leaving thousands of tonnes of cotton in the fields not reaped, is foolishness. If we are bragging about how developed we are, we must understand that the same way that our workers are prepared to go to the United States and Canada and work for somebody that we must let people work for us too.

Asides.

Mr. D. St.E. KELLMAN: Yes, we should bring in labour for that particular reason. Sir, you know what is happening in country? Instead of bringing in labour to reap cotton we are bringing in labour for construction. You tell me the unemployment rate is down but what is happening in this country is that they are a lot of people employed, - that is not a lie because a lot of people are employed - but they are not Barbadians. Where we need people to work we do not have them.

Asides.

Mr. D. St.E. KELLMAN: We need to bring in people to do the things that Barbadians do not want to do.

Asides.

Mr. D. St.E. KELLMAN: Sir, I have said in this Parliament that the reason why people treat cotton this way is for the same reason that we treat the sugar industry in the way we do it. The sugar industry is related to slavery and so is the cotton industry, but not for us.

Asides.

Mr. D. St.E. KELLMAN: This is very significant because when they had cotton they did not have us but when they had sugar they had us and the slave who reaped cotton was not like us. There are people who know cotton but because of the history associated with it, they do everything to kill it but we will not do anything to kill the sugar industry because we know it helped to build Bridgetown and that is why we should get some of the benefits.

Sir, that is why I will take this opportunity to say that we have to recognise that the sugar industry has served us well but the problem is that the people who worked the hardest in the sugar industry cannot show you any of the benefits they have gained from the industry.

Sir, I am saying that I do not want to preempt anything that is coming but I hope, Mr. Speaker, that in any discussion to honour anyone, that the workers in the sugar fields of this country will be the first people to get those honours.

3.05 p.m.

Tuesday July 25, 2000

Mr. D. St.E. KELLMAN: I know that I will get the support, not only from this side, but from the Honourable Member for St. George South. I said that I do not want to preempt anything that is coming before the House but I feel

that this is the time that we have to recognise those people who built Bridgetown - the workers of Barbados who worked in the sugar field. I do not want to see lists coming before me to approve anything and they do not recognise the contribution of those people who worked in the sugar fields. If that is what you intend to do, Mr. Speaker, do not bring it because you do not have my support.

I am saying, Sir, that the sugar industry has been valuable to Barbados. I do not have a problem with it because it is associated with slavery. The point is it helped build Barbados and we cannot continue to only look at the negatives of it. We have to understand that sometimes things happen in the negative to get a positive, and it has an environmental impact on Barbados. Sugar workers, even though they hardly work for a lot of money, they have been able to use that money wisely to get homes.

Asides.

Mr. D. St.E. KELLMAN: Mr. Speaker, we have to come to a stage in this country where the Government must take a lead and stand up and tell the agricultural industry which product that they believe should be produced in this country to each person's benefit. I have not been hearing this from the Government. Can you imagine in the year 2000 we can only talk about force-back and ratooning? Can we not talk about our developing our cotton industry to make a shirt? Do you think that I should be wearing this, Sir? Do you not think that I should be able to go and get a proper jacket to wear in here, Sir?

Mr. SPEAKER: It looks like a proper suit.

Mr. D. St.E. KELLMAN: Yes. It cannot be as proper as our local sea island cotton.

Asides.

Mr. D. St.E. KELLMAN: I am going to assure you, Sir, that anytime they are proper sea island cotton shirts you will see a brand name marked St. Elmo's on them.

Asides.

Mr. D. St.E. KELLMAN: I am saying, Mr. Speaker, that we must recognise and move beyond the primary stage. The problem with Barbados in the year 2000 is that our economy is still in the primary stage. We need to find people who can jump-start this economy and put it into the tertiary stage, and we need to find people who recognise that there is a particular problem in Barbados.

We gloat, brag and we base everything on foreign reserves, but we are not interested in our productive sector, Sir. This world is about what you can produce and the best product that you can produce. If we did not know before,

Sir, now with free trade and globalisation every single person in Barbados should understand that. If you do not have a product to export, Sir, you could as well 'shut up shop' and go home.

We have to ask ourselves, what is so special about our tourism? Mr. Speaker, let me say this, with all due respect to you. When you go to an all-inclusive hotel, any part of the world, you could as well be in Barbados. Previously when you travelled to Barbados and you had what we had as tourism before, there was only one place you could have found that and it was in Barbados. We had something called the people's tourism, which was special, but some people...

Asides.

Mr. D.St.E. KELLMAN: What is regrettable is that some Ministers will tell you that is ignorance, and they do not realise that the sugar industry helped to build the tourism industry and has it where it is. The people who worked in the fields used to get a drawback from the tourism industry because they could have made cane lilly hats and go by the street corners and sell them. Today they cannot even sell cane juice because the tour buses passing them with their windows closed because the buses are air conditioned. Do you know that in Barbados tourists cannot get fresh air now? Everything is air conditioned. You cannot see the people in these buses but yet we are calling ourselves a progressive country.

Asides.

Mr. D.St.E. KELLMAN: Mr. Speaker, we must recognise that there are certain structures even in terms of pricing. Sometimes I feel, on these matters, Sir, that the Minister should really sit down with those who better understand these issues and get some consultancy. I will tell you why. He said this morning that the Democratic Labour Party reduced sugar production when the price was high. If there is one product in the world that goes on demand and supply it is the sugar product. Whenever there is a surplus, the price of sugar comes down and whenever there is a shortage, the price goes up. It means that what is happening in Barbados depends on what is happening in the world. Barbados does not dictate the price.

Anytime that you see that the price is high it has nothing to do with the drop in production in Barbados. It means that there is a drop in production throughout the world. Our sugar is of not a significant enough amount to impact on the sugar quotas in the world. Somebody must tell the Minister that. It is not by accident that it happens.

Let me give you a good example, Sir. In 1980, the Government of Barbados got some very high prices for sugar. I am going to remind this House of that particular

year. By 1981, Sir, the prices dropped and when they dropped it significantly impacted on the economy of Barbados. The Minister of Finance, at the time, said that the economy was in trouble because of the drop in the price of sugar and also the drop in production. A brilliant man got up and said if you got 40 more last year than you had planned and you got 40 less what is the big joke. That was the late Honourable Harold Blackman. Those Honourable Members who were in here at that time and were following politics will remember that, not like the Honourable Member for St. Philip South was doing.

Asides.

Mr. D. St.E. KELLMAN: You must recognise that you have to take all the factors into consideration.

I want to leave this with the Minister. The Minister will do well, Sir, to understand that when people are making suggestions, even though they sound critical of him, he needs to take note and to implement a lot of the policies. It is true that he has his own style. Nobody wants to stop the Honourable Member for St. Phillip South from having his own style, but what he must recognise is that if his style is not right, it is going to impact on the whole of Barbados.

3.15 p.m.

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Mr. D. St.E. KELLMAN: If it is right, he can implement it but if it is wrong, he is going to implement a policy on the whole of Barbados that is going to be a negative policy. It is going to destroy the economy of Barbados and he has to be very careful. The same thing can be said for any Minister of Finance or any Minister of Tourism. Anytime you have a productive Ministry it is a Ministry that you have to seek the wisest advice whether or not it is coming from the Opposition because at the end of the day, the important thing is to have the best policy to produce the goods for Barbados.

I thank you, Mr. Speaker.

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

Hon. R.R. FARLEY: Thank you, Mr. Speaker. I rise to make my contribution in support of this amendment to the Sugar Industry Act.

I am making this contribution, Sir, not from a perspective of a casual observer but as someone, who was reminded as recently as on Sunday during a church service - the church service in which some members of an extended family attempted to rekindle some ties - when we

were regaled during the sermon, preached by one of the members of the family, of some stories from our childhood in the heart of sugar cane production in Barbados. So that my love and involvement for things agricultural are not recent, nor are they academic. If the Honourable Member for St. Lucy, wants to seek any advice concerning things agricultural, he can feel free to consult me. He and I are great friends and I will be happy to give him any advice and I am someone who has been there, done that and would do it again.

Mr. D. St.E. KELLMAN: Mr. Speaker, on a point of order, the Honourable Member is misleading the House by giving the impression that I would want advice from the side of the merchant, Sir.

I have been able to watch both sides, Sir, and I am qualified, so I will deal with the workers' side, even though I work for the merchants' side.

Asides.

Hon. R.R. FARLEY: All he is saying, Mr. Speaker, is that he would not want advice from his competitors because as a merchant himself, he would be wary of what advice other merchants would give him.

Mr. Speaker, my involvement with the sugar industry is long, personal and direct. Growing up in the 1960s in an agriculture-based community within a stone's throw of the now defunct Fairview Sugar Cane Factory and where every inch of arable land was under sugar cane cultivation, I followed these matters very closely, Sir. I have planted canes and cut them. I agree with the Honourable Member when he made the very important point from a health perspective that if there is one effective anti gas remedy, it is sugar cane. Particularly, freshly sucked early in the morning and the Honourable Member obviously knows his facts in that particular regard. He knows of the wider health benefits of sugar cane.

Sir, much has happened over the 30 something years I have been associated with this particular industry where Barbados is one of the highest cost producers of sugar in the world. At the end of the day, Sir, when we look at our production costs, US\$672 per tonne is high, as compared to other places in the world who are also producers of sugar.

The other factor which is important, Sir, is that with respect to sugar - unlike some other commodities with which you may feel we are price takers - we are not able to have any influence on the price which ultimately pays for the commodity, notwithstanding what our production costs might be. So the variable with which we have to work is that of our production costs.

Sir, sugar is synonymous with agriculture and agriculture with Barbados. To me, Sir, you will not have one of the three without the other and we on this side remain very solidly committed to a Barbados which is characterised by a very strong agricultural sector, particularly bearing in mind the importance of the agricultural sector to the rural economy of Barbados. I do not think any of us, Sir, would want to try to imagine rural Barbados devoid of agriculture. We have seen what has happened in other countries even in this region which when stripped of their agricultural base, have become no better in appearance than barren waste lands and that is not the Barbados in which I lived and moved and had my being in my early days, Sir, and that is not the Barbados I would want to see well into the future.

So that bearing in mind, Sir, the very tight relationship between agriculture and strong rural communities and the commitment of this Government, not only to the implications for agriculture in terms of earning foreign exchange, but the stabilisation and strengthening of rural Barbados, we have set about implementing a number of policies to strengthen the agricultural sector and sugar plays a pivotal role in that.

Sir, from my earliest days, I watched my father as a peasant farmer, using sugar in rotation with other crops for a number of purposes. You will use a crop of sugar cane as an element of weed control. You cannot put lands in Barbados under perpetual small crop cultivation like vegetables and so on without running the danger of being overtaken by weeds. As a small farmer, you may not be able to manage an amount of open acreage and you will rotate between sugar and the non sugar crops and also the small peasant farmers knew something that many of the large plantation owners in the latter years either do not know or pretend that they do not know. That is, that an agricultural holding at the end of the day is a single economic unit. You use the resources, land, equipment and people to produce any and all produce and you put it all to the account of profitability or otherwise.

I sense, Sir, that over the years there has been some creativity, if you can call it that, Sir, where all of the costs in an agricultural holding are attributed to sugar but all of the revenue from non-agricultural produce is accounted for otherwise, but I will get back to that later.

Sir, the reality is that sugar is central to the core of agriculture for ecological and economic reasons. At issue therefore really are two things, the issue of cost control as we attempt to continue to produce sugar, and the competitiveness of our efforts in this sugar industry. If we are to address those factors, Sir, when we look at the contributing costs in the production of sugar, the research shows that field operation accounts for 64 per cent of the cost, factory operations 20 per cent, administration, 15 per

cent and depreciation charge some 2 per cent. Therefore, you have to focus heavily on field operations and make those as cost effective as you possibly can on the factory operations. The Minister has spoken quite eloquently and with the utmost clarity on a number of those matters.

Sir, I want to go a step back to the basics. The Honourable Member for St. Lucy in his presentation spent lots of time on the whole issue of arable land and the availability of land for production, but at the end of the day, Sir, you could only grow sugar, sweet potatoes, eddoes and anything, if you have the land.

Sir, what has been the whole story? In 1961 according to the information in the Central Bank's Annual Statistical Digest 1998, there were some 49 500 acres of land in sugar cane cultivation, at least those were the acres of cane reaped, 50 000 to round it off. By 1976 there were only some 39 750, a reduction of some 10 000 acres. Another important point in the time series, Sir, is that at 1986 there were some 34 750 acres under sugar as per the document here and by 1984 that had plummeted to 19 500, a reduction of some 15 250 acres.

Sir, the charge has been made that the Barbados Labour Party, in the last few years in office here, has been on a large-scale, wholesale, selling, giving away, removing land from agriculture and statistics give the lie to that.

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Hon. R. R. FARLEY: What one can infer, Sir, from these statistics is that the Democratic Labour Party could only have been on a deliberate plan of removing land from agriculture. Ten thousand acres in the first term in 1961-1976 and obviously wanting to improve on their policy to remove land from sugar cane production, the Democratic Labour Party Government in the second term had to do it faster, and 15 250 acres were lost to sugar production in this country. Imagine that, Sir. The Honourable Member would do well to read, mark, learn and ably digest these statistics, Sir.

Mr. Speaker, by contrast I could only congratulate the Minister of Agriculture, the Honourable Member for St. Philip South and his predecessor, the Honourable Member for St. James North, who as the Minister of Agriculture for this Barbados Labour Party administration implemented a cane planting incentive, recognising that there was considerable arable land which was not in production. Their job is not yet finished, Sir. There is still more land that we need to put back into production because we have to be honest, Sir, there is a spectre of land speculation in Barbados.

Asides.

Hon. R. R. FARLEY: We have a situation in which over the years persons have taken land which was good working land and have allowed it to lie idle for many years in the hope that as newer generations arise who would not know that canes used to grow there, will agree, well, this is non-arable land and therefore it can be used for some other purpose.

Sir, recent information states that something in the region of 9 000 acres of this arable land could be considered as being permanently idle and that is going back to many years. Sir, all of us could look back to our young days and look to places where we used to see canes growing but which are now only open areas of grass. It gets worst, Sir. At least that land could be brought back into cultivation.

The Honourable Member for St. Lucy in his usual enthusiastic manner sought to make the point that the Barbados Labour Party was into the wholesale destruction of agriculture by the removal of land. I want to remind him and perhaps I should ask him the question and see if he knows, how is it or how was it that Frere Pilgrim, Rowans, Cottage and Neils, and we could go on and on, came to be out of sugar cane production? The case of Cottage sticks out particularly in my mind, Sir. That is an area that I walked. I used to 'suck' canes in Cottage.

Mr. D. St. E. KELLMAN: On a point of order. The Honourable Member is misleading the House by giving the impression that...

Mr. SPEAKER: About 'sucking' canes, you mean?

Mr. D. St. E. KELLMAN: No, Sir, the Honourable Member is misleading the House by giving the impression that it was the Democratic Labour Party which allowed the sugar economy in Cottage, St. George to collapse.

Asides.

Hon. R. R. FARLEY: Mr. Speaker, the issue here is not about putting up units, the issue here is about what point in the life cycle of those lands at Cottage did they come to lose their character as agricultural lands and became lands on which one could only put houses.

Sir, I remember well that in the normal cycle in sugar cane production, the canes are cut for harvesting and as soon as it rains in May, the canes shoot out, the country becomes green again and those canes even as they struggle for their very life, fall victim to the bulldozers and the heavy construction equipment sent in by the Democratic Labour Party to remove those lands from sugar. I remember it well.

Mr. D. St. E. KELLMAN: Mr. Speaker, the Honourable Member is misleading the House ...

Mr. Speaker: On what do you rise, please?

Mr. D. St. E. KELLMAN: On a point of order, Sir. I know of no land which the Democratic Labour Party had bulldozed and removed from agriculture, Sir, and the Honourable Member would have to identify those lands or withdraw the remarks, Sir.

Hon. R. R. FARLEY: Mr. Speaker, the basic point is that the Honourable Member should be ashamed to have the gall to come in here standing high and mighty, making these very pious statements about who is committed to agriculture and who is not when the facts speak otherwise.

I do not want to spend all of my time reminding him of the things that he has obviously forgotten but I want to remind him of more recent history of a very different character from the experience he and his party would have had with agriculture. The cane replanting programme initiated in 1994 resulted in an increase from 1995, 18 406 acres to 21 992 by 1997. This is a 3 584 acres increased in cane planting in a short few years.

Mr. D. St. E. KELLMAN: On a point of order. I do not like to interrupt the Honourable Member but based on the statistics which he is providing to this Parliament he would have to be misleading the House because the only time in the history of Barbados that we have ever failed to supply our quota is during that period of time - of those wondrous times of which the Honourable Member speaks. One would have to ask the question, Sir, if we were not able to supply the quota and we have been increasing production, what would have happened in that particular period?

Hon. R. R. FARLEY: The Honourable Member knows well that it was in 1995 and the fact of the issue arose around other issues and of course ...

Mr. D. St. E. KELLMAN: On a point of order. The Honourable Member is deliberately misleading the House. It was not in 1995 that we did not supply our quota, Sir. It was in 1995 that the production went down to 38 000 tonnes but we were still able to supply our quota. It was much later than that that we were not able to supply the quota.

As you know well, Sir, up to early this year, I was in Parliament saying that we might not even be able to supply that normal 54 000. If the Honourable Member knows of what he speaks of he would not make that point, Sir.

Hon. R. R. FARLEY: Mr. Speaker, I will not be deflected from my course by the Honourable Member. The

fact is that the Government embarked on a deliberate programme of increasing the acreage of land under cultivation with canes as part of a strategy for enhancing and improving agriculture in Barbados. That policy of the Government by way of the incentives rendered have worked and the number of acres under cultivation has increased.

Mr. D. St. E. KELLMAN: On a point of order. The Honourable Member is again misleading the House. He cannot tell this Parliament that the cane replanting policy has worked because if it had worked we would have been able to supply our sugar quota every single year because it was never removed from 54 000. It has always been at 54 000 and if you have a replanting policy every year, it means that your production will be going up every year. So the Honourable Member is deliberately misleading the House and it should not continue, Sir.

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Hon. R. R. FARLEY: Mr. Speaker, I will press on. Mr. Speaker, Sir, I will not be deflected from my course by the Honourable Member.

Mr. Speaker, I made the point earlier that against the background of increased acreage in agriculture we need to move to the point of maximizing the returns from each and every acre of land under cultivation. That is the way in which, Sir, we will be able to reduce the cost of production in maximizing the output given a fixed input situation. This is basic business principle that a merchant like the Honourable Member for St. Lucy would appreciate. He would try to maximize the revenue gained from his shop space. This is the same principle.

Sir, this raises the point about the approach to agriculture and the whole issue of management. There can be no doubt that the Barbados Agricultural Development Management Company in terms of the concept of grouping together a number of plantations has been helpful in terms of reducing the overall cost of operations. The scenario, Sir, which was common-place before was where a number of individually-owned plantations each had their own equipment and they duplicated the resources available which were used for a minimal amount of time per year. This is a very wasteful form of extravagance which the sugar industry cannot afford. That is a fact, Sir. Any effort which seeks to amalgamate these agricultural holdings into larger business units can only increase their operational efficiency.

Sir, what we need to do is to ensure that adequate provision is in place to enable small, individual peasant holdings to also be able to access and to have the use of

equipment and other resources owned by these larger entities especially where Government is involved. So that, the BADMC as a recipient of some support by way of guarantees or otherwise from Government should be in a position and make it part of their policy to give whatever assistance they can to small peasant holdings in agriculture.

Asides.

Hon. R. R. FARLEY: I will take your point. Mr. Speaker, I want to make a point on this issue again on the maximum use of the land. My own observation, Sir, is that the method of rotation of crops and the method of intensive integrated farming are no longer in as widespread use in Barbados as it was when I was a boy growing up. The other issue I want to raise, Sir, concerns the efficiency at the field operational level which, as I said, accounts for 64 per cent of cost. Issues of soil conservation and soil retention, nutrient control and replenishment are no longer at the fore in agricultural management as they were before.

The Honourable Member for St. Lucy would know these things well, Sir, that when you had a field in Barbados during the days that we were growing up, you made every effort to ensure that your top soil remained in the field and not in the road. Now that may seem very basic and, as the Honourable Member sometimes says, people ignore basic things because they sound so basic. But the top soil of the lands in Barbados, the agricultural patrimony of Barbados, which makes its way into the highways and the byways, is clogging wells that are supposed to be for drainage and to prevent flooding. Sir, what would have taken hundreds of thousands of years to form - the rich soil that grows our crops - in a moment's rainfall becomes lost forever. There should be some special form of criminal offence, Sir, designed for persons who, in the management of the patrimony of Barbados in terms of our agricultural soil, allow that kind of erosion to hamper our chances for a viable agricultural sector in the future.

It is known that in some areas of Barbados the soils are not thick. Where they are thick, the thickness is two feet and four feet in some cases. Generally speaking, eight to 12 inches of top soil is really what you are playing with and we cannot afford to take chances. So that is a major issue. The whole issue of nutrient replenishment is again part of the integrated farming arrangement. We would as boys have to empty the animal pen. We had to clean the cow and sheep pens to take wastage back into the fields. There are obviously more advanced methods these days in using chemical fertilizers. They give it a fancy name of sustainable development, sustainable agriculture or eco-farming. The reality is that even on large plantations there is not a steady and scientific focus on ensuring that the nutrient balance is correct for the types of crops which are grown on the land.

Sir, the point I am making is that efficiency at the field operational level is not just a matter of getting more out of your workers and getting more out of your tractors but utilizing the very land itself to maximum effect.

Sir, I want to say that in terms of the future of the sugar industry that those efforts of increasing the yield per acre of sugar and indeed any other crops have to be a constant focus of the operations. We need to continue to support the efforts of the sugar cane breeding stations which, as far as I am aware, is a world renowned feature of the Barbados sugar industry. For many years varieties of canes developed in Barbados have found their way all over the world.

Sir, I want to remind the sugar industry that, in light of today's new forms of protection for intellectual property and where the international intellectual property community is part of the trade relation aspects of intellectual property rights under the WTO, there is to be legislation for the protection of special varieties of plants. The Plants Varieties Bill is to come to this Parliament later in the year and similar legislation is to be passed around the world. But I hope that the sugar industry in Barbados, which has done considerable research over many years into various varieties of sugar canes suitable for different growing conditions in response to different pest threats, in response to different methods of cultivation, will ensure that it adequately protects its intellectual property interest in those varieties of canes by having them registered under the new Plant Varieties Protection Bill when that comes, Sir. This is to ensure that the theft of this knowledge which we have worked so hard to develop does not occur as so many of the other ideas developed in our context have been, Sir.

There is clearly a need for continued mechanization of the industry. I hope, Sir, that the public will come to understand that we are at the make or break stage in dealing with the sugar industry and with agriculture in Barbados generally. We need to take whatever steps that are necessary to ensure the continued viability of agriculture and in particular the sugar industry. Further mechanization is needed for harvesting cane planting, weeding and other functions, one can clearly see the vast difference in terms of the speed of the harvesting by mechanization as compared to conventional methods. That is the reality.

Sir, we also have to bite the bullet concerning the factory operations. The Minister has spoken quite clearly about some of the analytical work that has been done on the options available. I want to urge this Parliament to give the Minister of Agriculture the fullest support in the decisions that he has to make concerning factory operations.

Mr. Speaker, it is a simple mathematical issue or a simple business issue. You cannot maintain the same production capacity that you have for a large output as you have for a small output. When I was growing up planting canes and cutting canes, although Fairview Sugar Factory near to where I was born, Sir, went out of production just before I was born, there were still Kendal, Carringtons and several others around. Over the years we have seen them go out of operation.

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Hon. R.R. FARLEY: The reality is that we cannot be thinking as serious business persons if we can invest in expensive equipment which only works for a very small fraction of a year, 16 weeks a year out of 52. At the end of the day, Sir, a factory process which involves co-generations where your factory is working 24 hours a day, 7 days a week, 365 days a year, making money otherwise, for example, by generating electricity, has to be the way to go.

The analogy is one as simple as a situation where because you would like to drink cane juice a few weeks in a year that you go to buy your own juicer to park it in the backyard as opposed to going down the road and buying a glass of cane juice. You do not buy expensive equipment to use a minority of the time. It is not good business sense. The cost of that equipment would have to be spread over the entire year.

I strongly support all of the efforts which are being made to increase efficiency in the sector of the sugar industry which represents 20% of overall production cost and the sooner that we get our factory operations right the better. It is a situation in which we will have an all or none situation. We can seek to have things remain as they are to the eventual demise of the sugar industry or we could make changes of a strategic nature at an early stage to ensure the long term viability of the industry. It is clear, Sir, that when you reach the position where you know that you cannot stay where you are you have to move. That is basic, but it makes superb sense. You have no choice but to move.

Sir, I would also want to urge the sugar industry to continue to look well into the future. I am sure that today there are hardly any products which are only marketed in the way that they were 50 or 100 years ago. The sugar industry continues to be a sector which produces a raw commodity, raw sugar for export for further processing. Is that the way to maximise our income? I do not have the answer, Sir. I am simply saying that, starting from a base of production of sugar cane, we have to ensure that in coming to decisions about our future arrangements we are using the product to its maximum and that we are into marketing

arrangements whether they continue to be with Booker Tate or with some other entity which allows us to maximise our earnings.

In closing, Sir, I would simply want to restate this Government's commitment to the agricultural sector in Barbados. The Minister will in full season speak to other developments in the agricultural sector, for example, the creation of the Agricultural Development Trust and other initiatives which will strengthen the sector and give fullest effect to the Government's commitment thereto.

I want, particularly, in speaking to this matter, to represent the interests of my constituents in Fair View, in St. Patrick's, in Charnocks and those areas of the constituency which are very much involved in the agricultural production of sugar canes particularly. I give them the assurance that Government, working hand in hand with them, Sir, will do all that is necessary to ensure its continued viability and its ability to make a continued long term contribution to the development of this country. Thank you, Mr. Speaker.

HON. SIR HAROLD ST. JOHN: Mr. Speaker, I want to make a short intervention because I believe it is important in discussing the sugar industry and the agricultural industry that we pay particular attention to what is factual as opposed to what is fictional. The Honourable Member for St. Lucy has made a number of interesting points today, some of which I heartily endorse but others I cannot accept because in my opinion they are not factual.

I want to start from the beginning in relation to the acreage of land that is devoted to sugar in Barbados and the acreage of land that is devoted to agriculture in Barbados. I think it is important that we recognise that it is only in the latter part of the 1980s that the 30 000 acres of land was devoted to sugar production in Barbados. Indeed, the information can be gathered from a document called the Barbados Sugar Industry Limited: Strategic Review in January, 1992. This is a document of the House and it was prepared by a Mr. Yates from Booker Tate for Mr. Banfield, the Chairman of the Barbados Sugar Industry Limited. It indicated there that the acreage of cane reaped moved from 33 885 to 25 547 in 1991.

Honourable Members would recall that one of the objects of the re-organisation effort of both the members of the other side and on this side was to ensure that in a land use policy in Barbados that a minimum level of around 25 000 to 30 000 acres of land would be made available for sugar cane production, bearing in mind that there is inevitably an element of what is called 'thrown out land' which in a given year as a percentage of the total acreage devoted to cane is taking place.

Sir, the issue has always been, certainly since the 70s that in Barbados, given our cost of production, a price must be obtained by the cane grower which will give him an incentive to grow cane. That is a fact of life. It is also a fact of life that Governments take into account the fact that to a large extent the cane grower does not have control of his costs because we operate in a society in which we operate with a fixed exchange rate which is tied to the United States dollar and we sell to a currency which fluctuates in relation to the US dollar.

In the 1980s, it was a problem. We had the problem of price supports to deal with, but the Government of Barbados has taken the decision that it is important that we keep sugar growing as an important component of agricultural production. It has been repeatedly pointed out to Government that there are environmental benefits which can be derived from having Barbados cultivated in a regular manner and that a grass crop such as sugar has been the crop that has been devised as being the most suitable so far.

There is always the trade-off between the Government wanting for a variety of reasons, some of which I mentioned, the land to be devoted to sugar and the people who are producing it not willing to produce it unless they get a certain price.

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Hon. Sir HAROLD ST. JOHN: The land should be devoted to sugar and the people who are producers are not willing to produce it unless they get a certain price.

We are here now in the 1990s and the European Economic Community's position is such that the vast majority of the Community has been reversed because the Euro, in relation to the United States dollar, has lost a considerable percentage of its value since its entry into existence as a currency. It means that what the Barbadian sugar exporter will get for a tonne of sugar in European units of accounts - the Euro - will be of less value to the Barbados dollar because the Barbados dollar is tied to the American dollar. There is nothing that will induce a cane grower to continue growing canes in that situation and the Government will have to decide that it will only get sugar from the Barbados Agricultural Management Company, which is totally supported by Government and that it will not be produced by any other person.

We also know that the situation is compounded by the fact that there is a certain minimum level that you need to have in order to retain your quota so we are basically back in the same position that we were in during the 1980s. Sir, I am told that the amount of mechanization that has

taken place in the industry has affected the yield per acre of sugar cane.

I am also told that in the area of factory efficiency, although there have been some changes, the ideal amount of change that was expected has not been realised. In this direction there has been some vacillation on the part of both the industry and the Government with respect to whether we are to have what was originally a two-factory option as opposed to a three-factory option. These are matters about which decisions have to be made because not only must we try to be efficient but, I am still one of those who believes that it is in the best interest of Barbados as a whole, environmentally and otherwise, that we should devote 25 000 to 30 000 acres of land to sugar cane development.

I am also one of those who believes that having devoted that amount of land to sugar cane production it does not mean that there will not be other agricultural production both on the cane land and otherwise. Anybody who has studied this will realise that it has been the policy of Government for a long time to ensure that of the 160 000 acres of land of which Barbados is comprised approximately 40 000 should be devoted to agricultural production. These statistics are well known and I do not think that we should have any argument about this.

One of the great differences between the Honourable Member and myself in this respect is that the Honourable Member believes, or he might think he believes, that he is speaking accurately when he says that there has been this fantastic reduction in land devoted to sugar and to agriculture. I do not believe it, because all of the information that I have available to me suggests that the physical plan of Barbados has not changed materially in this respect, neither under the Democratic Labour Party nor under the Barbados Labour Party.

Obviously I have checked this with Town & Country Planning and the latest plan, the subject now of an inquiry, will indicate that the Town & Country Planning is operating on a basis that some 40 000 to 42 000 acres of land will remain available to agriculture and of that amount some 30 000 will be available for sugar cane and associated production.

I agree with the Honourable Member when he said that we must not look at sugar cane production in isolation because we all know that it is possible to have, while the cane is young, other crops growing with the cane. We all know also the potential of cotton. We all know also the potential of vegetables and that vegetables integrate very well with sugar cane production. Sir, only recently I was reminded of this because while I was doing another exercise I had access to some old reports in the 1970s in which the agricultural production and the potential for

integrating the same with the CARICOM markets were mentioned. If one looks at the discussion that took place and the agreement that was signed in 1979 between the Heads of Government of Barbados and the Heads of Government of Trinidad, one would see a whole range of agricultural products on both sides and it was recognised that there was potential.

Asides.

Hon. Sir HAROLD ST. JOHN: If you go back to the history of it, in those days, within CARICOM, the principal instrument for trading between CARICOM countries was a state trading organisation like the Barbados Marketing Corporation. Then, what happened was that the whole agricultural marketing scheme within CARICOM was changed to reflect the current concept that Governments must not become involved in anything and that the market forces must be involved.

What the Honourable Member says is true, that the private sector with their traditional attitudes in the Caribbean, when you tell them that they are involved in the marketing of these things, the first thing they will think about is importing from outside of CARICOM and not from within.

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Hon. Sir HAROLD: I believe, Sir, that if we look at this matter we should continue to do what the Honourable Member said is correct. I agree 100 per cent with it. We must encourage all agriculturalists in Barbados, whether it is BAMC or the private sugar growers, to reflect again on the need for what was called the rotation crops. I notice that some are now advertising that they are growing organic yams and sweet potatoes.

Asides.

Hon. Sir HAROLD St. JOHN: One of the things that we must speak of is that the consumers have a very vocal interest in all of these matters. If you tell me that I have to pay \$1 or \$1.20 for a pound of organically grown sweet potatoes and yams, and people say that I can buy Irish potatoes at 30 cents per pound, well you will have a problem.

Basically what we have to recognise is - we had to point out recently at some seminars - that there is a wonderful opportunity for our agriculturalists to be able to export the commodities which we are good at. As far as I understand, up to this day, we are the best in the Eastern Caribbean at producing carrots, onion and a few other crops. We cannot compete with Trinidad with cabbage or

tomatoes. Anybody who goes and drives between the airport down to Port of Spain will see what I mean. I was there this year at Carnival and I saw five pounds of tomatoes for TT\$5. Now I defy anybody to produce some good, lovely looking, red-cherry tomatoes. There is nobody who can produce like that valley there and on top of the ground. We are good at producing tomatoes too because the skin of the tomatoes lasts longer than those imported from Florida during the winter season. So there are opportunities.

Now this is where we are going to be dealing with some other problems, Sir. The question of the so-called bound rates in agriculture is a very sore one. I hope that people begin to understand that the Government designed the bound rates as a result of representation made by producers in Barbados that they wish the Government to use, to the maximum, the permitted regime that the WTO allowed in agriculture.

Barbados is no different from any other country. People must understand that the World Trade Organisation, in relation to agriculture, permitted what they called the clarification of their existing licensing system, and that the rates were set out in chapters 1-24. Our bound rates are rates that are permitted by the WTO.

People must also understand that the bound rates are of the benefit of the producers throughout Caricom because we cannot have those tariffs between Caricom. So, between the various Caricom producers, we ought to be able to take advantage of those bound rates. That is where the problem is coming now, and the problem that we are having in Barbados is no different from the problem that they have in Europe in agriculture.

Right now in Europe a big investigation is going on in the banana regime, because they have the tariff quota system in operation and false licensing has been issued. In other words if you have a restrictive regime, the integrity of the regime has to be constantly under vigilance, if not there are people who will abuse it.

I believe that we have to be very vigilant with those who are concerned with the rule, licensing regime. There are not many licensing now, but you still have to pass documents in order to get the imports in. There are some modifications to the bound rates that would be necessary. I am not one of those who believes that you should use bound rates to protect production that you do not have. You have to do a very sophisticated analysis of the productive capacity that we have in Barbados, because some of the bound rates relate to items that we do not produce.

Asides.

Hon. Sir HAROLD St. JOHN: I was present at the seminar at Sherbourne Conference Centre, and I heard that people from the tourist industry said that they were not consulted with respect to the bound rates. Then I heard that the private sector got up and said that it was not true that there was no consultation on the bound rate, because the private sector organisation was consulted. If there are internal or communication problems with their

individual members, the Government cannot blame us. Therefore, what is taking place now is a reexamination of the bound rates in relation to the productive capacity and in relation to the demands of the consumers in Barbados.

We must not believe that the Government introduced these matters without a very careful study of what they could do under the WTO regime and what was represented to them at the time. Now, Chicken will always be a difficult problem in Barbados. I am one of those who believe that one has to be very careful in the examination of one's chicken imports. Given the prices in supermarkets abroad there is a big difference in the prices based upon a grading system. Barbados does not have a grading system like other countries. You pay according to quality, appearance and other grading systems. We tend to lump everything under one generic title. The rate is somewhere in the vicinity of nearly 200 per cent. We must constantly be watching to see that we are not importing inferior goods and passing them off as proper goods. Now that is where, in my opinion, as a matter of urgency, the consumers' legislation should be before Parliament. Sir, false trade descriptions - consumers' legislation has to come as matter of urgency because it is an integral part of the WTO regime.

Asides.

Hon. Sir HAROLD St. JOHN: It does not only relate to utilities. It relates to any goods that have passed - standards legislation, health legislation and trade description. Those are three integral parts about a fair trading regime.

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Sir HAROLD St. JOHN: Sir, if I may just sum up my position, I am very glad that the Government recognises and continues with the philosophy that environmentally and otherwise it is desirable for us to have a sugar industry. I am one of those who believe that efforts must continue towards trying to make it as viable as possible.

Asides.

Sir HAROLD St. JOHN: I have my own view on how the Government can get money for the purpose of ensuring that its support mechanism cannot fall generally on people and that the principal beneficiaries of the change of use of land can pay the appropriate burden.

Sir, I think that with agriculture as a whole, the Government has a policy to ensure that as much production as is possible and viable in the sense of being reasonably competitive, will continue to be supported. And in doing that we will be doing no more than what the European Governments do for their farmers, what the American Governments do for their Farm Bill, what the Indian Governments do and no less than what the Japanese do for their farmers. So that as far as agriculture is concerned, the world over has accepted that there has to be some measure and level of protection in the form of support. That is my position, Sir.

Hon. Dr. R. L. CHELTENHAM: Mr. Speaker, Sir, I rise to make one point by way of contribution to this debate which I do not expect to last beyond five minutes.

Once again in this country, we are faced with some very tough policy options in relation to the sugar industry. The Honourable Minister of Agriculture and some of the speakers who have followed him spoke to the context in which these decisions will have to be made and made shortly.

Representing as I do, an essentially rural constituency where there are hundreds of people still employed in the sugar industry, I am concerned to make the following points. In the first place an industry that cannot afford increases in wages, cannot ensure any improvement in the living standards of its employees and that is the sad reality with respect to the workers in the sugar industry, particularly the labourers.

What is going to be done for them as the rest of the society moves forward and agricultural workers remain at a standstill? Mr. Speaker, in my judgment, the Government ought to use the mechanism of price support in such a way as to ensure that those factories that use machinery for reaping purposes as opposed to the few that use the labour - because there is still that distinction in operation, Claybury, Redmans and some of the other factories are still emphasizing labour as opposed to machinery.

It seems to me that there should be a differential in the price support mechanism for the plantations that are using labour as opposed to machinery, in order to ensure that the workers continue to be retained and that they can get some form of increase. There should be a differential in favour of the labour intensive cultivation techniques as opposed to the mechanical techniques. I think that is a proposal which the Government and the Honourable

Minister should look at very seriously because the society must be concerned with that class that is being left behind as other sectors of the society move forward.

That is the sole point that I wish to make as my contribution to this debate but I have no doubt that as the policy options are made within another few months - because we must give three years lead time with respect to whether we are going to have two factories or one or otherwise - that there will be several other opportunities that we will have in this Parliament to address these issues once again.

Mr. D.J.H. THOMPSON: Mr. Speaker, I will be very short and I lament the context in which the Honourable Minister of Agriculture introduced this debate. I think that he saw it more as an exercise in casting blame and boosting his political party's stance in relation to the sugar sector and, Sir, that was done against a background of the absence of facts of any significance and also against a background of a very weak analysis of the total picture of agriculture in Barbados. Of course, it is true that when the Democratic Labour Party left office in 1994, the design of the sugar industry reform was basically - except for the agronomic aspects of it - a Ministry of Finance exercise.

I am still one of those persons who is firmly of the belief that the sugar sector reform cannot be carried out by the Minister of Agriculture and I believe that the Honourable Member for St. Philip South has confirmed once again my view that the Ministry of Agriculture, or that perspective alone cannot be sufficient for continuing the process of reforms in the sugar industry which are necessary. He does not understand and has not even begun the process of understanding what is critical in terms of sugar sector reform in this country. My own view is that perhaps the input of the Ministry of Finance or the Ministry of Economic Affairs, at a later date since I do not think we have the time for it now, is going to be a very vital. More importantly, the input of the Ministry of Economic Affairs from the point of view of the land use policy which is at the heart of it will also be critical.

If I thought in 1994 that I had problems convincing persons in the sugar industry that they should stay in sugar when the price that Bushy Park fetched in 1994 could not even pay off the BNB loan...

Asides.

Mr. D.J.H. THOMPSON: ...it was never owned by Government but the owners are now saying that they should have held on to it and if they knew what was happening with land prices, they would not have sold it.

How can the Honourable Minister of Agriculture come in here and expect me to believe that there is

anything that he can say in this debate that could convince anybody who owns a sugar plantation that they should remain in the sugar sector only based on his prattling on about ratoons and 'forced back' and so on and so forth? The critical issue is the land use policy and how that relates to other aspects of economic policy. In 1992/1993, and the Honourable Member for Christ Church South I am sure understood this and would have come to the appreciation that the sugar industry was so intertwined and interlocked into every aspect of commercial activity in this country, that unless you were really committed to carrying out the full fundamental reforms which were necessary, you would never get the level of return and efficiency that is important.

What I want to hear from the Honourable Member for St. Philip South is what is the next phase of reforms that is going to carry the sugar industry forward. Because there are people who are committed, even though they are sugar planters and owners of sugar plantations, to seeing the sugar industry come to an end. They would have to be committed to that if the alternative uses for their land could fetch them \$29 million and \$15 per square foot in housing, et cetera. Many of them may only be holding on because they expect that at some point, the sugar industry will run into the ground and they would not have to pay back their obligations and they could get out of the leases because there would be no sugar industry, so there would no need for a lease and they could move on to using that land for alternative purposes.

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Mr. D. J. H. THOMPSON: Therefore, the Honourable Member for St. Philip South has to understand these responsibilities in that context. If there was anything he needed to do today it would have been to convince those people who are still into sugar production that it is going to be worthwhile to continue in the industry and not bring a lot of romantic notions about the sugar industry. The sugar industry in the year 2000 is not what it was in the 1960s when the Honourable Member for Christ Church East was born; it is not what it was when the Honourable Member for the City was born and it is not what it was when the Honourable Member for Christ Church South was born. It has changed and there are going to be external factors which are going to drive more changes in the sugar sector.

The question of land speculation and our land use policy is going to be at the centre of whether we have a sugar industry in five years time or not. That is going to be at the centre of it. If they cannot answer that question in the Ministry of Agriculture, well spare us the details about 'forced-back' canes and sugar incentive price and so on because there is no incentive that you can offer any sugar

producer, farmer or anybody involved in the process in this country that is going to cloud his vision about what the value of his land could be if it was placed in alternative usage, as residential or golf courses, hotel resorts or whatever other kind of activity could support a much higher yield from the land they had. That is what the Honourable Member needs to be addressing. He also needs to tell us what changes in the production structure and what areas of research and development are going to be undertaken.

I heard the Honourable Member for St. Peter speak on several occasions in debates about the establishment of an agricultural trust to deal with issues of research and development. That information has not yet reached Graeme Hall. That is in essence applying what he said were market solutions to market problems. That is going to be difficult to implement in the context of the Ministry of Agriculture as we now know it and even more difficult because it seems as though the wool has been pulled over the eyes of the Honourable Member for St. Philip South so he has thrown all of his good economic training through the door and is back spouting the same precepts and jargon of an era that has long died.

I think that it is about time that he lifts himself out of that and understands that the solutions to the sugar sector do not resiled in getting mired in a lot of the silly controversy that infects the sector with the competing positions of the indebted estates, those that are not indebted, independent growers and all of the other factions.

The Honourable Member for St. Philip South has to say what is going to be the role of Government and what is going to be the cost of the continued reform and what is the cost to the country now of the Barbados Sugar Industry Limited (BSIL) arrangement. We still cannot hear that. The Government makes money available to the BSIL for its administration. It makes other resources available to BSIL to carry out the task that it needs to carry out. What are the costs associated with that? What is the position with the leases which according to my recollection, have only another four or five years in which to run if there is going to be a renegotiation or if there is going to be another strategy that the Government is pursuing in relation to the leases of those indebted estates?

The final point is this and the Honourable Member for St. Joseph made it quite eloquently. It is true to say that a lot of development that has taken place in those parishes that are still exclusively agricultural, like the parish of St. John, has come from the seasonal rewards of the sugar industry - people who have been able to build large houses in tenancies; people who have been able even to move out of the tenancies and invest in other areas. There are major concerns in security within the sector which I think need to be addressed and it is those kinds of issues that I thought in

this particular debate, the Honourable Member for St. Philip South would have taken sometime to address so that we would have a holistic picture of agriculture and a sensible analysis of the future of the sugar industry in Barbados.

I do not expect that he can answer any of those questions now and I am not going to back him to the wall on it but I hope that we would have a debate in due course in which these issues will be adequately addressed.

Hon. Miss B. A. MILLER: Mr. Speaker, I could not allow a debate on the sugar industry in Barbados to conclude on the Floor of the House without saying a few words bearing in mind that sugar is really, properly speaking, the only agricultural export for this country and has been for all the centuries and continues to be even today.

The picture with sugar is dark depending on the perspective from which you look at it or it could be challenging and positive depending on if you look at it from another perspective. Quite separate from the four LOMÉ agreements and now, what we are pleased to describe as the partnership agreement which is a fifth so to speak although it is different in almost every way from those that preceded it, there has also been these commodity protocols quite separate and apart from the agreement and sugar has been one of them. One of the facts that we have to face and I am surprised that no one has made any significant reference to it so far in the debate is the fact that sugar one day, like bananas, will go that route.

In a World Trade Organisation world there is no way that the special arrangements that we have in respect to sugar can go on indefinitely. We are going to have to face up to that and that is a debate in itself but I have risen really to be more positive. It is my opinion that with sugar, as with rum, one of its derivatives, we have to be looking to brand our product. In a new globalised economy, in a world where competition, we are told, is the order of the day, we have to make all of our products - and we have to begin now, it does not happen overnight - but particularly this product which has worked well for us through the years - competitive in the open market in a way that it has never had to compete before. It has always been sheltered. It has always been protected and we have to find a way to brand our rum.

In my judgment we have a head start. Barbados' rums and particularly the brown or the red rums are very highly regarded and I have to say that the West Indies Rum and Spirit Producers have worked hard and well to protect the interests particularly of rum including Barbados' rum in the context of the European market. But, the day is fast coming and it may well be fast forwarded if you look to see what is happening in respect to other commodities, when

sugar and rum will have to compete in the open market. The way in which they can best do that - and these ways are well known to us already - is that we have to brand our product so that you only have to say 'Barbados rum', 'Barbados sugar' and it will mean something very special and different to people.

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Hon. Miss B. A. MILLER: We have to find a way to package it, not only physically package it but to package it by way of promoting it in the market place so that it will find its niche. We have grown up in a world of Demerara sugar. When I was a child, people only spoke of Demerara sugar. Even today, there are certain cookbooks you will open and you will see recipes calling for Demerara sugar. Of course, in the world of WTO, there will be some difficulty with that kind of brand. But there must be other creative ways and means that we must find to brand Barbados sugar and rum.

Let me say this before I sit down, Mr. Speaker, because I am just really rising to flag this so that the debate has this element added to it. We have to be looking now to find a way to brand Barbados and everything that Barbados sells when you call its name in the world. It says many things already. We have already a brand going for us. It says stable parliamentary democracy. It says a clean jurisdiction when we are talking about offshore financial services. It says high quality rum. It says high quality sugar. It says high quality education. Already outside of Barbados people are hearing about EduTech and, when you say Barbados it conjures up to people EduTech. As far as tourism goes, it conjures up a certain kind of destination. Unlike other destinations in the Caribbean, there is something unique about the Barbados tourism product. We have to find a way to brand Barbados so that that brand begins to adhere to all of our products including this product sugar.

We take it for granted. I hear the Honourable Member for St. Lucy murmuring on the other side. We take these things for granted. But there is a dollar value to be attached to it and we have to stop taking it for granted and make it work for us and raise revenues for us in the way that we have not done in the past.

Sir, I am one who is prepared to be optimistic about the kind of niche market that we can find for sugar when the day arrives and it is fast approaching. I am one who is also optimistic about our rum and other products of sugar. Let us face it. We have taken decisions in the past which have bound us to a certain tonnage as far as sugar is concerned. We now have to sit down and be brutal and frank with ourselves as to where we can go with it.

There is a market out there for us, but it is not going to come looking for us. The possibility is that we may well have to go out there and create it. That is what is happening in the new world of the early 21st century. The sooner we recognize this and start to move on it, the better. The debate that I have been hearing in here this afternoon can go on forever and forever. It is not necessarily, Mr. Speaker, going to make any difference at the cash register and that is where I think that those who want to be positive or proactive and who have the confidence will find a place for sugar in the Barbados economy. It is coming at the end of this debate. But I think that modern thinking is where you have to begin rather than where you have to end. I am not saying that the other things are not important. I am not in any way seeking to discount points that have been made by Honourable Members, but I think that this is where you have to begin.

Mr. Speaker, Sir, I like to quote "Alice In Wonderland" all the time. She was told, "In all things, my dear, you must begin at the beginning". In my judgment, that is where the beginning should be for us in a new era and in a new century.

Hon. A. P. WOOD: Mr. Speaker, I rise to wrap up this interesting debate on the sugar industry which comes as a result of the item on the Order Paper dealing with the amendment to the Sugar Industry Act.

I would first like to thank all of those Honourable Members who made a contribution to this very important debate. As I said from the outset, Mr. Speaker, this is the first opportunity for us to have a say on the sugar industry since I came to this House. I want to thank the Honourable Member for Christ Church South for bringing to the attention of this Honourable House the attempt by my friend, the Honourable Member for St. Lucy, to mislead the House when he suggested that some 45,000 acres of land were available for sugar cane production in 1994.

Mr. D. St.E. KELLMAN: Mr. Speaker, on a point of order. The Honourable Member is misleading the House. I did not get up when the Honourable Member for Christ Church South said that because I will forgive him. But I will not forgive the new Minister because he needs to learn. The Honourable Member for St. Joseph will tell you, Sir, that there is something called marginal land which is needed when you are in a crisis and when the sugar prices are high that land where you would normally plant cotton you would bring back for sugar, cotton, fruits and vegetables and even pasture land. The mere fact that you can grow grass means that you can grow sugar cane. If the Minister would take some time out to look for the Development Plan for the years 1993 to 2000 which was produced in 1994, he would recognize that there was over 45,000 acres of land available for sugar cane.

Hon. A. P. WOOD: Mr. Speaker, I will proceed because when the Honourable Member for St. Lucy speaks, I must say that I am now accustomed to him making these 'airy fairy'-type statements.

Mr. D. St.E. KELLMAN: Mr. Speaker, on a point of order again. The Honourable Member is misleading the House because I quoted from the Government of Barbados document which is a document of the House. If the Minister did not find time to research his information, I am asking the Minister to take the document and read at page 186 and recognize that this is the Government's information which is also the information of Parliament. I would also advise the Minister to turn and look at the Honourable Member for St. Joseph who was the first person to introduce ecological groupings in this country. He understands well about the usage of marginal land.

Hon. A. P. WOOD: Mr. Speaker, I will proceed to inform this Honourable House that in 1994 the actual acreage reaped was 20,000.

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Mr. D. St. E. KELLMAN: On a point of order. The Honourable Member is misleading the House. He said 'reap' so I have to be careful. On page 186, sugar cane harvested was 26 000 and sugar cane planted was 6 500 which made a total acreage of 32 500. I do not know who is misleading the Minister, but I would advise him not to go down that road.

Hon. A.P. WOOD: The Honourable Member for St. Lucy does not seem to understand the difference between acreage under cultivation and acreage reaped.

Mr. D. St. E. KELLMAN: On a point of order. The Honourable Member is misleading the House again. I never said anything about 'under cultivation'. I said 'sugar cane harvested' which is completely different.

Hon. A.P. WOOD: Mr. Speaker, I have before me Table 16 of the Annual Statistical Digest which tells me that the acreage reaped in 1994 is 7.8 hectares.

Mr. SPEAKER: From what are you quoting, Sir?

Hon. A.P. WOOD: The Annual Statistical Digest which is a publication of the Central Bank of 1998. Table 16 is headed Sugar Production. When I go down the time series here, it says:

1991 - 10.3 hectares 1992 - 9.2 hectares

1993 - 7.9 hectares

1994 - 7.8 hectares.

The title of this column is Area Reaped ('000 Hectares. A simple calculation, Mr. Speaker, if one hectare is still 2.5 acres and not as the Honourable Member for St. Lucy is suggesting.

Mr. D. St. E. KELLMAN: Mr. Speaker, Sir, on a point of order. I cannot allow the Minister to mislead the House again, Sir. A hectare is not 2.5 acres.

Mr. SPEAKER: The Honourable Member did not say that. He said if it is still.

Hon. A.P. WOOD: A simple calculation based on this evidence gives me that in 1994 the area reaped equivalent to 7.8 hectares is about 20 000 acres. From 1995, it would be around 19 000 acres. So I do not understand where the Honourable Member for St. Lucy got that information from about 32 000 acres of cane that was reaped.

Mr. Speaker, let me give you an idea of the sugar production which 32 500 acres of sugar cane, if reaped, would have produced.

Mr. D. St. E. KELLMAN: On a point of order, Sir. The Minister is misleading the House. He is claiming to give figures that I have stated. I never said anything about 32 500 acres reaped. I said in that period of time sugar cane harvested was 26 000 acres and sugar planted was 6 500. If the Minister starts with an error it is obvious that his conclusions will be wrong. I think that at this stage he should seek advice from the Chair and continue on a more positive note.

Mr. SPEAKER: Can I inform Honourable Members that according to the Rules we have 30 minutes for winding up.

Hon. A.P. WOOD: Let me move on, Mr. Speaker. I will leave the point by just saying that the evidence I have before me would indicate that 26 000 acres of cane reaped would produce about 65 000 to 66 000 tonnes of sugar. In 1994, the actual tonnage of sugar was 51.9 thousand.

Mr. D. St. E. KELLMAN: Mr. Speaker, on a point of order. The Honourable Member is misleading the House. Nobody in this House is qualified to tell you...

Aside.

Mr. D. St. E. KELLMAN: ... the total amount of sugar that you would get from any acre of canes. I will give you an example.

Mr. SPEAKER: No speech! You are on a point of order. You have made your point of order.

Mr. D. St. E. KELLMAN: I need to give an example, Sir.

Mr. SPEAKER: No. There is no need.

Mr. D. St. E. KELLMAN: Oh, you understand what I am saying. Thank you, Sir.

Hon. A.P. WOOD: I will proceed, Mr. Speaker. For the records, just let me state that in any one year from 1956 to 2000 the acreage reaped was in excess of 25 000.

Mr. D. St. E. KELLMAN: On a point of order. The Honourable Member is misleading the House. It has nothing to do with the acreage reaped. It has to do with the recovery and it is very important to make this point. It has to do with the tonnage that it takes to make a tonne of sugar. You can reap all the acreage you want. If the recovery is not good...

Mr. SPEAKER: Honourable Member, I do not think I am going to allow this anymore. Surely the Honourable Member is making a point. He is giving statistics to show the point that he is making.

Hon. A.P. WOOD: I go on to say that in any one year that acreage reaped was in excess of 25 000, the tonnes of sugar produced was in excess of 65 000. That is all I am saying. That is the evidence from 1956 to 2000.

Mr. D. St. E. KELLMAN: Mr. Speaker, Sir, that cannot be true. The Honourable Member is misleading the House.

Mr. SPEAKER: No point of order. Will you take your seat, please. The order does not relate to whether it is true or not. The Honourable Member is making his point.

Let's proceed, please. You had your chance to speak.

Hon. A.P. WOOD: Mr. Speaker, Sir, these are published statistics and this table tells me that in any year that the acreage reaped is in excess of 25 000 the sugar produced is in excess of 65 000. Mr. Speaker, if in 1994 the actual tonnage of sugar is 51.9 thousand how could we accept what the Honourable Member for St. Lucy is saying that 26 000 acres of canes could be reaped?

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Hon. A.P. WOOD: The Honourable Member obviously is trying to mislead the House. He himself might

not understand that he misleading the House because he might be ignorant to simple arithmetic. It took me about 20 minutes to make this simple point because the Honourable Member for St. Lucy did not allow me to make it.

Mr. Speaker, I spent some time this morning bringing the Honourable House up to date with the status of the sugar industry and the importance of us making some very crucial decisions in the very near future if we are to save this sugar industry. I also said that the Government is committed to the long-term survival of the sugar industry, therefore, whatever is necessary the Government will be prepared to implement.

Mr. Speaker, one of the main points made this morning by me and also made by the Honourable Member for Christ Church South and the Honourable Member for Christ Church East was that we need to look closely at the cost structure of the industry. These cost structures will have to change in line with the reality and the reality is that it cost about \$1400 to produce a tonne of sugar in Barbados and the return on a price per tonne basis is just about \$1000. We have some indication about the amount of work we will have to do in order to deal with this imbalance which certainly exists between the revenue and the cost of the sugar industry.

The Honourable Member for St. John made a few remarks and those issues are very well understood. Mr. Speaker, the issue that related to the land use policy and the importance of Government identifying an appropriate land use policy, one which takes into consideration that sugar will require adequate amounts of land to allow the reaping of 60 000 or 70 000 tonnes, must be assured so that adequate amounts of land are available for that purpose.

Mr. Speaker, we need to be very realistic when we address this issue. The Honourable Member for St. John is correct that the competing interests for land in Barbados are strong, that speculative activity is also very strong but we have a duty as a Government to ensure that the sugar industry is maintained well into the future. The challenge is to identify a programme which looks at the field operations, the factory operations, the institutional structure and the land use policy to ensure that our target for the tonnes of sugar is achieved.

Mr. Speaker, I am happy to hear that Members on this side are resigned to the fact that the optimal factory model for a sugar industry the size of Barbados' own is a three-factory option. There are conflicting views as to whether we should go to a two-factory or one-factory option but the Government's position on that will be known in the very near future.

Mr. Speaker, Barbados has been a beneficiary of the Sugar Protocol attached to the LOME Convention for some

time. This affords us the opportunity to have a preferential arrangement price to our sugar which is well in excess of the world's market price. Barbados is also in the position to sell additional tonnes of sugar to the European market under the special preferential agreement for sugar. As I have said earlier this morning notwithstanding the fact that we have the Protocol and the special preferential arrangement in place, the benefits are steadily being eroded. Mr. Speaker, that is a situation over which we have no control. We have been very lucky to have this preferential arrangement until the year 2007 but what we have to face up to is that if the payment arrangement is such that the price reflected is fixed in terms of Euro and the Euro continues to slip against the US dollar that the actual return for our sugar will continue to decline on a per tonne basis.

Mr. Speaker, the Honourable Member for Christ Church East said we are at a critical juncture in sugar and in agriculture in Barbados. Once we recognise that we are at a critical juncture and we are resolved in our thinking that agriculture is very important to this nation then decisive action will have to be taken and that is why the Task Force on Sugar was established. With the support of the Members on this side and the support of the Members on the other side, we as a Government will move swiftly to implement the major recommendations of the Task Force in order to keep the sugar industry going.

Mr. Speaker, the Honourable Member for St. Lucy and the Honourable Member for St. John sought to suggest that this debate should be a debate about the agriculture sector and they seem to suggest that we should come in here and take days and days dealing with the agriculture sector but we need to recognise that sugar plays a very important part in our agriculture sector and our economic life in Barbados and that the sugar industry deserves real attention in this Honourable House.

In subsequent sessions, Mr. Speaker, the House will be treated to full debates on other aspects of the agriculture sector but I do not think that today should be the time for us to deal with the agriculture sector in detail, given the importance of the sugar industry and where we are with the industry at this point.

5.05 p.m.

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Hon. A.P. WOOD: Mr. Speaker, the Honourable Member for St. John made mention of the Agricultural Development Trust, and the Prime Minister has time and again made mention of the establishment of this Trust.

The Agricultural Development Trust will be a very important initiative. The agricultural sector, Mr. Speaker,

needs a pool of funds which will help strategic members of the sector to retool and to recapitalise in order to function properly in an increasingly competitive and international environment. Very shortly, Mr. Speaker, this Honourable House will be treated to a full debate on the importance of the Agricultural Development Trust. I would just like to say at this time that the fund will be used in some measure to look after important aspects of the restructuring of the sugar industry. It is my intention that this House will be treated to that discussion in the very near future. The final draft of policy document on the Agricultural Development Trust, is with the Ministry of Finance and we will be seeking to have our discussion on that particular important initiative in the agricultural sector, in this Honourable House very soon.

Mr. Speaker, I now turn my attention to the Act itself. The Bill at hand seeks to amend the Sugar Industry Act to make new provision for the payment of the levy on sugar manufactured in Barbados.

Mr. SPEAKER: The Honourable Member has four minutes to wind up.

Hon. A.P. WOOD: I would use them wisely, Mr. Speaker.

We are seeking to make a slight amendment to Section 26 of the Sugar Industry Act Cap.270 to delete the words "and fancy molasses"; and in subsection (2) insert with the following:

"(2) With effect from the 1st day of January 2000, the levy shall be paid by the Barbados Agricultural Management Co. Ltd. to the National Insurance Board not later than 30th day of June of each year."

This becomes important, Mr. Speaker, because of the changes which have taken place in the sector. For example, in 1975 the levy, Mr. Speaker, would have been paid by an agency called the Barbados Sugar Industry Limited, commenced December 31, 1982, to the National Insurance Board on all sugar manufactured in Barbados. Previously, the name of the company would have been the Barbados Sugar Factories Limited.

In 1984 the BSIL went into receivership and ceased to operate the sugar factories. The management of the factories was taken over by the Barbados Agricultural Management Company. So BSIL has been paying the levy to the National Insurance Board since 1984. We are seeking to amend the Act, Mr. Speaker, to have included, that the levy should be paid by the Barbados Agricultural Management Company and we are changing the date by which this levy should be paid, from the end of the calendar year to the 30th June each year. Those are the

simple amendments that are being proposed to the Sugar Industry Act, Mr. Speaker.

Once again let me thank all persons who contributed to the debate, Honourable Members on this side and Honourable Members on the other side. Mr. Speaker, I can assure you that this is the first in a series of important discussions that we will have in this Honourable House about the sugar industry and agriculture in general.

I would just like to close by saying that the Government remains committed to having commercial agriculture remain alive in Barbados. The Government would be approaching this issue in a sensible and systematic manner.

Mr. Speaker, at this point I beg that this Bill be read a second time.

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

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

On the motion of Hon. A.P. WOOD, seconded by Hon. M.A. MOTTLEY, Mr. SPEAKER left the Chair and the House went into Committee of Supply, Mr. D. CARTER in the Chair.

COMMITTEE OF SUPPLY

Mr. CHAIRMAN: This Honourable House is now in Committee of Supply.

Clauses 1 and 2 were called and passed.

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

On the motion of Hon. A.P. WOOD, seconded by Hon. Miss M.A. MOTTLEY, Mr. CHAIRMAN reported the passing of one Bill in Committee and Mr. SPEAKER resumed the Chair and reported accordingly.

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On the separate motions of the Hon. A. P. WOOD, seconded by the Hon. Miss M. A. MOTTLEY, the Bill was read a third time and passed and cited as the Sugar Industry (Amendment) Act, 2000.

ORDER NO. 9 – RESOLUTION TO RESOLVE THE HOUSE
INTO COMMITTEE OF SUPPLY TO CONSIDER A
GRANT FOR SUMS – OF MONEY FOR THE
SERVICE OF BARBADOS

On the motion of the Hon. Miss M. A. MOTTLEY, seconded by the Hon. R. D. MARSHALL the House resolved itself into Committee of Supply, Mr. D. CARTER in the Chair.

COMMITTEE OF SUPPLY

Mr. CHAIRMAN: This Honourable House is now in Committee of Supply.

HEAD 23 - MINISTRY OF HEALTH

Hon. Miss M. A. MOTTLEY: Mr. Chairman, the matter before this Committee of Supply is a supplementary request for \$3 580 500 for the Queen Elizabeth Hospital in order to be able to address the issue of the air-conditioning at the hospital. There are two major areas which will be dealt with. The first one is the main operating theatre suite for which a sum of \$871 500 is required and the north block system. I should say to you that the north block includes the Accident and Emergency Department the Pediatrics and Outpatients Clinic, the Obstetrics and Gynecology Outpatients Clinic and the Ear, Nose and Throat Clinic and the sum required for the air-conditioning of that block is \$2,709 000.

If I can give this Committee a brief background, Mr. Chairman, no funds would have been provided in the Estimates of 2000-2001 to cover the cost of these major replacements and the work detailing the cost was still continuing at the time the Estimates would have been prepared. Over the course of the last six months there have been systematic investigation and reporting to determine the effectiveness of the repairs and design work that would have to be done to ensure that the air quality, both in the northern block as well as in the main operating theatre, could be improved.

I am told, Mr. Chairman, that the operating theatres need to be able to function on a 24-hour, seven-days-a-week basis and to that extent it places tremendous strain on any air-conditioning system which is to house it. They had difficulties for some time and in spite of the fact that last financial year an additional chill water system was required as a backup, there were still difficulties in respect of raising temperatures in the main operating theatre.

Mr. Chairman, as you would appreciate, this would result in difficulties conducting procedures as well as generating a considerable amount of discomfort for the staff who are forced to work in those theatres. It also made it difficult to execute a proper maintenance programme

since there was only one air-conditioning unit working and therefore one could not take it down to effectively execute a maintenance programme and still keep the main operating theatre working.

I am told that given the current configuration of the theatres, without an adequate air-conditioning system, these theatres would be rendered inoperable and further, that in order to maintain a certain level of hygiene, the temperatures needed to be cooler than those which are now being endured.

Mr. Chairman, this problem with the air-conditioning for the northern block has been going on for sometime and as a result of a number of technical investigations and studies, it has been determined that there are a number of technical areas that need to be dealt with. There is an existing fibreglass duct which has been used and they believe this is one of the major causes of the problems that have led to some level of bacteria within the air-conditioning system. Also the porous nature of the material means that it is easily absorbed and it retains moisture thereby providing an ideal medium for the growth of the said bacteria.

Mr. Chairman, it is being recommended that galvanise ducts which were removed in the early 1990s when the area was renovated should once again be used since the galvanise ducts will not provide the same kinds of problems that the fibreglass ducts have been providing.

Equally, it has been agreed that the contaminant plant should be replaced and upgraded because it has been there far in excess of ten years and indeed is fast approaching the end of its useful life and further, that we need to redesign the system to address issues such as air handling capacity, air return, filtration, cleaning and dehumidifying. Mr. Chairman, this will enable a dust-free moisture-controlled air source once it is introduced into the air-conditioning system.

Mr. Chairman, I am further briefed that the design of an air-conditioning system for a hospital is far different from the design of an air-conditioning system for another building with general commercial usage. To that extent, we will require specific technical expertise to be able to assist in ensuring that they can get it right, in respect of this design both for the northern block and the replacement for the main operating theatre. To that end, whoever ultimately does it will probably be required to bring in technical expertise from outside of Barbados to ensure that we can comply with the proper international standard in respect of air quality in the context of a hospital.

I do believe, Mr. Chairman, that these efforts will bring much needed relief to the patients as well as to the staff of both the operating theatres and the particular

clinics: the Accident and Emergency Department, the Pediatrics and Outpatients Clinic, Obstetrics and Gynecology and the Ear, Nose and Throat Clinic. I think that once the work is completed all who stand to benefit will be grateful that this expenditure has been undertaken.

Sir, as I indicated, at the time of the drafting of the Estimates these figures were not available but this matter is one of urgency and would not therefore allow us to wait until the drafting of Estimates for the next financial year to deal with this matter, hence the laying of this Supplementary before this Committee.

I therefore beg to move that this Head do stand part.

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

Mr. D.J.H. THOMPSON: Mr. Chairman, I do not expect it from the Honourable Member for St. Michael North East but the House in recent times has not been treated to a full debate on issues relating to the Ministry of Health or to the Queen Elizabeth Hospital. I believe that it is clear that the law of diminishing return is very much applicable to what is happening at Queen Elizabeth Hospital.

The Government has spent more money on the Queen Elizabeth Hospital by way of its Estimates, and I believe even when one looks at the actual expenditure to run the Queen Elizabeth Hospital, alternative - I would not say 'new' and I would not say 'better' - management had been put in place.

5.25 p.m.

Tuesday, July 25, 2000

Mr. D. J. H. THOMPSON: There were some capital works undertaken in the recent fiscal year and despite all of this, the conditions at the Queen Elizabeth Hospital have continued to decline rapidly. If air-conditioning units were the only things the hospital needed, then I would not even rise in here. I think Honourable Members on that side would know from the complaints they receive from their constituents that the air-conditioning for some people is a minor issue even though it may be needed for the purposes of international standards or certification or whatever.

The kinds of problems that are confronting the Queen Elizabeth Hospital in addition to the issue of the air-conditioning are serious: the problems in relation to the Accident and Emergency DEpartment; the problems in relation to equipment failures; the problems in the Dialysis Unit and the problems in almost every department in which the hospital has not benefited from the installation of alternative management.

It does not seem to have benefited in any way from the major report that was delivered by Dr. Richard Haynes and other members of the Commission which dealt with the Queen Elizabeth Hospital. The Government put in place an implementation team to look at the terms of that report and yet in the last two weeks the Chairman of the Committee himself criticized the Government for failing to implement the recommendations of the report and to let health professionals do what is necessary in terms of running our major hospital facility.

Obviously, the Chairman of the Committee must also be exasperated that the recommendations which his Commission made in respect of the operations of the Queen Elizabeth Hospital have not been looked at. I believe that over time more and more Barbadians are losing faith in the Queen Elizabeth Hospital's ability to undertake what is required particularly in respect of those Barbadians who cannot afford to go to the private medical facility.

Now, who are we talking about: people who are not on health insurance; in other words, people who are not in secured employment; those persons who may be unemployed; the elderly in Barbados and persons living below the minimum wage. It is true there are some who are in secured employment but who may not have the benefit of a health scheme for which they can seek alternative treatment in other facilities. Those are the ones who suffered most from having to use the facilities of the Queen Elizabeth Hospital which, as I say, is under new management and which, even with more resources being made available, has not improved one iota.

If there is another rule that we would have learnt from this exercise, it is that in replacing a Minister who the Opposition thought was the worst possible Minister of Health that Barbados ever had, we discovered that there is a Minister who is worse than the worst possible Minister that the Opposition thought could be selected for the task of running the health ministry. Critical areas of health care delivery have seen a further slide under his management. He has not been accountable to the public except when somebody makes a criticism and he finds room to manoeuvre on some nit-picking, small material in particular. But when it comes to the broader issue of management of the Queen Elizabeth Hospital as a whole, I think we have seen a level of monumental incompetence which has continued consistently since 1994 and which further threatens the ability of the major health institution in Barbados to provide the quality of health care that is desirable.

Mr. Speaker, it concerns me too that even though there are health professionals in Barbados and commentators in the newspapers who know that conditions have worsened, they still heaped all the opprobrium and abuse on the Honourable Member for St. James South

when she was Minister of Health. They criticized her particularly on the issue of the Queen Elizabeth Hospital and yet nowadays nobody can hear them. The television cameras cannot get anywhere near the Accident and Emergency Department. Nobody is leaking stories to the Advocate newspaper anymore. The Nation newspaper seems to have lost interest in the sensational story that the decline of the Queen Elizabeth Hospital once provided for the reading public in this country because the Minister changed.

Yet, everybody who has to use the hospital knows that all of the complaints that were laid at the feet of the previous Minister of Health have continued unabated at the Queen Elizabeth Hospital since then despite more resources being made available and new management being put in place. Nothing has been said to the country that would indicate that there would have been a major change there.

The Government itself has expended major energy and political capital in trying to give the impression, mostly for propaganda purposes, that it has re-tooled the institution, sent home the top members of staff, replaced the institution with new, more effective management and that it is looking at new techniques for management of the institution. That management itself has indicated that the facility there at Martindales Road is basically not capable of the quality of management and health care delivery that would be desirable.

The building itself - as I understand one of the managers, if not the top manager, to be saying - cannot be refurbished on its present site while they are still delivering the level of health care that they presently have to deliver. They will have to move to another site to do it. The cost of undertaking that major refurbishment at the Queen Elizabeth Hospital is way beyond what any Government at this stage would have the resources to do. It is a significant sum of money.

So I believe that we need to have a serious discussion and debate in this Chamber about the Queen Elizabeth Hospital and about the tosses and turns of fortune and misfortune that have occurred there and get serious, not just coming here and looking for these small supplementaries from time to time - on this occasion it is a large supplementary - simply to do some patchwork. We need to look seriously at the recommendations of the Haynes Commission and undertake some of the key reforms that are necessary to ensure, as I say, that those Barbadians who have no choice and who have to use the Queen Elizabeth Hospital are given the level of health care that they deserve.

Very often the key people who are complaining about the quality of the facilities or who used to complain

and now complain in private are the persons who actually have to use the facilities to deliver the health care. The surgeons and nurses who work in the theatres, the nurses who work in the Accident and Emergency Department, the nurses who work on the wards on a daily basis, as well as the patients, both outpatients and the persons who are in the hospital for extended periods of time, are among those who often face great travails while they are resident there or when they use the facilities of the Queen Elizabeth Hospital.

We have said on this side, on previous occasions, that we will give support to a comprehensive programme, not of propaganda and not a programme like what we had in previous times of trying to work out 'you spent \$64 million, we spent \$6 million more this year; we fired all the managers and replaced them'.

5.35 p.m.

Tuesday, July 25, 2000.

Mr. D. J. H. THOMPSON: and all of this, as I say, "toing and froing" that has gone on in relation to the management and the financing of the operations of the Queen Elizabeth Hospital but something that is more serious in terms of its purpose and intent.

We have spent more money as I have said already. Since 1994 successive Estimates debates, this Parliament as a whole, has voted for and supported increased allocations for the Queen Elizabeth Hospital. Yet, at the end of the day it seems as though one is pouring money down into a hole and the law of diminishing returns is very much in evidence in relation to that major facility in Barbados.

Mr. CHAIRMAN: The Honourable Member for the City.

Hon. Miss B. A. MILLER: Mr. Chairman, Sir, I wish to support the Resolution before the House. The Queen Elizabeth Hospital, and I want to be positive about it, is the only general hospital that we have and that we are going to continue to have in the distant future. It is the best teaching hospital of the University of the West Indies. It is a good hospital but its plant is declining because we have failed in the past to take definitive decisions as to how we would keep it as a pristine general hospital for Barbados.

The Queen Elizabeth Hospital is not the only such institution. Grantley Adams International Airport and the Bridgetown Port were all beautiful and state-of-the-art at one time. The Queen Elizabeth Hospital is going to be 40 years old next year. We have a relatively new Neo-Natal Unit, ER, Surgical ICU and there is a lot still that is good there, but we have to deal with the theatres. There are other departments within the hospital that we have to deal with. I

laugh when I hear the Leader of the Opposition quoting people because I do not believe that he believes what he was saying just now about we would have to relocate it and so on to carry out certain repairs and rehabilitation.

Mr. Chairman, Sir, people have wards and set up field hospitals overnight. That is not a big thing to do. That is not beyond our competence and our capability to do in Barbados. It can be done. This business of politicizing the Queen Elizabeth Hospital needs to stop and it needs to stop now. It really does. This business of beating up on Ministers is not going to be a solution to the problem. We have warm memories of the late Dr. Rameses Caddle and Mr. Branford Taitt and that is not going to be the solution to the problems.

In my judgment, Mr. Chairman, we should all be putting our shoulders to the wheel now in the same way that Dr. Richard Haynes is doing to bring the Queen Elizabeth Hospital up to a standard of which we can be proud and a standard which will allow it to be a revenue earner for us in Barbados. The medical profession is not, in the year 2000, what it was in 1961. There are many services which we are virtually giving away now and for which we can charge fees outside of Barbados. Whatever we are going to do in the rehabilitation of the Queen Elizabeth Hospital, in my opinion we have to decide to bite the bullet and face the fact that many millions of dollars have to be provided. We have to do it and in my opinion it might well take the best part of two or three years by departments. There is land around it. An entire medical zone has grown up around the Queen Elizabeth Hospital. If the Queen Elizabeth Hospital was a "rinky-dink" hospital, that might not have happened.

We have the Sir Winston Scott Polyclinic which is not yet fulfilling its full potential as an adjunct to the Queen Elizabeth Hospital. We have most of the NGOs which are doing excellent work in our community now operating within what you might call the environs of the Queen Elizabeth Hospital. We have an area along Pine Road,

and I must say almost throughout Belleville now, which has virtually turned into the heart institution of Barbados. The fees are still very competitive. People are coming to this Barbados not only from the OECS anymore, they are coming from the wider Caribbean and even beyond that for medical care here. An entire industry is growing up around it. The support services are in great demand as well. The Queen Elizabeth Hospital is at the core of it. We have to decide in Barbados that just as we are going to upgrade and make Grantley Adams International Airport and the Bridgetown Port into something which can carry us into the first 50 years of a new century, the same thing must be done with the Queen

Elizabeth Hospital. There is no point beating around the bush.

When we look at the increases that we have been investing in the Queen Elizabeth Hospital over the past 10 years, all this tells us is that we are investing in a declining plant and this will pay for a crisis intervention. You wait until something breaks down and then you rush to fix it. This is not the way to do it and a plan has to be put on the ground. I know that is on the way and, when it comes before this House, I hope that it will get the support of the House.

There is also a proposal at long last that there should be a Board of Management at the Queen Elizabeth Hospital. In modern Barbados, it can no longer be the way of doing business that the Queen Elizabeth Hospital should be run from the Ministry of Health in Jemmotts Lane anymore than you can run Grantley Adams International Airport from the Ministry of Civil Aviation down on the Reef Road. Those days are gone. We are talking about state-of-the-art and highly sophisticated institutions which Barbadians now virtually take for granted. They expect these services and, Mr. Chairman, I am satisfied that they are prepared to pay for them as well.

What are we saying, Mr. Chairman, Sir? In the late 1950's and the early 1960's when sugar was king, it was only sugar because we did not hear about the World Bank in those days and the other IFI's. In one term of office with a Barbados Labour Party Administration, we built the Queen Elizabeth Hospital, or started it. We built the Deep Water Harbour, a modern airport, three housing estates and three secondary schools. Do not let me go any further down the road with that. Do not let me get to the community centres, the health centres and all the primary schools and so on in a five-year term. What are we saying in the year 2000, that we are not able now to rehabilitate this hospital? It is a matter of priorities. It is a matter of political will. From what I am hearing from the Leader of the Opposition, I have good reason to believe that there is a strong political will on both sides of this House and that it is the will of the community that the Queen Elizabeth Hospital should again be the premier teaching hospital of the University of the West Indies and the premier general hospital in the Caribbean. It can be done.

Look at all the specialized expertise that we have on the ground here in Barbados. We have a drug service that is second to none and which is now a model, not only for developing countries, but some developed countries.

5.45 p.m.

Tuesday, July 25, 2000

Hon. Miss B.A. MILLER: It may well come to the point where the National Insurance Scheme of Barbados will have not only a sickness benefit, a death benefit and a maternity benefit but one day, I would hope in my time, to have a health benefit built into it.

Mr. Chairman, Sir, this is not beyond our competence to do and the sooner the Minister of Health can get to this Parliament the policy initiative which will start the process the better it is going to be for all of us. This is yet another issue about which I wish to be very positive. I really do not see that there is any room here for any political divide or any partisanship. This is a part of Barbados. This is, dare I say, one of the important institutions which marks Barbados out as a desirable country in which to live and a desirable destination in which to come for business or for leisure. It is for all of us.

Some of us have been fortunate that we have not had to go into a hospital, but the Queen Elizabeth Hospital is a place where you can go, confident that you are going to get the best care that is available in Barbados. Mr. Speaker, Sir, I beg Honourable Members to give their unreserved support to this.

Mr. D.T. GILL: Mr. Speaker, Sir, I rise to lend my voice to this debate and I would like to caution the Honourable Member for St. John that he was really trying to trivialise the debate when he said that airconditioning an institution such as the QEH is a minor matter. Sir, to begin with, we are in that part of the world where it is hot virtually 365 days a year. Secondly, Sir, as the Minister said, to carry out certain procedures the ambient air must be of a certain temperature. Then, there are certain other parts of the institution which must be kept cool for fear of proliferation of bacterial infection.

Sir, the Honourable Member for St. John ought to remember about that shift, the dislocation in services, from Jemmotts's Lane to Ashton Hall. That has put the QEH in a tail-spin with respect to resources, and very valuable resources.

The strange thing about it is with respect to this debate the main purpose for airconditioning, as I said earlier on, is to make the place a lot cooler and more comfortable for people sitting and waiting in Casualty, babies waiting for treatment etc. Strange enough, this same technique is its own nemesis in the sense that the same units that do the cooling are the same units that are excellent hosts for lots of infections. Sir, it even becomes a more excellent host, particularly if the units are located in dark areas away from sunshine and the ultra-violet radiation which is a good source of limiting and destroying certain microbes.

Mr. Chairman, the other thing is the dampness of the unit. Again, I think it was the Minister who spoke about the ducts which are used and the more porous they are the more they act as havens for microbes, whether they be bacterial or otherwise. This brings us around to another feature which we must address and that is all airconditioning units per se and their ducts should be cleaned and sanitised on a regular basis. Sir, there is a technique - the acronym is HEPA, High Extraction particle Arrester - where they use very fine pores in extracting whatever form of microbe or microbial life there may be found in carpets, airconditioning units or structures of that kind.

Mr. Chairman, what saves Barbados and other tropical countries from outbreaks of other diseases which may plague cold countries such as Europe and North America is the sunlight, but there is that disease which came into the western world about some 15 or 20 years ago which is the Legionnaires' Disease where the culprit, the bacteria legionella finds the airconditioning unit and ducts associated with the unit excellent places to live and proliferate.

Mr. Chairman, once we are looking at this type of problem in our hospitals we must also look at the same time at the problems which arise because of resistance to bacteria and the Queen Elizabeth Hospital has had its problems in recent times. This is not only peculiar to the Queen Elizabeth Hospital but wherever you could diminish such outbreaks or such incidents of bacterial infection and resistance the better.

Mr. Chairman, Sir, I do not think that we should only fix our minds right now on the Queen Elizabeth Hospital but we have to take into account even this Parliament building. From time to time, like when we go on holiday in August and September, the ducts should be cleaned, the carpet should be cleaned, the windows opened and allow the place to be sanitised either naturally or artificially.

Sir, just a stone's throw away from here, up Roebuck Street, we have a beautiful building going up but it is yet another glass case, yet another building which is reminiscent of a greenhouse. Obviously, once the greenhouse effect comes into play, it means that there is a lot more requirement for cooling the atmosphere within the building. I do not know what provisions they have. It is an ultra modern building and I do not know if they have taken into account the use of cooling the building by the sun's natural rays. I am not saying that it should be done exclusively but you could use part ultra-violet ray cooling by the photovoltaic cells in conjunction with the conventional airconditioning units.

Mr. Chairman, we have heard lots in recent times about the sick building syndrome and no one seems as yet to be able to put their fingers on the actual origin, but it seems as though it is a multiplicity of factors. Whether it is new building materials or not, you have to take into account that nowadays you can have additives which will dry paint quicker, which will make the surface less porous which are excellent sealants. If you ever take time out to read exactly what are the components, it is a long set of names and structures which I think the human body cannot really assimilate and handle at certain concentrations.

5.55 p.m.

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Mr. D.T. GILL: Therefore, I am of the opinion that these new buildings should not be moved into just days after the tiler or the painter completes his job.

The other thing which baffles me, Sir is why these buildings are not opened over the weekends, particularly those, which are five-day week offices whose doors are closed on Friday. I know there is a lot of state-of-the-art equipment which may be damaged by the salt in the atmosphere but there is also the other problem and that is the accumulation of moisture when these buildings are kept very cool like 20 degrees during the week and then on weekends they can be as warm as 30 degrees. Sir, that has serious drawbacks in terms of the moisture in building and in terms of facilitating the growth of certain pathogens.

Mr. Chairman, another thing which confuses me is the use of heavy materials like venetian blinds which will cut out totally any sunlight which may come into the room and you then go into artificial lighting. I am sure that the QEH, because of its age needs to be sanitised at regular intervals.

Sir, what also is an adjunct to the problem with bacterial infections and infections of this kind is the modern-day use of equipment such as photocopiers and other radiation machinery. They have a way of magnetising the air and particles around them and, at various levels of concentrations these may very well be injurious to the workers in the restricted areas.

Mr. Chairman, the air-conditioning therefore, tends to take the same particles around and around. The other thing, Sir, about not opening up the room is that when you sneeze in them, the particles remain there until they cease to be virulent.

Sir, this brings me around to the Casualty at the QEH. I must give it full marks for the Asthma Bay, but, Sir, when it comes to the first aid in the Casualty, I cannot be so generous. In recent times I have gone to the Casualty

with sports people, particularly on Saturday or Sunday when they were struck in the forehead or had some laceration which was not serious, and in many instances these persons remain there for two or three hours without being attended to and you have to take them elsewhere where the basic cost for treatment does not fall below \$250.

Mr. CHAIRMAN: The Honourable Member has two more minutes to wind up.

Mr. D.T. GILL: Sir, much of the time in Casualty is taken up with cutlass attacks and serious lacerations and there are young footballers, young basketballers or netballers who just need to be given the basic treatment and sent out. I think there is a need for improvement in that area of the Casualty.

Sir, I think that if the Minister of Finance is given more serious figures from the QEH management at the time of the Estimates of how much it takes to treat a patient coming through the Casualty with a serious laceration or a head wound, in that way you will be able to fine-tune the cost for the ensuing year.

Sir, I must wrap up in saying that the time has come where people with private insurance should not claim on the Barbados Drug Service. Sir, in England and Canada, for every item used, even if it is a Panadol, you have to pay six Pounds Sterling. I am not making a move for this sort of pricing structure but people should be encouraged to take out their own private hospitalisation and medical plan where it will take care of many of the expenses. Once you are working, you will have to resort wherever possible to your medical plan.

Mr. Chairman, I cannot at all support the Honourable Member for St. John, I would like think it was an oversight on his part when he said that this Resolution before the House is a minor Resolution because it deals with air-conditioning.

Mr. Chairman, I am much obliged.

Hon. R.R. FARLEY: Mr. Chairman, just a quick intervention in support of this Resolution to supplement funds provided under Head 23 of the Estimates for this essential work of ensuring that the primary areas in our only acute medical care facility are functioning at their optimum, that is, the air-conditioning for the operating theatre and similar areas.

Sir, in supporting this Resolution I must ask a question as well as make a plea. Sir, I wonder if Government always gets value for money for the millions of dollars which are spent from the budget every year for maintenance, repair and upkeep? At the end of the day, this Parliament will vote resources as available and as

necessary but there are individuals responsible for ensuring that there is value for money.

Sir, it is clear that in cases such as the Queen Elizabeth Hospital where there is an aging plant and where the plant is particularly under stress that we will occasionally have to invest in new plant and equipment. I would hope, Sir, that the Queen Elizabeth Hospital will make all the necessary arrangements to ensure that sums voted by Parliament to have new air-conditioning systems installed, will not be the subject of some of the past experiences we had had with various Government departments where little things are left in a lax manner for so long that they lead to a general state of disrepair. We all know the stories, unfortunately, that still exist, of a broken hinge here not being fixed, a light bulb not being changed here and there, the small things, Sir, that generally lead to the need for larger and larger items.

Sir, I believe in this particular issue of the hospital there lies the other story. Part of the issue is structural, part is administrative and part is managerial. Clearly there is need for the hospital to have an active and aggressive maintenance programme which ensures that all of its equipment is properly maintained with the funds which are provided.

The reality, Sir, is that there has been much discussion and the Government has certainly indicated its interest in putting alternative arrangements for the management of the hospital in place, by way of ensuring that there is that flexibility which an institution like the hospital requires in order to be able to respond to emergency situations as they arise.

6.05 p.m.

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Hon. R.R.FARLEY: Sir, I want to support the position in advance, that institutions like the hospital cannot be administered in the traditional manner as has been typical for various Government departments. If one of the air conditioners in an operating theatre malfunctions, Sir, the process by which, under our Financial Administration and Audit Act, repairs, replacements and related matters have to be handled really makes it an unwieldily, burdensome and unnecessary bureaucratic arrangement. I therefore, Sir, am solidly supportive and of the view that the administration of the Queen Elizabeth Hospital as a statutory Board or some other institutional framework, other than as a traditional government department, is urgent and essential. I would certainly like to urge all Honourable Members to give their fullest support for that initiative when it comes to this place.

Sir, the issue which has brought us to the point where we need to come with a Supplementary in order to fund the expenditure for the repair and replacement of these essentials units is, also replicated it in other places in Government. I therefore, Sir, want to urge upon the technical officers and the various maintenance and repair departments across the entire Government framework to be aggressive. There is always a temptation when new equipment is in place to ignore the essential, preventive maintenance. I must say, Sir, that it is more of a Barbadian issue than a governmental issue.

There are many examples in the private sector as well, whether it is in manufacturing or other productive establishments, where there is not a culture of preventive maintenance. I believe that we are in a much more fortunate position today than we were in the past, where there are more highly-trained persons available in all spheres in engineering - whether it is electrical, mechanical, building or civil, and in related trades which should make it possible to access the necessary trained persons to effect all of the work that has to be done.

I would therefore, Sir, look forward to the staff of the Queen Elizabeth Hospital, and, indeed, all the departments of Government working very closely with us as we seek to achieve the ambition to make maximum use of the money which is provided for such purposes. It is really that very short invention that I want to make by way of support of this Resolution.

As I indicated, Sir, Parliament allocates the resources but there needs to be a commitment and determination on the part of each and every person in the Queen Elizabeth Hospital and in other departments, if we, the people of Barbados, are ready to achieve full value for the millions of dollars which are expended every year on the repair, maintenance and the provision of new equipment.

I would want to note, Sir, that there was a \$1 000 000 increase in the level of funds provided for the capital vote of the Queen Elizabeth, Hospital last year. This additional increase, \$8 000 000, Sir, represents an increase overall of some \$4.8 million to be expended on the Queen Elizabeth Hospital for plant and equipment, as compared to the previous financial year.

I am pleased, Sir, to support this very important Resolution to supplement the resources for the Queen Elizabeth Hospital.

Hon. Miss M.A. MOTTLEY: Mr. Chairman, the Leader of the Opposition made a number of criticisms in relation to where Government was at with respect to a Committee that was set up and a report that was received from the Haynes Commission.

May I say at this stage, Mr. Chairman, that there is a due and orderly process to the development of this matter. Having received the report from the Haynes commission, the Ministry of Health established an action Committee which comprised, Dr. Haynes, Chairman. Sir Carlilse Burton, Dr. Trevor Hassell, Mr. Joseph Goddard of Goddard Enterprises, Senator Leroy Trotman, Dr. Sonia Richards, attorney-at-law, and Mr. Michael Evans, who is an Information and Communication Specialist.

They were given the remit of constituting an action committee that would have the responsibility for helping to move to the stage of implementing a number of the recommendations of the Haynes Commission. While, I am sure, Mr. Chairman, that the substantive Minister of Health will make a speech on this matter at a future stage, it would be remiss of me if I did not alert this Committee that today that action committee, chaired by Dr. Haynes, has already submitted the policy and statement relating to the draft legislation for the establishment of a Queen Elizabeth Hospital Board and a number of regulations relating to patient care, nursing staff, financial and general purposes, as well as the professional staffing of the hospital. I am told that these matters will be dealt with before the Attorney General's Chambers very shortly. We will expect that the substantive legislation, which will govern the restructuring of the Queen Elizabeth Hospital, will be before this Parliament sooner rather than later.

Equally, I am also instructed that there have been a number of public relations efforts with the senior management of the hospital sensitising staff to the implications of some of the recommendations. Indeed, detailed work has also gone into meeting and working with the unions in relation to how best this transition will come about.

It is fair to say, Mr. Chairman, that there has been considerable work even though persons have not been making a public ado about it. We are satisfied that the work which is being done will enable the Government to be able to implement those recommendations in relation to Haynes Commission, which we deem necessary to ensure that the Queen Elizabeth Hospital can be a premier hospital in the region, not only in terms of its teaching capabilities, but in terms of the quality and level of care that is afforded to the patients, as well as to ensure that the morale, ultimately, among the teaching, medical, nursing and the general staff, will rise to such standards as all persons can ultimately benefit.

There is no doubt that there has to be major capital refurbishment of the institution at hand. I believe that the substantive Minister of Health is the person best suited to address these issues, and I therefore would not wish to compromise his capacity to address these issues in the fullness of time - both as to the full reorganisation, as well

as the capital works that have to be done to bring it back up to standard. With those words

Mr. Chairman, I beg to move that this Head do now stand part.

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

The question that Head 23 stand part of the Bill was put and resolved in the affirmative without division.

On the motion of Hon. M.A. MOTTLEY, seconded by Hon. R.C. EASTMOND, Mr. CHAIRMAN reported the passing of one Resolution in Committee of Supply and Mr. SPEAKER resumed the Chair and reported accordingly.

6.15 p.m.

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On the separate motions of the Hon. Miss M. A. MOTTLEY seconded by the Hon. R.N. GREENIDGE, the Resolution was read a first time and second time and passed and agreed to.

ORDER NO. 8 – THE FINAL APPROPRIATION (1999-2000) BILL, 2000

Hon. Miss M. A. MOTTLEY: Sir, I rise to move the Second Reading of the Final Appropriation Bill, 1999-2000. These matters are traditionally not debated and I therefore move that this Bill be now read a second time.

Hon. Miss B.A. MILLER: I beg to second that, Sir.

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

On motion of Hon. Miss M. A. MOTTLEY, seconded by Hon. R.N. GREENIDGE, the House resolved itself into committee, Mr. D. CARTER in the Chair.

COMMITTEE

Mr. CHAIRMAN: This Honourable House is now in Committee.

Clauses 1 to 4 were called and passed.

The Schedule became the schedule to the Bill.

On the motion of Hon. Miss M. A. MOTTLEY, seconded by the Hon. Miss B.A. MILLER, Mr. Chairman reported the passing of one Bill in Committee and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motion of Hon. Miss M. A. MOTTLEY, seconded by the Hon. Miss B.A. MILLER, the Bill was read a third time and passed and cited as the Final Appropriation 1999-2000 Act, 2000.

ADJOURNMENT

Hon. Miss M. A. MOTTLEY: Mr. Speaker, this concludes Government's business for the day.

At this stage of the adjournment, I would wish to indicate that when the House meets again, we will be resuming the debate on the Constitution. We will have to write to the Leader of the Opposition and His Honour The Speaker in respect of the arrangements vis-à-vis the broadcast as has happened on the other two days of the Constitutional Reform debate.

With those words, Mr. Speaker, I beg to move that this House be now adjourned until Tuesday, 8th August, 2000 at 11.00 a.m.

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

The question that this House do now adjourn until Tuesday, 9th August, 2000 at 11.00 a.m. was put and resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly.

6.25 p.m.

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EDITORIAL NOTES — NOT PART OF THE REPORT

Prepared with the transcript; for checking against the recording and the Minutes.

EDITORIAL QUERIES

Points noted while preparing this report from the edited transcript. The text has not been altered except where stated.

Q1. Masthead. The session is not stated in the source, so no session line is printed.

Q2. Adjournment. The Leader of Government Business moved that the House adjourn ‘until Tuesday, 8th August, 2000 at 11.00 a.m.’, but the procedural note records the question as adjournment ‘until Tuesday, 9th August, 2000’. Printed as in the source.

Q3. Order No. 2, Committee. After the second reading of the Sugar Industry (Amendment) Bill the source says the House ‘went into Committee of Supply’ and heads the stage ‘COMMITTEE OF SUPPLY’, although a Bill, not a supply Resolution, was in Committee. Printed as in the source.

Q4. Order No. 2, point of order by Hon. A. P. Wood. The Minister’s figures for sugar production are typed with dollar signs (‘\$80 300 when compared with \$111 100 in 1980’; ‘\$66 300 compared to \$83 400 in 1987’), although tonnes appear to be meant. Printed as in the source.

Q5. Order No. 9, Head 23. The procedural note reads ‘The question that Head 23 stand part of the Bill’, although the matter in Committee of Supply was a Resolution. Printed as in the source.

Q6. Order No. 2, speech of Sir Harold St. John. One speech label reads only ‘Hon. Sir HAROLD’, and another ‘Hon. Sir. HAROLD St. JOHN’; elsewhere the label is ‘Hon. Sir HAROLD St. JOHN’. Printed as in the source.

DEBATE SUMMARY

(Editorial summary — not part of the record.)

The House of Assembly met on Tuesday, 25th July, 2000 at 11.25 a.m., with the Speaker, His Honour I. A. Roett, presiding; prayers were taken by Canon Father Ivan Harewood. The Minutes of 18th July were confirmed. The Prime Minister, Rt. Hon. O. S. Arthur, laid the Financial Institutions (Business Transfer) (Royal Bank of Canada Financial Corporation) Vesting Order, 2000, and Hon. R. R. Farley laid the Annual Report and Financial Statements of the Barbados National Standards Institution for 1998–1999. The “Centennial Honour” Bill, 2000 and the Final Appropriation (1999–2000) Bill, 2000 were read a first time. Hon. R. N. Greenidge congratulated the national

men’s and women’s volleyball teams on winning the Caribbean Volleyball Championships, and Mr. D. St. E. Kellman joined him. Standing Orders were suspended.

Hon. A. P. Wood, the Minister of Agriculture and Rural Development, moved the second reading of the Bill to amend the Sugar Industry Act, Cap. 270, and widened it into a debate on the state of the industry. He said sugar earned some \$56.6 million net in foreign exchange in 1998, accounted for almost 38 per cent of agricultural output and supplied about 15 000 tonnes of molasses a year to the rum industry. Using Table 16 of the Central Bank’s Annual Statistical Digest, he compared production and export prices under the Democratic Labour Party and the Barbados Labour Party, described the Cane Replanting Incentive Scheme introduced after 1994 and the multi-disciplinary Task Force set up in 1999, and said decisive action was needed on high production costs and falling export prices.

Mr. D. St. E. Kellman replied at length that the Minister was ‘far out of his depth’, argued that the same statistics could be turned against the Government for 1994 and 1995, and warned that land was passing from sugar into housing so quickly that a one-factory option might be unavoidable; he also ranged over vegetables, poultry and sea island cotton, and was repeatedly asked by the Speaker to relate his remarks to sugar. His many points of order against Hon. R. R. Farley and the Minister were mostly ruled out. Hon. R. R. Farley supported the Bill from his own experience of the industry; Hon. Sir Harold St. John questioned the acreage figures and spoke on CARICOM trade and the interests of consumers; Hon. Dr. R. L. Cheltenham asked that price support be used to help the labourers in the industry; the Leader of the Opposition, Mr. D. J. H. Thompson, said land speculation and land use policy would decide whether there was a sugar industry in five years; and Hon. Miss B. A. Miller urged that Barbados sugar be branded and promoted.

In reply, Hon. A. P. Wood disputed Mr. Kellman’s figure of 32 000 acres reaped, putting the 1994 area at about 20 000 acres, and explained that the amendment to section 26 removed the words ‘and fancy molasses’ and required the Barbados Agricultural Management Co. Ltd. to pay the levy to the National Insurance Board by 30th June each year. The Bill passed all stages as the Sugar Industry (Amendment) Act, 2000.

On Order No. 9, Hon. Miss M. A. Mottley sought a supplementary \$3 580 500 under Head 23, Ministry of Health, for air-conditioning at the Queen Elizabeth Hospital, \$871 500 of it for the main operating theatre suite and the rest for the north block. Mr. D. J. H. Thompson

said conditions at the hospital had continued to decline despite the money spent; Hon. Miss B. A. Miller, Mr. D. T. Gill and Hon. R. R. Farley supported the Resolution, Mr. Farley asking whether the Government got value for money on maintenance. Miss Mottley described the action committee chaired by Dr. Haynes to implement the Haynes Commission's recommendations, and the Resolution was agreed to.

The Final Appropriation (1999-2000) Bill, 2000 then passed all stages without debate. On the adjournment Miss Mottley said the House would resume the debate on the Constitution at its next meeting, and the House was adjourned until Tuesday, 9th August, 2000 at 11.00 a.m., as the procedural note records.