
THE

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 1999 – 2004

HOUSE OF ASSEMBLY

Monday, March 11, 2002

Pursuant to the adjournment, the House of Assembly met at 11.20 a.m. on Tuesday, March 11, 2002.

PRESENT

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

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

Hon. Sir Henry FORDE, K.A., Q.C., M.A., LL.M. (Cantab.)

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

Hon. Miss M. A. MOTTLEY, LL.B. (Attorney-General and Minister of Home Affairs)(Leader of the House)

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

Mr. G. W. PAYNE, LL.B.

Hon. R. C. EASTMOND, J.P., B.A. (Hons.), Dip. Ed., LL.B. (Hons.), L.E.C. (Minister of Labour and Social Security)

Mr. D. CARTER (Chairman of Committees)

Hon. R. N. GREENIDGE, B.A., LL.B. (Minister of Education, Youth Affairs and Sports)

Hon. G. A. CLARKE, B.Sc., Dip. Ed., J.P. (Minister of Housing and Lands)

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

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

Hon. R. St. C. TOPPIN, LL.B. (Minister of Commerce, Consumer Affairs and Business Development)

Mr. D. St. E. KELLMAN

Hon. Miss H. E. THOMPSON, LL.B. (Minister of Physical Development and Environment)

Mr. M. Z. WILLIAMS

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

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

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

Hon. N. A. LYNCH, B.Sc., M.B.A. (Minister of Tourism and International Transport)

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

Hon. R. R. FARLEY, B.Sc., J.P. (Minister of Economic Development, Industry and International Business)

Hon. Miss C. Y. FORDE, L.C.P., J.P. (Minister of State in the Ministry of Education, Youth Affairs and Sports)

Prayers were taken by Canon Father Ivan Harewood.

Mr. SPEAKER: The House is now in session.

MINUTES

Mr. SPEAKER: The Minutes of Tuesday, March 5, 2002.

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, March 5, 2002, which Minutes have been circulated, be taken as read.

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

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

FIRST READING OF BILLS

On the motion of Hon. R. N. GREENIDGE, seconded by Hon. R. C. EASTMOND, the following Bill was read a first time:

The Education (Amendment) Bill, 2002.

SUSPENSION OF STANDING ORDERS

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

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

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

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

ORDER NO. 11 – THE APPROPRIATION BILL, 2002

Rt. Hon. O. S. ARTHUR: Mr. Speaker, the House, a few moments ago, would have had an opportunity to make congratulatory statements, but it was not in a position to do so. You must, therefore, forgive me if I ask the Leader of the House to recognise that our esteemed Leader of Government Business in Parliament and our distinguished Attorney-General today had conferred upon her the dignity of admission to the Inner Bar of Barbados, a significant achievement which I do not think the House should ignore. I do believe, Mr. Speaker, that this sets the best spirit in which we should begin these debates.

I must also ask your indulgence, Mr. Speaker, if I am suffering a bit in my delivery, it is that the spirit is willing but the flesh is very weak, and I shall have to ask the House to bear with me if this presentation is a little laboured because of illness.

In accordance with Sections 108 and 109 of the Constitution of Barbados, I rise to present the Budget of the Government of Barbados for the financial year, beginning April 1, 2002. I make that statement very deliberately. A document entitled "Barbados Estimates 2002-2003" has been laid and it sets out, as a Budget should, an estimate of the amount of revenue that Government is likely to have at its disposal, based on existing rates of taxes for the next financial year. It also sets out a comprehensive account of Central Government's proposed expenditure, by Ministry, covering every conceivable programme and function intended to be supported and carried out in the next financial year.

The Estimates also provide an account of the financing means by which the Government proposes to meet any difference between its projected revenue and its intended expenditure. Government's borrowing requirements and hence the potential increase in the public debt that may arise from the activities of the State during the next financial year are also gauged and set out in the document that is before the House, and which we are being invited to approve.

Mr. Speaker, I speak at the outset with these formal constitutional tones precisely to underscore the seriousness of the responsibility which faces Parliament this week. While a certain glamour and a certain prestige have come to be attached to another presentation to Parliament which enjoys an unshakeable hold in the mind of popular media and in the public opinion as the Budget Debate, under our Constitution the real Budget Debate is taking place here and now this week.

Indeed, Mr. Speaker, Sir, the discipline and the financial probity and propriety which arise from having our budgetary process prescribed as it is in our Constitution are not always sufficiently appreciated, even within this Parliament. I say that, Sir, because Barbados is but one of a few select countries which require that the Budget of the Government must be submitted to and approved by its Parliament before the start of a financial year and not after the start of a financial year. In fact, in some Caribbean countries, governments can proceed to a new financial year without the Budget having been approved.

As a result, therefore, Mr. Speaker, parliamentary control and prior authorisation of public spending are by this constitutional means assured in Barbados. Consonant with the responsibility entrusted to this Parliament by our Constitution, I hope, Mr. Speaker, that during the course of this week Parliament will treat this exercise for what it is – an exercise in budgeting, and that it will delve into matters such as the accuracy of our revenue estimates, the rationale for the allocation of the available revenue across the competing expenditure ends, the efficiency of Government's borrowing requirements and the relationship between Government's Budget and the achievement of the country's economic and social goals.

Sir, I have no power in this House, but I fancy myself now to be an old soldier of this Parliament in the departure lounge awaiting the final boarding call. I wish to state in that capacity of an old soldier, the need for a substantial revision to the Standing Orders to move a lot of the sterility out of what has become a sterile debate at this time of the year. I want to stress this point, Sir. This Estimates Debate is the country's Budget Debate but we are in danger of making it a sterile exercise and not an exercise in budgeting.

Sir, the Estimates of Barbados need, as is the case in some other jurisdictions, to go to a Standing Finance

Committee of the House, which must be created to carry out detailed perusal and serious detailed evaluation. The new process should involve the appearance before that Committee of public officers, members of statutory boards and other financial managers of the State, before the report is submitted to the House to function as a Committee of the whole. This practice of having the Budget as a budget submitted to a Standing Committee of Parliament enjoys long and important standing in other jurisdictions. In my judgment, it would facilitate greater and more effective parliamentary input and greater and more effective parliamentary influence over economic and financial policies of the Government; and that is necessary.

It would also, I do believe, make the Minister of Finance far more accountable to the House, rather than the financial tyrant that the Minister of Finance has come to be in the context of our present system. Therefore, at the outset of this Budget Debate, I offer that proposal for reform for what it is worth.

Mr. Speaker, the Estimates of Revenue and Expenditure are not ends in themselves but are important means by which we can help achieve the economic and social objectives being sought by our society. The Estimates of Revenue and Expenditure that have been presented to the House have been constructed within a specific context – within the context of a specific view now of our economic and financial world at home and abroad. They have a meaning within the context of that view of the world and a perspective of where our economy and our society stand and what we have to do by way of Government spending and taxation policy to take this society forward.
11.25 a.m.

Before I go into the Estimates as a series of numbers, I feel a responsibility to set out, for the benefit of the House, the context within which the Estimates are intended to have a meaning this year.

It would be my initial submission to Parliament and the country that the year 2002 is likely to be a major watershed year in the development of the Barbadian society. We have set ourselves the goal of converting our nation into a fully developed society by the end of the first decade of the 21st Century with all the accompanying changes in the structure and functioning of the economy, with all the accompanying changes in the social transformation, with all the institutional changes with all the physical development and upliftment, with all the substantial widening of opportunities, with the attendant increase in the ability and capacity of the economy and society to absorb shock and to manage change, and with an enhanced capacity to meet the needs of the poor that goes with the transformation of a developing society into a fully developed society.

The goal which I submitted to Parliament is still valid and achievable but developments last year and this year will, in very large measure, help to decide whether that goal will be achieved and the degree of difficulty we will face in attaining our real goal of fully transforming Barbados within the first decade of the 21st Century.

Mr. Speaker, you may ask why do I say that? It is first because in broad terms, our immediate domestic development is now set within an international environment characterised by a new and dangerous uncertainty. I will elaborate later in more specific terms what that new and dangerous uncertainty constitutes but it has, without doubt, substantially shortened the odds for sustained development in a society such as ours.

Secondly, Mr. Speaker, we are about to enter a phase where perhaps the most powerful and profound influence on the scope and character of national development will arise from our participation, in an unprecedented way, in a process of economic, trade and financial liberalisation on a regional, hemispheric and global basis.

We are about to enter a phase of liberalisation never before faced by this society and it will have many pronounced fiscal, production and corporate implications. Some will be positive and others distinctly negative such that Barbados' survival and our continued prosperity will depend on our willingness at all levels in the public sector, the private sector and among the institutions of our civil society to accept the great change from having to cope with this unprecedented flood of economic, financial, social and cultural liberalisation.

Mr. Speaker, one senses a great resistance in the society to change at precisely the moment where this society cannot afford to stand where it is. Indeed, Sir, the local difficulties we had in the year 2001 on the economic scene may just be the wake-up call that this society in general needs to cause it to accept the imperative for far-reaching changes in all aspects of the structure and functioning of our society.

Thirdly, Mr. Speaker, this year 2002, will be a watershed year because of the continued proliferation and deepening of new non-traditional threats to our stability, to our social process and to the preservation of good order in society. There is no question that the HIV/AIDS pandemic reflects itself as a non-traditional threat to our stability and it would be to our peril if we ignore it. There is absolutely no doubt that despite excellent efforts to check it, the proliferation and deepening of the illicit drug culture continues to be a threat to our stability and social progress and it would also be to our peril if we ignore it.

Equally, Mr. Speaker, as we go deeper and deeper into participation with the rest of the region and the world in

this phenomenon of globalization, there is absolutely no doubt that Barbados is being bombarded with new cultural and consumption influences, some of which have started to play a negative and adverse role in the structuring of our social system. It would be to our peril, Mr. Speaker, if we ignore the impact of these new cultural and consumption forces and imported social behaviour on the shaping of the new Barbados society.

In addition, Mr. Speaker, there are certain spheres of our national life where problems have started to mushroom or where progress has not kept pace with aspirations.
11.35 a.m.

We do need, therefore, to revisit some aspects of the social agenda of Barbados' development. We need to revisit some of the assumptions about social policy that have been sacrosanct until today. We also need to evolve radically new approaches to addressing the meeting of the basic social needs in Barbados and face fundamental issues regarding the management of our social sectors.

I made the point because historically, there seems to have been the view that you manage an economy but the social sector is not a sphere that requires management. There was the view, for example, that has served us poorly that merely, because there was a tolerant level of health care delivery in the country, we did not have to have a system for the management of hospitals as a specific management matter.

Mr. Speaker, we have reached that stage in society where, in these spheres of our national life where Barbados has historically accumulated tremendous social capital—education and health—that there is the danger of deterioration. I do say, Mr. Speaker, that it behoves us in this Parliament to address the issue in a serious way and determine how we can protect and, in fact, enhance the social, as distinct from the economic and financial capital of Barbados. For let us remember that the richness of that social capital has historically been the bedrock upon which our progress and stability has been founded.

Sir, these matters are coming to a head this year. Therefore, this Budget, I am going to call it the Budget rather than the Estimates, sets out Government's policy to these broad issues within the context of constrained financial resources but nonetheless in a coherent and constructive way.

Mr. Speaker, I spoke in broad general terms about the context within which a Budget is conceived in today's world. I need to speak more about some of the more specifics of that context.

Sir, in terms of the international environment which I described as one characterised by a dangerous new

uncertainty, the international economy is now in the trough of one of its periodic economic cycles. In fact, Mr. Speaker, since the Second World War, the international economy has gone through a number of cycles of booms and busts and international recession has become part and parcel of the functioning of the international economic environment.

The year 2001, was a very difficult year for the international economy, even before and without taking in to account the effects of the events following the September 11 horrendous actions in New York. In every region of the world growth was either slow or negative. In fact, Mr. Speaker, the international economy slipped into a global recession largely because in recent times more than 50 per cent of global growth has been driven entirely by growth in the United States' economy.

Sir, that growth in the United States' economy owed itself largely to two factors which could not last. It was due in large measure also to substantial investment in the information technology sectors, very often without reference to the profitability of the sector. It owed itself in large measure to the fact that 50 per cent of the United States' households had become owners of stocks on the Stock Exchange, the tremendous increase in the value of stocks created by the sensation of wealth such that people felt that they could continue spending because they felt that they were getting richer. Hence the boom in international tourism and the great consumption of goods by the United States economy from the rest of the world drove global growth.

Sir, that proved in part to be a mirage. Sooner or later the value of the Stock Exchange had to reflect the fundamentals in the corporate sector of the United States of America. As the American economy had endured corporate recession, so has the Stock Exchange profits plunged and there has been a reduction of the feeling of wealth—paper wealth, that inspired much of the American consumption that accounted for such a large part of the global growth.

Sir, it is a very dangerous thing for an international economy to depend in so large a measure on growth in one economy, and for the growth of that economy to be driven by such weak forces as those which have driven the US economy in recent times. Therefore, one is not absolutely sure that the conditions for a resurgence of global economic growth based on more substantial factors than have been at work in the recent past, are at work today.

Happily, Sir, there are recent signs of a beginning of some recovery in the US and European economy, but I would want to mention to the House that the recovery is still too faltering to suggest that we have before us an international environment within which one can, without fear of contradiction, presume to be able to speak of robust and sustained growth.

Mr. Speaker, all of this concerns us but we must not despair. We must look for niches because in the worst economy circumstances, small economies can hold and exploit niches successfully, niches to its advantage. Our strategy for the selective stimulation of this economy, to which I shall speak today, is based on that approach. We have to be circumspect in how we husband our resources and I will speak to that as well.

Mr. Speaker, we have to learn from the lessons of the past and I do not say mistakes, I say lessons of the past. It would seem that every 10 years there is a 10-year itch where the Barbados economy is concerned. In 1981, 1991 and again in 2001 there has been somewhat of a recession in the Barbados economy.

Sir, as a small open economy, we will never be able to prevent Barbados from experiencing a recession when the rest of the world is in recession. What we did not do well in the past but what we must endeavour to do now, is to ensure that when recessions occur we insulate ourselves from the worse consequences in this country. We must do everything in our power to ensure that we do not do things to convert recessions, which are one-shot activities, into ongoing sustained structural and functional difficulties in the economy, but do things to ensure that we create the conditions for restoration of continued robust growth in the Barbados economy at the earliest possible opportunity.

Mr. Speaker, I am asking for the presentation of these Estimates to be judged in the context of the efforts that the Government has made. Firstly, to contain the adverse effects of recession; secondly, to avoid converting what should be a one-off recession into a sustained structural and functional efficiency in the society; thirdly, to judge us by what we are doing to restore the conditions for economic growth at the earliest possible opportunity.

Sir, I do not want to give the House a long economic discourse on the matter. The truth is, small open economies will go into recession when international economies go into recession. The mistake which has been made in the past, has been that there have been inappropriate domestic responses to recessions. The inappropriate domestic responses in the past have been that the Government ran very large fiscal deficits and pumped massive spending power into the system using the Central Bank to print money as the basis to counteract the decline in the international demand for goods and services, with the result that what should have been just a one-off recession, became a balance of payment problem. The balance of payment problem perpetuated the difficulties in sustaining growth in the economy because in the absence of foreign exchange availability, investment levels and productive levels could not be sustained.

Mr. Speaker, all I am saying to this House is that in this instance we have been as scrupulous as we can be to contain

the adverse consequences of any recession in the Barbados economy. We have also been scrupulous to make sure that we did not follow an inappropriate domestic response as to convert a one-off, one-year recession into an ongoing structural imbalance in the economy. Sir, we have also been careful in our management to be able to now speak in terms of the restoration of the conditions for growth.

Mr. Speaker, I will go into greater details about the implication of which I speak. I want to say that compared to 1981 when we had a recession accompanied by a drastic decline of foreign exchange reserves, accompanied by a massive increase of unemployment, rising interest rates, inflation and a loss of liquidity within the banking system; again in 1991 where there was a repeat of the same phenomenon, declining real output, triggering loss of reserves, massive unemployment and rampant inflation, and Sir, on this occasion, we had a one-year decline in output but have had a growth in reserves, stabilization of employment and stabilization of prices. There has also been an early proactive response by the Government to restore the conditions of growth in a way that does not deplete our reserves, but in fact, assures us of a stronger possibility of coming out of this recessionary phrase. I do feel that we have a strong economy with strong fundamentals which can, in the immediate period, support higher and higher levels of economic activities.

11.45 a.m.

Sir, I want to say this at the outset, that between 1989 and 1991, our foreign reserves fell from \$320 million to \$12 million. In the midst of this recession, our reserves have increased net of borrowing by \$157 million. As I speak to you, for the first time in our history, the total net exchange holdings by both Government and the banking system are over \$1,500,000,000 and the significance, Mr. Speaker, must not be misunderstood.

In 1981 and 1991, recession forced us into the hands of the International Monetary Fund (IMF) because the domestic response to recession was enough to create balance of payment difficulties. This time around, we have so carefully husbanded our policies and our foreign exchange resources that there is no need whatsoever for Barbados to look to outside support from the IMF or from anybody else, to enable us to carry the country forward. Mr. Speaker, I therefore ask that these Estimates be judged in part by the extent to which they help us to set the stage for the restoration of continued economic growth and development in our society.

I also earlier mentioned that we are about to enter a new phase of accelerated trade, economic, financial and even social liberalisation. Sir, with your indulgence, I need to spell out what the implications might be and what our response should be and the extent to which we can and must use budgeting policies to address this issue.

The Single Market and Single Economy of the Caribbean that was supposed to be created in 1993 has at last been put in its legal framework in the year 2001 and for Barbados it creates an opportunity and a challenge as never before. Mr. Speaker, especially under Protocol II a programme has been agreed to dismantle restrictions on the movement of capital within the Caribbean region, to dismantle restrictions on the provision of services within the Caribbean region and to dismantle restrictions on the rights of Caribbean persons to establish companies within their jurisdictions. This portends a period of interesting change for our society.

Barbados, quite frankly, Mr. Speaker, will not be the leading exporter of commodities within the Caribbean but I do feel that we stand to be – if we manage our affairs properly – the principal exporters of services within the Caribbean because there is no other Caribbean country that has a wider array of top quality services; legal, medical, accounting, educational, that is in a condition to benefit more from the movement of restriction of the same within our region.

Sir, the essential point is that in 1973 under the Treaty of Chaguaramas, there was no provision for services to be sold without restriction in our region but last year, a programme for the removal of the restrictions of the sale of services within the Caribbean has been agreed to, for the first time in history. Sir, this is an historical opportunity that Barbados must not miss.

There are other aspects of the Single Market and Single Economy that will not always work to Barbados' advantage but we must approach it in the context that some of what you gain on the straights, you may lose in the roundabout, but what matters is the trade-off between the benefits and the losses.

Sir, a similar wide and handsome approach must engage us when we contemplate the other two major forces of liberalisation which will be galvanized this year. Sir, you have to know when the long-run has arrived. The year 2002 is the year in which, for Barbados and the rest of the Caribbean, the long-run has arrived. In this year, we shall see taking place together the new Single Market and Single Economy and the negotiations to create a new Free Trade Area of the Americas and there is a finite time for their completion. Sir, negotiations to start a new relationship with Europe are also to begin this year. They will alter, in many respects, 300 years of history. They will change forever the relationship of sectors like sugar to the international economy. Sir, under the auspices of the World Trade Organisation, negotiations in agriculture and in services, two sectors of vital importance to the Barbados' economy, are now going on.

There has never been a year in the history of our society where such intensive and extensive changes in our

trading relationships not only co-exist but flow together in such a way as to entirely change forever the regional, hemispheric and global context within which business and investment in this country will be contemplated.

Indeed, we are at one of those moments in history where you are sure that forever there will be a change. Hereinafter, there will be a change in the way in which this economy relates to the Caribbean economy. As a result of negotiations beginning now – not some time in the future – there will be a change in the way in which this economy relates to the economies of Central, North or Latin America. We will, after 2005, Mr. Speaker, become involved in a market of US \$15 trillion per year, 800 million people. We will have to find our way in that market in which the barriers to the movement of goods and services have been dismantled in a way that will broaden for us, the range of opportunities for things that we can sell. That very development will also broaden the range of opportunities for others who sell in our market. Mr. Speaker, it behoves us to understand the implications of it, to fully grasp the opportunities of it and to begin to prepare ourselves for the intense competition that will arise from that process.

Equally, Sir, the new relationship with Europe will have a profound impact on Barbados. For 300 years, we have been selling sugar to Europe through London as a bulk commodity but the Europeans have now decided that they will confer on countries, for example, Bangladesh, Vietnam and other countries the right to sell to them sugar in unlimited quantities without duties in much the same way that we have done historically. We have to change. We have to drastically reform our sugar industry to face this.
11.55 a.m.

Mr. Speaker, more to the point, the Caribbean has benefited, as you are aware, throughout its recent history from being able to sell our goods duty-free to Europe without European goods enjoying a similar duty free access to our markets. The nature of the new economic relationship that Europe wants with the Caribbean and Barbados is such that this whole preferential relationship will change.

Sir, it comes down to this. There are going to be four distinct effects arising from the confluence of these forces of liberalisation that we have to plan for over the course of the next few years. First of all, liberalisation will mean that the import duties that we are now collecting on other people's goods will go, so there will be a fiscal effect.

One hundred and fifty million dollars of import duties over the course of the next ten years will have to be removed, as we involve ourselves in schemes of liberalisation with Europe, Latin America, Central America, North America and the entire globe. It means that what we can do in relation to fiscal relief as regards the other taxes that remain, will be

constrained by the loss of \$150 million of import duties as a result of trade liberalisation.

Trade liberalisation, Mr. Speaker, will also result in major production effects in economies such as Barbados. Mercifully for us, Sir, we have not ever evolved an economy where there is a lot of, what I call trade preference induced economic activity. In fact, the only sector of our Barbados economy that is dependent on trade concessions is the sugar industry and that now accounts for 1 per cent of GDP.

There will still have to be an adjustment made, Sir. The big adjustment that has to be made to deal with trade adjustment is in the private sector because trade liberalisation, by its very character, exposes a society to forces of intense competition, first with companies in the regions, with companies in the hemisphere and with companies in the rest of the world. As such, if there is not a corporate response to trade liberalisation, all of the opportunities that we are seeking to achieve might be the dismantling of the barriers to the movement of services in particular will come to naught.

The point I am making, Sir, is that I am satisfied that in relation to the State, the Government is sensitive to the need, as is shown in the Value Added Tax, to introduce the fiscal reforms to accommodate trade liberalisation. I am also satisfied, Mr. Speaker, that in terms of our production response, we are sensitive to the requirement to change the production system of the country to accommodate trade liberalisation. However, I am not satisfied that there is a sufficient understanding in corporate Barbados of the extent to which there has been private sector reform to accommodate trade liberalisation.

I, therefore need to use the opportunity of this presentation to Parliament to underscore that trade liberalisation creates an opportunity for private sector expansion but that private sector expansion will not be realised unless there is an appropriate attempt at private sector reform. In the course of my presentation today, I will speak to some of the ways in which the Government will want to help the private sector to reform itself but also to speak to the ways in which the private sector also must seek to reform itself, if it is to rise to the challenge.

I also mentioned in my broad introduction that we need to stem the non-traditional threats to our stability. In fact, Mr. Speaker, all of the non-traditional threats to our stability have been of a nature to lead to increasing public expenditure. One of the biggest sources of increase in recent public expenditure has taken the form of necessary response by the Government to stem the rising of crime and violence in the society by putting mechanisms in place to strengthen our security forces.

Equally, Mr. Speaker, a major new source of public sector expenditure has taken the form of the expenditure we have had to incur to fight illicit drugs and to protect our jurisdiction from the pain associated by being regarded as a jurisdiction that is not strong enough. Therefore, public sector expenditure has been associated with the fight against illicit financial activity and money-laundering and other modern forms of social destabilisation.

I want to say, Mr. Speaker, that very often the extent of the imposition on the Government is not understood in terms of increased public spending that arises from our assuming new responsibilities to fight these new forces of instability. In the course of the last few years, a large proportion of the increment in public revenue has gone to equipping the security forces, putting in new systems to deal with money-laundering, drugs and things of that character.

It is also beyond any doubt, the major non-traditional threat to stability in this country is the HIV/AIDS pandemic and this year's Estimates reflect the seriousness of the Government's intention to fight it. While all of this has been happening, traditional areas of stability in which Barbados has in the past very strong records have shown themselves to be areas in which our national effort has been flagging.

I have said, Mr. Speaker, with no apology, that in our health care sector, there has been a decline in performance and standards and there is a need for restoration. In this year's Estimates, there is that attempt to begin to restore the social capital of our health sector.

In education as well, Mr. Speaker, there is a need for us to make sure that there is no decline in our facilities for the development of the human resources of this country. Therefore, these Estimates address themselves in terms of their expenditure priorities, to help the country to face these non-traditional threats to our security, and to begin in a very concentrated way to fully restore the social capital of Barbados.

Mr. Speaker, I will also set the Estimates in the context of a quick review of the economy. At the start of the last financial year, and when last I spoke to Parliament on an Appropriations Bill, it was against the background of a continued relatively strong performance in the first quarter of the year. Indeed, last year, Mr. Speaker, up to the first quarter of the year, the economy was continuing to grow and we were envisioning the possibility of the ninth straight year of economic growth.

Mr. Speaker, by the middle of the year, it became clear to us that not only was the economy slowing, but there was the prospect that the slowing down of the economy could lead to negative growth. Indeed, the House will recall that in response to this, the Government was proactive

in holding a national consultation to develop new policies to counteract tendencies that could lead to a slow down in the rate of growth of the Barbados economy or for that matter, tendencies that could have caused us to begin to experience negative growth.

Indeed, Sir, the presentation that was made to Parliament on August 8, 2001, was in fact a series of measures that were intended proactively to counter what we then perceived to be a slowdown in the economy. I am not going to go through them, Mr. Speaker, Sir, they are well known to the House and to the public but that was all before the events of September 11. In fact, if truth be told, all that September 11 succeeded in setting was the levels.

Sir, September 11 just may have served to ensure that what was a slowdown and trend towards negative growth, did in fact become a recession and I say that without any attempt of equivocation. However, I do feel that we need to understand the forces that were at work in causing that slowdown, and I want to stress this point, prior to September 11, because I am not going to use September 11, 2001 as an excuse.

12.05 p.m.

There was a slowdown in the Barbados economy before September 11, and the chief factors were first the carrying out of the process of trade liberalisation. It adversely affected manufacturing and agriculture. Therefore, as we go forward, we have to understand how to manage liberalisation better.

Second, there was a slowing down in Barbados as a result of the general decline in the global economy which was led by a decline in the United States of America's economy.

Finally, there was a slowdown in the Barbados economy because of the continuing uncertainty arising from the Organisation for Economic Cooperation and Development (OECD) harmful tax competition initiative.

I will deal first with the OECD's harmful tax competition because one of the reasons why we can now begin to contemplate the restoration of the conditions for renewed growth in the economy is precisely because we have the possibility now of turning what were then negatives into positives.

In the mid 80s and early 90s, the international business and financial sector of Barbados was the fastest growing area of the economy and the second largest sector of our society. Indeed, Sir, Barbados is now in a position where 40 per cent of our corporation profits come from the taxes of our international business and financial sector. That is 40 per cent of \$200 million but the taxes on the international business sector is charged at a rate of 2 per cent.

Therefore, you get a feel for the vast extent of activity in the sector but the truth is that what had been evolving as a growing and robust industry began to slow down, not because of any policy failure on our part, although there are deficiencies in the functioning of the sector which we must face, and I will deal with those, Sir, but the decline was triggered by the grim uncertainty that was cast over the sector's functioning by the threat of the OECD's harmful tax initiative.

Indeed, this explains why such a great effort was indulged in by this administration to get Barbados taken off the OECD's negative list because it was a direct threat to the second largest industry in this country and the fastest growing part of the Barbados economy. Now this cloud has been lifted and there is the possibility, if we make the effort, for Barbados to market itself in a unique way as the international business and financial centre that stands out as a unique international business and financial centre by reason of the fact that this jurisdiction has had to give no commitments whatsoever to the OECD to have itself remove from a list of jurisdictions classed as uncooperative tax jurisdictions. Indeed, we can now hold ourselves up for the rest of the world as a jurisdiction whose regulatory and supervisory systems have stood the test of scrutiny and a jurisdiction which is scrupulously clean. There is a unique opportunity that stands before us but the truth is that over the course of the last two years and at the height of the OECD's threat, there has been a tremendous slowdown in the growth of the offshore sector because of the darkness of that cloud.

Mr. Speaker, it is also true that an aspect of the slowdown in the Barbados economy that occurred prior to September 11, arose from the implementation of a process of trade liberalisation. Mr. Speaker, you will notice that I have an obligation today to speak about trade liberalisation in a detailed way. The truth is that over the course of the last two years the principal factors that have reduced performance in the manufacturing and agricultural sectors have arisen from commitments given to the World Trade Organisation in early 1994 to remove the protection that had historically been afforded to the manufacturing and agricultural sectors which would have kept them vibrant in the 80s and early 90s. It behoves us to understand what was at work, how it happened and how it affected us if we are to begin to define and project how we have to go forward.

In April 1994, Mr. Speaker, the Government of the day gave commitments to the World Trade Organisation under the Uruguay Round. Historically, Barbados' agricultural and manufacturing sectors have benefited in the domestic market by being able to have their local production shielded by high protectionist devices including quotas and licences.

When Barbados gave those commitments under the Uruguay Round, it was agreed that Barbados, like the rest of

the world, would stop using non-tariff barriers to protect its manufacturing sector and that it would phase out over a period of time but certainly by the year 2004, all of the non-tariff barriers such as licences and quotas that have historically been used to protect manufacturing and agriculture in this society.

Sir, we were supposed to have started removing the licences in 1995, but on that hung a tail and we were also required to convert those licences into surtaxes as another form of protection. Now, it is my feeling that a society has to prepare for trade liberalisation and you cannot immediately expect that a sector that has historically been dependent upon licences will be able to survive without licences. So this Administration, and you may want to blame us for doing it, decided that we were not going to begin to remove the licences in 1995 in order to give the manufacturing and agricultural sectors a longer period to adjust to the trade reforms.

As a result, Sir, we, as you know, decided to remove the licences beginning in the year 2000 and the effect on our manufacturing and our agricultural sectors has been pronounced. I stress that point not by way of an excuse. The greatest factor that has been causing the recent decline in Barbados' agricultural and manufacturing sectors really has arisen from the process of trade liberalisation that was agreed to in 1994.

Sir, I am not criticising trade liberalisation, rather, I am making the point that there has to be an appropriate response by the private sector to trade liberalisation in order for it to be used as a positive tool in a country's development. I want also to use today's opportunity to send a message. We have been trying to manage trade liberalisation to better phase it and in recent times we would have put trade liberalisation on pause by re-introducing licences but those were policies introduced as part of an emergency package but the Government is going to go back to phased liberalisation.

I want to be clear and I want everybody to hear what I am saying, Sir. Barbados is a high-cost producer and in many instances we are a high-cost producer because of the lack of choice for a lot of goods and services needed for production in this country. Trade liberalisation and phased trade liberalisation, were beginning to have a beneficial effect on the sectors such as tourism and international business where the core of our growth is located, while having some adverse effect on agriculture and manufacturing.
12.15 p.m.

The choice is clear, Mr. Speaker. Trade liberalisation allows tourism to have a wider choice and helps reduce the cost of doing business in this country. It is, in my judgement, vital for us, if we are to support a high quality service culture in the society to be able to allow people to have a wider

choice of goods and services and not be held captive only by local producers who are using a protected domestic market to sell over-priced commodities to other producers and to the consuming public. The process of trade liberalisation that started in 1994, must continue but it must be properly phased. In doing so, we must understand that while it benefits some sectors, it will hurt others. The issue, therefore, is the national trade off.

It is my judgment, Sir, that the beneficial effects of trade liberalisation on inflation and on the fortunes of our more robust sectors, tourism, international business and general business in particular, require us to begin soon again the process of phased liberalisation while finding solutions at source for the agricultural and manufacturing sector to address the problems that they face. Manufacturing and agriculture cannot indefinitely rely on our using highly protectionist devices to safeguard them because, at the end of the day, it will never work. We have to help them find agricultural solutions at source and industrial solutions at source. In these Estimates today, I will be speaking to the way in which Government will be looking to help the agricultural and manufacturing sectors to find solutions at source while allowing us to use trade liberalisation to help reduce the cost of living in this country and reduce the cost of doing business without which our sectors cannot survive.

The factors that were at work causing the slowdown in the Barbados economy, the OECD threat, the impact of trade liberalisation at the extent of a recession, are now lifting. As such, we can begin to anticipate a return to economic growth in this country, provided we put the appropriate measures in place.

It would not be fair to the House were I not to spell out the extent of what happened last year. Rather than experience a ninth year of growth, we experienced, it is estimated, a decline by at least two and a half per cent, and this was reflected in both the trading and non-trading sectors, but there were salutary developments in the Barbados economy that allows us to speak in terms of a residual continuing strength.

In the first instance, as I said earlier, despite the recession in the economy, our foreign exchange reserves net of borrowing increased by \$150 million. This happened precisely because the Government did not seek to counteract the decline in international demand for our goods and services by the artificial pumping up of domestic expenditure using the printing of Central Bank high-powered money as was done in 1981 and again in 1991.

In addition, Mr. Speaker, Sir, I am pleased to say that the level of unemployment in this country has stabilised and that is vital because one of the major prices that is paid for recessions is the rapid decline in unemployment. There are

those, Mr. Speaker, who are going to question the fact that at December the unemployment level was 9.8 per cent, but the facts are shown in two important indices. One is that although Government revenue last year did not reach expectations by \$40 million, the take from income taxes in Barbados continued to increase which tells its own tale because only people who are working can pay income taxes.

Secondly, Sir, in a year when nominal GDP is supposed to have declined, the amount of savings that Barbadians put in the banks alone increased by \$400 million and that tells its own tale again, because in the 1989 to 1991 period, savings in the banking system fell, reflecting the serious increase in the level of unemployment, but last year in an economy where income is supposed to have been falling savings in the banking system increased by \$400 million. Mr. Speaker, you can also refer to the salutary improvements in the contributions of the National Insurance for supporting evidence that the economy has stabilised in relation to the level of employment.

Sir, there were other aspects of the economy that gave us confidence that there is a platform from which we can continue to mount economic growth. The level of liquidity in the banking system is such that one can now support higher levels of growth in both public and private investment without there being an increase in interest rates.

Secondly, the Government in the recessionary conditions of 2001, did what no government in the previous recessionary conditions did. We learnt from the past that increasing interest rates during a recession is the surest way by which you would cause business failures because interest is a cost to business.

In 1981 and 1991, there was a coincidence of rising interest rates with recession, which served to perpetuate the poor conditions for doing business. This time, Mr. Speaker, Sir, you will note that the Government of Barbados and the Central Bank have been proactive in paring interest rates down to the lowest possible levels as a basis for mitigating the adverse consequences of recession on the Barbados economy, and so ensuring the stability of the corporate system to put us in a condition to contemplate renewed growth as soon as practicable.

Sir, I am glad that the Member for St. John did not join in what I call the economic circus on the Other Side. I congratulate him for it but when I hear another person indicating ...

Mr. D. St. E. KELLMAN: On a point of order. There are only two Members on this Side, Sir. The Honourable Member is reflecting badly on the Honourable Member for St. Lucy.

Rt. Hon. O. S. ARTHUR: God bless you, son! I thank the Honourable Member for St. Lucy, Sir, for that stricture and I give him the assurance that there was no intent to mitigate his standing on the Other Side, but there have been noises, Sir, attributable to people claiming to be qualified to speak on behalf of the Opposition, persons claiming to be qualified by reason of usurpation of office, to speak on behalf of the Opposition whose only solution last year was to suggest that the Government of Barbados should have raised interest rates.

Mr. Speaker, Sir, if you wanted to find evidence of economists who do not understand economic history and the virtue of learning from past mistakes, you saw rampant evidence of it, Sir, issuing from a person purporting to speak on behalf of the Democratic Labour Party, not in this Parliament.

I am saying, Sir, that we have sought to help set the stage for an early recovery by making sure that this time around interest rates were kept as low as possible. Equally, we have sought to improve the conditions for doing business within the country and set a platform for renewed economic growth by making sure that energy prices in Barbados have been substantially reduced during the course of the year so that we now go into the year 2002 facing accentuated challenges. We do have strong reserves, \$1.5 billion in reserves, more than 36 weeks equivalent, vast amounts of liquidity in our banking system, low levels of interest rates, low energy prices and a corporate system that has not been made bankrupt by reason of the introduction of any new taxes nor any new charges that would lead to an increase in private sector expenditure.

It is to the credit of the Government that rather than the realisation of the doomsday scenario that arose after September 11 when it was anticipated that tourist arrivals should have fallen by 30 per cent and reserves should have plunged by \$150 million, none of that also has been realised. In fact, Sir, tourist arrivals fell only by six per cent and rather than our reserves falling, reserves have increased. We have not just the rudiments but I venture to suggest, the platform on which we can restore economic growth at the earliest possible opportunity.

12.25 p.m.

Mr. Speaker, I say to the country through this Parliament that it is the wish and will of the Government to use every facility and policy available to it to restore the condition for growth in this economy at the earliest possible opportunity.

Mr. Speaker, I will speak to some of them. It is my judgement that the international business and financial sector of Barbados reflects the area where the possibility for growth is more immediately obvious. In the year coming,

serious changes have to be made to realise the full potential of Barbados as a major and leading international and financial centre.

Sir, some of our problems in this sector are home grown. The pace of telecommunications liberalisation has gone too slowly and there has not been enough investment in bandwidth capacity by the major existing monopoly supplier to enable us to contemplate the kind of advances in the international business sector as would be warranted by the available market.

Sir, to repeat that point, the pace of telecommunications reform has gone too slowly and the response of the existing monopoly in critical areas has been anaemic despite the very large profits realised by Cable & Wireless in Barbados. I am glad that the Fair Trading Commission is dealing with the matter, but a lot more needs to be done to expand that area and it has to be dealt with resolutely.

Equally, the public sector institutional arrangements for managing the sector must change. In the last two years we have been in a purely defensive mode trying to rescue our reputation from the OECD and we now have to move to a proactive mode. Mr. Speaker, one of the reasons why I have appointed a special envoy on trade is to bring our Director of International Business from out of negotiations to allow that to be carried on by a special envoy so that our Director of International Business can be here to be involved in the development of the international business in this country. We need a full time director of international business because there are vast opportunities that require a full time public sector response.

We simply have to gear ourselves here in Parliament to be more proactive because a lot of the change in the international and financial industry requires legislative changes, many of which have been too slow in coming in Barbados relative to what is being done by our competitors. This House will have to be used as a vehicle to manage the amendment to the international business environment.

In addition, Mr. Speaker, there are a lot of regulations in Customs and Immigration Departments that stand as constraints to the sector's operation and those will be lifted.

There is also a need for a renewed partnership between the international business sector in its private capacity and the Government if its potential is to be realised. Sir, for two years the growth of the sector has been put on pause but now that we have fought the good fight against the OECD, there must be a dividend to be realised by this country.

Sir, I recently had meetings with the public and private sector parts of this industry and asked them to tell us what is required to allow the sector to function at full efficiency. In

this year's Estimates, one of the initiative we will undertake through public expenditure is putting \$2 million immediately into a new marketing initiative for our international business sector. This will allow Barbados to galvanise itself into action in areas that it has in the international marketplace arising from the positive relationship we now have because of the OECD matter.

Sir, much more needs to be done in telecommunications in certain regulatory matters. Soon I will deal with the Office of the Supervisor of Insurance to create an environment fully conducive to the development of that sector.

Mr. Speaker, I give the House the assurance that this year every effort will be made to ensure that Barbados begins to realise a quantum leap forward in the development and growth of our international business sector.

Sir, I also want to make the point that I recognise that Barbados is a high cost place for doing international business, not because of telecommunications but because of the general level of prices in the country. The emergency measures which were put in place for licences have hurt the sector and we will, as a matter of priority, be treating those emergency measures only as emergency, and will be going back to liberalisation on a phased basis as soon as possible with a view to improving the climate for doing international business in this country.

Mr. Speaker, international business and tourism represent the two areas in the Barbados economy where there is the greatest possibility for growth. This year in addition to \$2 million increased expenditure for marketing of international business, despite the fact that our revenues are not growing, we will find an additional \$7 million to provide for the Barbados Tourism Authority to enable it to sustain the marketing and airlift initiatives that helped us last year to contain the adverse effects of September 11 and open new avenues for arrivals.

12.35 p.m.

The Minister of Tourism has also indicated that there is the possibility of our being able this year, not necessarily to have stabilisation in arrivals but a 4 per cent growth in arrivals. I am warning the House that there is a possibility that I will come back to Parliament for increased resources to support an expanded programme of tourism marketing and promotion, in support of a 4 per cent increase in arrivals on the full presentation of all of the information that can satisfy the Government that increased marketing will give rise to a 4 per cent growth in arrivals.

Sir, for now we are making provision for a \$7 million increase this year to the Budget of the Barbados Tourism Authority (BTA). There could be more to come this year

once we are satisfied that the international environment and the programme of the BTA facilitate the realisation of it.

Mr. Speaker, I mentioned earlier that we have to be sensible about trade liberalisation in this country. I am not going to create an environment that causes the manufacturing sector and the agricultural sector to believe that the Government is going to continue to use trade barriers that are self-defeating to enable them to succeed. The Government is interested in working with the agricultural and manufacturing sectors in finding industrial solutions and problems at the source and agricultural solutions and problems at the source. We cannot allow the sectors to become cultured to depend on artificial trade barriers for survival.

Sir, we have recognised that the time is upon us to begin the recalculation of both the agricultural and manufacturing sectors in order to allow the efficient producers to survive and prosper and be sustained in the new environment to be formed.

This year when we will be going back to some aspects of trade liberalisation, we will be seeking to help those sectors by providing the financing to do the reform at the source. As a result, the Agricultural Development Trust has been formed and has \$28 million which was derived from the bound rates of agricultural imports and from the sale of BADC land. That Agricultural Development Trust of \$28 million will be used to help us to evolve a new efficient form of farming in this country.

The Government of Barbados has also put in place a new Industrial Employment and Investment Fund. When we partly divested ourselves of shares of the Barbados National Bank (BNB) and the Insurance Corporation of Barbados (ICB), we decided to use part of the proceeds from those funds to help finance the reform of our manufacturing sector, Sir. It is now a \$28 million Industrial Employment and Investment Fund to compliment the Agricultural Development Trust to finance the transformation of those two sectors at the source.

In addition, we also have a \$20 million Tourism Loan Fund to help build new tourism capacity. We have an Innovation Fund in place to help those Barbadian entrepreneurs who have ideas but had nowhere to go. These entrepreneurs can now go to the Innovation Fund, managed by the Enterprise Growth Fund, to obtain money to transform their ideas into productive activity.

Equally, we recognise that the small hotel sector has a contribution to make to the continued growth of this economy and we have not only created a new small Hotel Fund, Sir, but for the first time a Government of Barbados in this financial year, is providing a subvention for the Small Hotel Cooperatives of Barbados to enable them to organise

their affairs in such a way as to provide joint marketing, joint promotion and joint purchasing arrangements for the benefit of their members.

I must also inform the House that after meetings with the small hoteliers, the Government has agreed that \$1 million of the small Hotel Fund should be used by the small hoteliers as a grant to help market themselves. Small hoteliers, not through a co-op but on an individual basis, can go to the Fund and raise loans for refurbishing. The terms of these loans are on a five-year grace period on both the principal and interest. The interest on the loan is 5 per cent.

Small hoteliers have a restructured facility where the co-op for the first time in our history is getting a subvention from the Government like the Small Business Association. The small hoteliers now have a facility where they can borrow for refurbishment and expansion and have a five-year grace period to make repayments of the principal and interest at an interest rate of not more than 5 per cent.

We recognise that the Government still has an ongoing need to help transform the conditions of doing business in the country. At this juncture, Sir, it is the Government's feeling that the response is, that there must be a recapitalisation of our main productive systems. The Government through the creation of the Agricultural Development Trust, the Industrial Investment and Employment Fund, the Small Hotel Loan Fund, the Tourism Loan Fund and the Innovation Fund has mobilised a pool of financial resources to allow our production system at this crucial time in our history to begin to go forward with renewed vigour, without having to use excessive protectionism as the basis upon which they can survive.

Mr. Speaker, I am issuing a call to the private sector to match us and to join us. I was very heartened that the small hoteliers agreed that they would accept a subvention from the Government, not forever and ever, but for five years with the understanding that after the five years, the cooperative will pay its way.

Mr. Speaker, there is a great need for a larger proportion of the savings of our financial system to be used, not for financing consumption but to be used in assisting the financing of the reconstruction of the Barbados economy. I want to stress the point that there is the need for a larger proportion of the savings of the Barbados society now bound up in the banking system in large measure, to be used in greater proportion to assist in the financing of the reconstruction of the Barbados economy.

Mr. Speaker, as Minister of Finance, I cannot give directions specifically to the commercial bank with regards to the way in which they should use the resources at their control. I can only use moral suasion. Too much of our

people's savings are being used to finance personal consumption and not enough is being used to finance productive investment. In the same way that the Government is showing the way through the creation of these funds that we want to refinance the production sector, similarly, we expect an undertaking from the private financial institutions in this country.

I stress this point because trade liberalisation *per se* is not a death knell for an economy but it can become a death knell if it is not accompanied by reformed productive systems in order to accommodate the trade liberalisation.

The Trinidad economy is one of the most competitive in manufacturing because the effort was made in Trinidad to put in new modern production facilities to accommodate the need to function in a more competitive world. The same techniques that have been used to develop international business in Barbados, Mr. Speaker, can be used to develop international manufacturing but we need a programme of national financial reconstruction and the Government is leading the way. The private sector in Barbados has to pull its weight.

I want to say that the immediate set of policies and strategies that the Government is going to pursue, the measures that we introduced in Parliament last April 8, 2001, that were overtaken by economic circumstances, that were intended to be incentives to agriculture and manufacturing, will remain in place.

Sir, some of the emergency measures we introduced as a result and as a consequence of September 11, some of them have been of great benefit to the economy and will remain in place. The Government will continue to give its full support to the "Buy Local" campaign and will continue to use the purchases by Government departments such as the School Meals Department, hospitals and so on as a means of expanding the market for local businesses.

Mr. Speaker, Government is going to honour the commitment to assist those areas of the tourism sector through the Tourism Relief Fund. Where it can be shown the distress of the sector, recently, was caused by price discounting and a reduction in a number of reservations, we will honour it on presentation of evidence.
12.45 p.m.

Sir, much of the emergency measures will remain in place but I am serving notice that one of the measures will change as soon as possible. Sir, the reintroduction of import licences and the other measures that were used as emergency assistance measures will be lifted because their retention on an ongoing basis will do irreparable damage to those sections of the Barbados economy such as tourism and international business where the potential for growth is greatest.

Therefore, I am announcing that it is the Government's intention, as soon as practicable, to go back to the process of phrased liberalisation that has served us well thus far.

We will supplement last year's measure with new initiatives to boost marketing in both Tourism and International Business. We will, during the course of this year, fully activate all of those special funds that have been put in place to allow us to contemplate that this will be the period where the Barbados economy will be prepared for 2005 development by undertaking the largest programme of production capacity, modernisation and rehabilitation ever conceived of in our history. Later in the year the Government is also going to introduce changes in the direct tax system and I will speak to those matters a little later.

Sir, I would have been a little longer than I would have wished to be in setting the stage for discussing the Estimates because I thought that at this fortified moment, the House would have the benefit from a very frank discussion of where we are, and where we are going. If the House would, I will rest my voice now and continue my presentation in due course.

SUSPENSION

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

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

The question that the Sitting be now suspended until 2.00 p.m. was put and resolved in the affirmative and Mr. SPEAKER suspended the Sitting accordingly.

RESUMPTION

Mr. SPEAKER: The Honourable House is now resumed.

Rt. Hon. O. S. ARTHUR: Mr. Speaker, Sir, I would have spent a considerable time dealing with the economic context within which this year's Estimates are to be understood, if only to reinforce the point that the principal aspect of the exercise in which we are involved this week is to ensure that the conditions to restore the growth and development of the Barbados economy that may have seen some faltering during 2001 are fully restored beginning this year.

I would wish now to turn specifically to the Estimates and Revenue Expenditure. Sir, I begin by saying that the financial year beginning April 1, 2002, is one in which the Government has to exercise the greatest possible husbandry over the use of the resources that are available to it.

It will be a year marked by a number of unusual and, in some instances, one-shot developments. To begin with, Mr. Speaker, it will be a year in which the Government will have to bring into account the full cost of two years of wage increases in the course of one financial year. Clearly, the Estimates before the House would have reflected a judgment on the part of the Government to the extent of the growth in expenditure that is consistent with the maintaining of a sound considerable position with some latitude left on the table for bringing the wage account to bear.

Secondly, Sir, there are a number of large and lumpy investments that the Government has been supporting in recent times which are due to end in the course of the financial year beginning April 1, 2002. For example, the South Coast Sewerage Project is intended to be completed satisfactorily by December. The point is that on the underlying deficit, net of those large and lumpy one-shot investments is not as alarming as the situation may at first seem to suggest.

Most of all, Sir, our public financial situation for the year 2002 has to be taken against the backdrop of what is likely to happen in the course of the financial year that is likely to end in March, 2003. That, Sir, is enough to urge a certain caution on the part of the Government as we proceed to do our financial planning for the future. Sir, such caution is warranted because one of the principal aspects of the likely financial performance of the Government for this fiscal year ending March 31, 2002, is the fact that our revenue has not met with the projections for the fiscal year. I perhaps ought to begin with this, Sir.

At the start of last March, the House approved a financial programme for the Government on the presumption that we would have been able to realize a current revenue of \$1 795 billion in the fiscal year ending in March. On course, for the first time in a number of years, Government's revenue projection is not likely to be realized and the prospects are that our revenues are likely to fall to be about \$47 million less than originally projected. Let me put that in its proper context. This financial year, the revenue realized was \$1 717 billion. We had projected that in this year it would have been \$1 795 billion but it is likely now to be \$1 747 billion; so although it is going to be about 1 per cent more than the previous financial year, it is going to be about \$47 million less than projected.

As regards the financial outturn for the year, the major contributing factor to the fact that our projected revenue is likely to be less than what we had anticipated, is the declining revenue from goods and services, which are now projected to be almost \$80 million less than it was originally projected.

The large expected shortfall is in relation to the collections of the VAT and Excise Duties which is all

principally due to the nature of the recession we had in Barbados, where there was a serious decline in our retained imports and, therefore, there was likely to be a decline in our revenue from taxes on goods and services.

However, Mr. Speaker, although the economy experienced recessionary conditions in the last financial year, there was interestingly an improvement in the collection of taxes on income and profits which are, in fact, to be \$24 million more than we had projected. I earlier said, this reflects the underlying string of employment in the country but despite the fall in total national income, the Income Tax and Corporation Tax are likely to increase.

Mr. Speaker, I could not deal with Government's revenue projection without touching on the vexing question of arrears. The media is bombarded with statements by those who speak of how much the Government owes them as VAT refund, or how tardy the Government is in making its refunds available, but the Auditor-General's Report for the year 2001, although not yet laid in Parliament, is available. For the first time, Sir, the Auditor-General has a full section on arrears and this Report suggests that at the end of March, 2002, the Government was owed \$341 779 000 in tax arrears: Customs and Excise – \$89 million; Land Tax – \$88.6 million; International Transport – \$16.4 million; Treasury Department – \$16.8 million; the Queen Elizabeth Hospital – \$4.4 million and the Inland Revenue Department – \$126.6 million. Now, \$341 million in arrears in a total budget of \$1.7 billion is simply outrageous.
2.05 p.m.

The reality of this sad situation is underscored by the fact that most of these taxes were either collected on behalf of the Government by companies not being paid by the companies, as is the case of the customs and excise, Sir, or have been taxes falling on those who could and should pay but who refuse to pay. I make the point, Mr. Speaker, that if the Barbadian public who can afford to pay the taxes were paying the taxes, we would not only be in a position to fully meet all our obligations virtually without borrowing, but we would be in a position, Mr. Speaker, to give a very substantial cut in taxes to the society at large.

I, therefore, must stress that the Government is implementing a policy and will be very serious in following through this policy this year where we are going to seek to bring down the level of arrears of revenue owed to the Government as a deliberate exercise. In this respect, the Land Tax Department has already put in place, and will fiercely institute a programme, where it will be auctioning property where people can pay and refuse to pay.

Equally, the Government is now making available to substantial sections of the private sector, funds for recapitalisation of business but we are making it a condition

that in order for people to draw from this Consolidated Fund, they must be in good standing with the Consolidated Fund or must put arrangements in place to be in good standing with the Consolidated Fund. Businesses that want to draw from the Tourism Loan Fund should either pay or agree with the various revenue departments, a programme to pay.

Mr. Speaker, I believe that will serve to bring some discipline to the system because you cannot both want to dip into the Consolidated Fund to get resources to help yourself but refuse to honour your obligation to the Fund. Equally, Sir, the Ministry of Finance, and I want to declare this as a matter of policy, that we are now enforcing a much stricter policy in relation to the grant of waivers on the payment of penalty and interest on taxes owed to the Treasury.

Many institutions and individuals refuse to pay their taxes because they do not believe that the interest and penalty will accrue and have to be paid. They believe that once they apply to the Ministry of Finance for a waiver of the interest and penalties, they will get it and they will allow the arrears to accumulate. The Ministry of Finance will not be granting waivers on interest and penalties, unless it can be shown that there was some delinquency on the part of the Revenue Department itself that caused the build-up in interest and penalties, or except in the cases of the most unusual or extreme hardship.

Sir, people do not believe that the penalties for non-payment of taxes are real and this comes from the fact that we have had a number of amnesties in this country on the payment of Land Tax and the people seem to feel that every few years the Government is going to announce an amnesty or a write-off and therefore, there is a virtue in not paying.

The Government's financial position, Mr. Speaker, could be greatly improved without there being need for any increase in taxes if this outrageous amount of \$341 million owed to the Government could be collected.

As regards expenditure for the financial year ending March 31, 2002, we expect that current expenditure is now to exceed original projection by 1.3 per cent. In order to keep the realised fiscal situation within the overall deficit as projected by the Government, we have now fully implemented the capital programme of the Government as initially set when the House approved the Estimates last year. Sir, as a deliberate attempt to reduce total expenditure of the Government in the context of reduced revenue and increased current expenditure, our capital expenditure for the year is now expected to be \$34 million less than that which we set at the start of the financial year.

As a result, Sir, the Government will keep its overall deficit within the 3.8 to 4 per cent of GDP target that we set at the start of the financial year, which we felt was a

sustainable deficit in the context of our foreign exchange reserve position.

I am pleased to be able to announce to the House that despite the shortfall in revenue, and despite the economic circumstances that face the Government, the Government's overdraft at the Central Bank, even as I speak to you, is at zero and it has been at that level for some considerable time. I think it is to the credit of the Government that we have been able to manage the situation as we have, because there have been certain defensive skills required of your Minister of Finance this year to cope with a shortfall in the revenue. We have paid our bills, Mr. Speaker. We have increased our current expenditure. We have not gone past our fiscal target as set and we have done so without having to use our overdraft facility at the Central Bank of Barbados.

Sir, in the context of the existing situation that faces us for the future, we are setting our fiscal targets against the background of the economy "bottoming out". At worse, Sir, we expect the economy to have a 0.1 to 0.5 negative growth although there is prospect, Mr. Speaker, of greater growth in the economy this year. It is for us to prove things and to realise that growth. Our Estimates of Revenue for the next year is based upon the assumption that there will be less than 0.3 per cent growth in the economy.

We expect inflation to be about 3 per cent, Mr. Speaker, and that there will be continued slow growth in imports. As a result, we have used a very modest rate of growth in the revenue. Indeed, we expect, for this financial year, that the revenue, which will be about \$1.747 billion this financial year, to grow to \$1.797 billion, a growth of about 3 per cent. Sir, a growth of about 3 per cent in the Government's revenue is what we have to work with, to enable us to have the wherewithal to bring to account two years' wage increases, and to meet the requirements of financing the renewed growth of the economy, as well as meeting some of our pressing social and economic needs. 2.15 p.m.

Against that background, let me just state what is the macro-economic policy of the Government. The Government intends to stabilize the fiscal deficit at about 4 per cent of the Growth Domestic Product (GDP) so as to enable it to make a modest contribution to growth without incurring a deficit that would require a substantial claim on our reserves.

In relation to our expenditures, Government expenditure is targeted to go at about 3 per cent this year on the current account but we are so marketing our resources that while overall current expenditure is intended to grow by 3 per cent, we expect expenditure on Education and Health in this country for current purposes to grow by 10 per cent this year. I want to stress that the Government is facing constrained financial circumstances this year and that

revenue will grow modestly by 3 per cent. We do not expect more than a 3.5 per cent increase in the overall expenditures, but we are husbanding our resources to be able to continue to make substantial advances in the two areas, namely, education and health, where we need to enhance and improve our social capital. We believe that it behoves this country to continue to make the investment in the development of human resources and in the transformation of our health sector to allow this country to go forward on a stable course, satisfied that we have a social capital which is capable of supporting a modernising society.

I will come to education and health in greater detail but you must allow me, Sir, to take the House through some of the major features of our expenditure programme for the next year so that you may be better able to understand some of the Government's priorities. I will begin by setting the proper example to say that it is intended that in the coming financial year the expenditure on maintaining Ilaro Court, the official residence of the Prime Minister, will be decreased by \$69 000. I feel that I should set that as the proper example. I think it may be small but it is of symbolic value to know that in times of stringency the examples are to be set at the top, so expenditure at Ilaro Court will be cut by \$69 159 which will allow me to be able to divert resources to where they have to go, Sir.

I have indicated that one of the main sources of destabilising in the modern Barbados economy is in the HIV/AIDS pandemic. As a result of that, although the revenue is constrained, the HIV/AIDS Programme under the Prime Minister's Office will have its allocation increased from \$900 000 to \$1.5 million. May I say, Sir, that the overall national AIDS Programme will have its resources increase from about \$9 million last year to \$16 million this year because we recognise that we have to heighten the fight against HIV/AIDS.

Now, Sir, you will notice as well that there has been a little reduction in the contribution for the Barbados Defence Force (BDF) by \$3 million. This is not that we are dropping our defence guard, but because last year the expenditure of the Barbados Defence Force (BDF) would have reflected the fact that we purchased vehicles for them and we do not have to replicate that so this year the Barbados Defence Force (BDF) will get \$3 million less than it got last year. That \$3 million is now allocated to the Barbados Coast Guard this year because it is absolutely necessary that we put the Coast Guard in new conditions to be able to perform adequately.

The Conferences and Delegation Vote will remain at the same level of \$1.8 million although this year we had to do more travelling for trade negotiations.

In relation to economic development, the subvention to the BIDC by the Ministry of Economic Development is to be

increased from \$15.1 million to \$17.5 million. That increase is to enable the BIDC to mount an enlarged \$2 million programme to better market and promote Barbados' international business and financial industry. I believe that \$2 million in new marketing support for our international business and financial industry will allow us to be better able to anticipate renewed growth this year.

With regard to health care, as I said, despite the fact that our revenue is down, we are increasing expenditure on both health and education by 10 per cent in the next financial year. In the case of health, the South Coast Sewerage Project is intended to be completed by December and the Government proposes to spend \$40 million this year as compared to the \$23 million on the South Coast Sewerage Project to have it completed by December.

The biggest increase is for the Queen Elizabeth Hospital where we propose to move the allocation from \$102 million to \$111 million which will make the Queen Elizabeth Hospital the single largest claimant, as any institution, on the public resources. I would have already elsewhere said that the Queen Elizabeth Hospital now commands more resources than all of our secondary and primary schools combined, and this raises major complex issues.

The focus of this increased expenditure on the Queen Elizabeth Hospital is to begin a two-year programme to comprehensively recapitalise the Hospital. The Hospital in recent times has not been fully functional because of the inadequacy of financial resources for plant and equipment. We are embarking on a two-year programme to fully capitalize all of the theatres and all of the critical sectors of the Queen Elizabeth Hospital in much the same way that we recently recapitalised the Royal Barbados Police Force.

In addition, Mr. Speaker, work on the project to prepare designs for the first major expansion of the Queen Elizabeth Hospital in 40 years has started. There is absolutely no doubt that in addition to the problems the Hospital has faced from being run as a government department, a large part of the problem with the QEH is that it has not been expanded since it has been built.

If Grantley Adams were to return today, he would recognise the QEH as essentially the same hospital with 600 beds. An aspect of the poor performance of the Hospital is that the antiquated nature of its facilities have also started to create their own problems in the delivery of health care. A lot of the plumbing and the electrical fittings are antiquated.

To that I must also add that the QEH is a teaching hospital and there is a relationship between the number of beds and the intake of interns. If you do not increase the number of beds, you cannot change the number of interns that you can legitimately take in. Therefore, the Government

has three major initiatives for the QEH, recapitalisation, expansion and setting its new management in the context of a management structure that bears a relationship to the needs of an institution of its size, its complexity and its serious purpose at the centre of our health care system rather than one that bears a relationship to that of a government department.

2.25 p.m.

We are also expanding our support for the Drug Service from \$28 million to \$35 million and this year will be the first year we will begin the full comprehensive approach to the treatment of HIV/AIDS with the launch of the full programme to provide care and treatment to all persons who have the HIV virus rather than only pregnant women. This will come into effect this year and that will cost \$16 million as compared to \$9 million last year.

I need to say, Sir, that it is the judgment of the Government that the health of the nation is the wealth of the nation and you will see in this year's Estimates and the Estimates to come, a greater resolve on the part of this Administration to make sure that a larger proportion of the national revenue goes towards meeting what I do feel is our greatest social difficulty now, a decline in the capacity of this country to provide an excellent health care system. We have to address that, and the Government is fully resolved to do so.

Sir, before I go onto Social Transformation, under the Prime Minister's Head, there was an item that slipped me and I need to revisit it. The Government wishes under Culture, and I am pleased to be Minister of Culture, to support the University of the West Indies in establishing a federal archives and we will support it, but the amount that is there, \$2.5 million, is far more than we can possibly spend this year. Clearly, Mr. Speaker, in a year when the revenue is down it is not going to start but is being planned and therefore, rather than \$2.5 million for that federal archives system we will allocate \$0.5 million. The addition of \$2 million will be spread between the Urban Development Commission and the Rural Development Commission, \$1 million each to allow them to do more roads in St. John, St. Peter, St. Lucy and other places.

In the course of the Estimates, Sir, I am going to ask that that allocation under Culture be reduced by \$2 million and the Urban and Rural Development Commissions be increased by \$1 million to let them get on with their programme. I want to say, Sir, that it is the wish of the Government that these two institutions be national in scope and that we went through this at great length. We have to deal with basic needs wherever they exist and give the Barbadian public the assurance that these two institutions will deal with people's basic needs as the priority, uplift community and create the opportunity for community

enterprise as our basic priority, and I am excited by the programme for urban development.

In preparation for the Estimates, I was not this year because of revenue constraints, in a position to provide the full amount of the resources that the Urban Development Commission asked for, but I give the House the assurance that there is a very careful and well-conceived programme for urban rehabilitation that has a very well conceived housing component that I think needs to be supported by the entire Parliament to enable us to remove from the landscape of Barbados one of our worst aspects of Barbadian squalor.

The extent of housing dilapidation in Barbados is such that it is a national scandal, 1 800 dilapidated houses. There are still in Barbados a number of slums where Barbadians have to live with dirt floors. We have to put that behind us and agree to find the resources to do so.

Let me say to the House, Mr. Speaker, and I notice your constituency is benefiting as well, and I am sure that your colleagues will not forget the quiet dignity of the Speaker in making sure that your constituents are well.

Mr. SPEAKER: Just give them the order, Sir.

Rt. Hon. O. S. ARTHUR: Essentially, this year the Government is maintaining our expenditure on our social programmes. We are expanding a bit our community technology programme providing \$2 million this year rather than the \$1.8 million of last year. We anticipate at least 15 community centres will this year be transformed into resource centres so that we can get on with the urgent business of bringing computer technology to the masses as we wished.

In relation to tourism, I mentioned earlier that we are increasing the allocation to the Barbados Tourism Authority by \$7.5 million to enable it to support an expanded marketing programme. For the first time, Mr. Speaker, there is a provision of \$300 000 in the Estimates and a subvention to the Small Hotels Cooperative to allow them to do with the small hotels of Barbados what the Small Business Association is doing for small business in general and what the Manufacturers Association is doing for our manufacturers.

Mr. Speaker, in the area of agriculture, we are maintaining our expenditure marginally on the Land for the Landless Project. We are maintaining expenditure on the development of marketing facilities and the Rural Development Commission will maintain its activities at \$1 million less than the year before.

In the Ministry of Home Affairs, it has been recognised that there are substantial problems with the Prisons that provide a threat to the security of the country. We have

determined, despite the stringency of the financial resources, that the situation at the Prisons is of a nature that we cannot toy with it and we are increasing our expenditure for the rehabilitation facilities at the Prisons by \$2.1 million to allow substantial improvements to take place to give the country the assurance of improved facilities there as well. Mr. Speaker, \$6 million will be spent on the Forensic Services Laboratory. One of the exciting new projects being sponsored by the Ministry of Home Affairs is the Tamarind Hall Project.

I am sorry that the Honourable Member for St. Joseph is not here, Sir. The Government is committed to a programme of developing urban centres across Barbados and the Honourable Member for St. George North has already been the architect of major and substantial improvements at the Glebe. The Government believes it should bring services to the people and, in fact, I would want to say that the Glebe and central St. George are now also the beneficiary of the largest community vending programme that has ever been conceived by the Government of Barbados, in addition to the new Post Office, the new Community Centre, the Police Station, vending facilities costing \$1 million, an extraordinary amount that jumped me when I saw it.

Mr. Speaker, next year is the turn of St. Joseph. Indeed, \$3 million is intended to be spent in transforming the community facilities in St. Joseph. You will agree, Sir, that the Magistrate's Court, Police Station and the Post Office available to St. Joseph are in a woeful state and we have had a lot of funds spent on designing the facilities for the improvement of the building of new facilities at Tamarind Hall in St. Joseph. The plans have been drawn and the Government in the next financial year is proposing to start the new Tamarind Hall facilities at St. Joseph and it will cost about \$3 million in the financial year.

May I say, Sir, that so anxious was the Government to press on with this work, that you will find in the next Auditor-General's Report an unfortunate adverse reference to it because I think the Auditor-General is saying now that \$295 000 was spent on the works in advance of the contracts having been drawn for the design. I make that point because there are those who would like to pedal propaganda that the Government has not been as assiduous in its work in St. Joseph as it could be. All the designs for Tamarind Hall have been done to the point where we have had an adverse Auditor-General's Report that the work had begun before the contract had been drawn.
2.35 p.m.

Mr. Speaker, one of the important activities of the Government this year is to treat to the question of community roads. There are 13 depots all across Barbados and 800 Barbadians work in these depots. Many of them want to do serious work but historically, they have been unable to do a

full day's work because in most instances they do not have the equipment. Therefore, the Government had decided to provide all the depots in Barbados with equipment to get the job done in much the same way that we have done it for the Police and the Queen Elizabeth Hospital.

One of the major activities this year is the acquisition of a package of equipment to allow all of the depots stretching across Barbados to have access to facilities to do road repair, maintenance and the building of roads needed in all the communities. Once that package of equipment is in place, we do not want to have any more excuses about giving people adequate roads in the community because of the absence of equipment.

This year you will notice that \$33 million is being spent on road maintenance alone in addition to the money being used for capital equipment. Fifteen and a half million dollars will be spent to finish the Bridgetown Road Improvement Project. This Project has been a much maligned project. The Government has been accused of causing too much confusion in the urban centre but the reality is that this Project has been long overdue. The public is now beginning to see the benefit of doing it as one comprehensive project as it was always intended to be. We regret the inconvenience it has caused but we will press on with the job.

This year Westbury Road, President Kennedy Drive, Passage Road and Country Road, all these areas will be the beneficiary of the continued expenditure on this project. In addition, we expect this year to finish the works that have been done to improve the environment in Baxters Road, Swan Street and other areas in central Barbados. This is part of a comprehensive programme for urban renewal. The Government is not only interested in improving the Waterfront but we are interested in urban renewal at Cat's Castle and in converting Swan Street into an area of high worth. We are also interested in improved market facilities and this year we will complete the important work that has been started to transform Baxters Road and Swan Street.

With reference to the Ministry of Housing, I need to draw attention to the fact that this Government has become the victim of substantial increase in rent in Barbados. The rental of properties to accommodate Government's offices is now \$15 million a year. In fact, this is what has provided the justification for the project at Warrens. It is logical that if you are going to spend \$15 million in rent, you may just as well allow the National Housing Corporation to build so that they would have a commercial income to subsidize low income housing because the National Housing Corporation can only use its income from commercial developments to subsidize its low income housing.

Mr. Speaker, the reality of the Warrens project is that there were serious miscalculations by the engineer where

one kind of floor was designed and they ended up having to cast a different kind of floor over a cave at major cost. The reality, Mr. Speaker, is that the relationship between the contractor and the technical people on the project is not the best. The Government is not happy with this state of affairs, or with the way in which the contracting work has been carried out.

Mr. Speaker, we have been scrupulous to ensure financial probity. The Warrens project is far behind schedule to the point where the Government has gone to court to claim damages for delays.

Asides.

Rt. Hon. O. S. ARTHUR: Sir, Warrens is 48 per cent completed and we have only expended 48 per cent of the projected cost so there is no question of our getting less than value for money. I want to stress that point because in the public domain there seems to be the view that the Government is allowing financial bedlam, but we are not. There is very strict control such that we are paying for what we are getting. The project is being slowly instituted and we are unhappy about the project and the relationship on the project but we have put in place the most scrupulous mechanisms for financial controls.

Sir, the rationalization for the Warrens project is based on the fact that the Government had a \$15 million rental bill.

Asides.

Rt. Hon. O. S. ARTHUR: Mr. Speaker, the Honourable Member for St. Lucy wants me to attack the engineers but I will not do that.

Sir, Government is also spending \$4 million on continued land acquisition. We are putting on pause for the time being the programme we had in place whereby we were acquiring land and vesting it in the National Housing Corporation, at no cost to the Corporation, to enable it to develop a housing programme so that it could pass on land to poor people without the cost of land being prohibitive.

Over the course of the last few years, our land acquisition cost has been very high because the Government virtually acquired 1 000 acres of land and passed it on to the National Housing Corporation at no cost to the Corporation.

The National Housing Corporation has an extensive land bank and the Government wants it to get on fully with converting all that land into housing solutions and use the reflows from the sale of the land that has been acquired, at no cost to the Corporation, to generate revenue flows to be able to continue the programme of housing development in the country. If you see a diminution in the acquisition cost,

it is precisely because we feel we have used a lot of the taxpayers' funds to build the land bank and we now want the land bank to be transformed into housing solution for poor people. Sir, during the course of this debate the Ministry of Housing and Lands will give the House chapter and verse how this will be done.

2.45 p.m.

Mr. Speaker, I would like to speak on education. EduTech this year is not going to get as much funds as would be required to complete it in seven years. At the outset of the project, it was anticipated that the project would have been a seven-year project. The reality is, there is no law that says that it has to be done in seven years. We will complete it in accordance with resources available for its completion.

Sir, the fact is, when you begin to touch old buildings and seek to repair them, very often you discover that the cost ends up being far more than you projected in the first instance. It would have been ideal for EduTech this year to have received between \$51 million and \$55 million. I am saying to the House that if our revenue situation improves, or if there is a need for us to continue to boost economic activity in the country, we will come back to Parliament with a request for about \$7 million to \$10 million more for EduTech to allow it to continue its programme.

Mr. Speaker, I also want to tell the Honourable Minister that if you will allow me to stray to constituency matters, that this is the 50th year for the existence of the Coleridge and Parry School. I have been very patient and long-suffering in this House. I have a quarrel about the way in which my constituents have not always received their fair share of the pie. I am not going to quarrel about that. Mr. Speaker, the situation at Coleridge and Parry School is deplorable. It is one of those projects in the EduTech programme which I would be glad if the Minister will make sure that it is carried out this financial year.

Asides.

Rt. Hon. O. S. ARTHUR: The Honourable Member for St. Lucy, along with many prominent people who have benefited from this good school, will be there amidst great dilapidation. It is really a very bad situation.

Asides.

Rt. Hon. O. S. ARTHUR: Mr. Speaker, Coleridge and Parry School is really in a bad state. It is termite-infested and the hall has virtually collapsed and it has to be repaired this year.

Asides.

Rt. Hon. O. S. ARTHUR: Sir, even though we are not supporting EduTech to the extent that we should have

this year, I still want to see Coleridge and Parry School included in the programme.

Mr. Speaker, the overall intention of Government this year is to maintain a deficit around 4 per cent of the GDP. We have used a relatively modest estimate of revenue. If the revenue exceeds our project, and if the economy does better than we anticipate, there is an order in which the House must precede to support increased expenditure. I would like the House to do this as an extraordinary effort.

We have restrained certain areas of public expenditure where there is a need but should our revenue improve, Mr. Speaker, I would urge that we find more money for tourism, international business and EduTech. The truth is that human resource development is still the key, and Barbados will not make it in this century unless we put all our schools in a condition to be compatible with the requirements of this new information age. EduTech is not a fancy project. It is basic social engineering. Once we can find resources, we must convert our schools as required under the terms of the programme.

I would also urge that if the revenue improves, we also consider giving additional support for the important programmes of community empowerment that is being carried out so wonderfully well, I think, by both the Urban and the Rural Development Commissions. I have not provided those two Commissions with as much resources as they would require to be able to support the programmes they have in mind. Sir, once the revenue can support it, I do feel we should support them.

Sir, my analysis of the Budget would not be complete without touching on a number of greater issues. I will deal first with debt management. Last year you will recall that the Government borrowed \$300 million immediately after the 11th September matter. We were, at that time, operating under advice that one was not clear how deep the direct fallout from the 11th September events would be, how long it would last or how difficult it would be to access the markets. The truth is, last year we did not plan to borrow the \$300 million. We borrowed it merely because we saw a need to do it as part of an emergency response.

Mr. Speaker, having borrowed that money, we now have to be concerned with the proper management of our debt because we have increased the debt of \$300 million to meet an emergency, but the emergency has not turned out to be as deep nor as severe as was initially expected. In ordinary circumstances, we would not have borrowed that money. This money has gone to the reserves and the reserves have increased by more than \$300 million.

Sir, the only thing I do not want to do is to be a part of the creation of a debt problem for the country. I need to

announce certain new measures we will be implementing in relation to our debt management. Sir, because we borrowed for emergency purposes and the money has gone to the reserves, the Government has decided that we are not going to have any new commercial borrowing. In addition, purposes for which we would have borrowed, additionally, will now be financed in part from the money that we have borrowed before.

If I may illustrate, Sir, we would have had to borrow to expand the Airport. Rather than borrow in addition to what we have already borrowed, we will transfer part of the money we have borrowed through the Public Enterprise Investment Fund to support the Airport expansion without having to expand the public debt. We will not borrow for things that we would have had to borrow for, we will divert some of the borrowed resources to projects such as that.

Secondly, there are some projects that the Government is executing using its own resources, at present, in anticipation of being able to be reimbursed by agencies such as the Inter-American Development Bank, for example, the South Coast Sewerage Project. We have not yet completed the negotiations with the Inter-American Development Bank to finance the completion of the South Coast Sewerage Project. The facts are, if we go ahead and spend Government's money to finish the project, it does not seem to us to make sense to go now and increase the public debt mainly to reimburse the Government for expenditure that it has already made. Therefore, the Government is giving very serious consideration not to enter into a loan arrangement with the Inter-American Development Bank to finance the Sewerage Project because we are financing it from our own resources.

Equally, as you are aware, Mr. Speaker, there were funds available to the Government to reimburse us for expenditure at Greenland but rather than increase the debt, we will not now be borrowing for those purposes.
2.55 p.m.

Therefore, I need to announce that the Government will not be borrowing to reimburse itself for expenses we have already incurred on projects such as the South Coast Sewerage Project, the Greenland Project, *et cetera* because, in my judgement, that would be to unnecessarily increase the debt.

Asides.

Rt. Hon. O. S. ARTHUR: There is no point in borrowing \$350 million, putting it into an account, and leaving it. All this would do is to create a debt problem for the future. The Government is therefore going to pass some of the money that has been borrowed, particularly through the Public Enterprise Investment Fund, to help us to finance

projects that have a foreign exchange earning generating capacity so that our future generation will be aware that we have borrowed in one generation but we created the capacity to generate it in the future.

Asides.

Rt. Hon. O. S. ARTHUR: Therefore, the House will be pleased with the fact that rather than indulging in new commercial borrowing, we will be utilizing our resources where practicable on projects that will have the potential to substantially expand the foreign exchange earning capacity of the country.

Mr. Speaker, Sir, there are a number of very important projects that will be executed this year by the Government off budget, which should be seen as part of the overall national development programme to restore growth to the economy. The Airport Expansion Project is ready to start and, in addition to the amount provided on budget, the Government expects to be able to allocate another \$49 million off budget to the Airport Expansion Project this year. The project at Harrison's Cave is also in a position where we are at the level of detailed designs, where trams will be purchased and we will be spending about \$7.4 million on that project.

The Caribbean Broadcasting Corporation (CBC) is to be restructured and retooled to the extent of \$22 million. Mr. Speaker, all we are doing is putting it in a condition for privatization. I do not believe that we should privatize it without recapitalising it properly because it has old equipment and if it has to function in a competitive environment, it has to have the chance to succeed, and the Government is going to capitalise it properly.

Sir, I must stress, I feel that we should have investment managers on behalf of the Government, the NCF and National Trust, and others who could be managing our interest in CBC to help it to get the kind of local programming orientation that it requires. We should as well offer part of ownership to the staff. There will be substantial restructuring of CBC. Our budget is to the extent of \$22 million this year. I hope we could get the support of others because we need to see a substantial improvement in what CBC has to offer and it has to be set in the context of a more competitive environment.

Sir, the Barbados Tourism Investment Incorporated which is doing, I think, wonderful work in the St. Lawrence Gap will continue its programme this year. It has already secured the financing for it.

Sir, among the projects this year will be the restoration of the Town Hall at a cost of \$5 million, the development of the Jubilee Gardens, Bridgetown, at a cost of \$2.6 million and some work in Speightstown – the Coastal Defence

behind the Esplanade, the Salt Pond in Speightstown. There will be some additional \$20 million in off budget allocated to be spent by the Barbados Tourism Investment Incorporated this year.

Sir, in addition, the work at the Hilton Development Project has started and we expect to spend US \$55 million on that project. The financing has already been secured and the investment is about to go full blast.

Equally, Sir, there has to be a major initiative in housing this year. The Government has already acquired 1 000 acres that it has already passed over to the National Housing Corporation, free of cost. The NHC would have already been the beneficiary of a housing bond and we are proposing as well, to allow the Barbados Mortgage Finance Company Limited to issue \$50 million bonds, issued in two tranches to be able to provide additional financing for middle-income house owners this year.

I think the whole House will agree that in circumstances where the financial system is very liquid and where there is a tremendous demand for housing, that the Barbados Mortgage Finance Corporation may very well be supportive in raising \$50 million to support housing construction this year, with beneficial impact on the level of investment, employment and the meeting of our society's housing needs. In addition, the NHC has developed a joint venture programme which we expect will be fully implemented. We also expect that the NHC will fully carry out all of the purposes that were intended by Settlement 2000.

In addition to those off budget activities, Mr. Speaker, there will also be activity in developing a new judicial complex beginning this year and I believe the cost of that will exceed \$50 million.

Last year when I spoke to Parliament, I indicated that we would look into the private sector as well to be able to support higher levels of investment in the country. In this capacity, in addition to Government expenditure, this year we expect action to start on the Bushy Park investment. A request was recently received by the Town Planner on the Busy Park Development to commence excavation work for the project which will consist of an 18-hole golf course, erection of villas, a hotel and 340 apartments. Even though this project was not conceived under this Administration, the fact is that it is going to be executed beginning in the year 2002.
3.05 p.m.

Permission has also been granted at the Crane Beach Hotel for the continued expansion of the work at Crane Beach. The plan now, Sir, is for there to be 450 rooms at the new rehabilitated Crane Beach.

Sir, Rostrevor Hotel will be constructing a new block in the constituency of St. John. The Honourable Member for St. John will be very pleased to hear that the outline mentioned has been granted for the erection of an additional 12-bedroom block to expand the facility at Villa Nova. I am sure he will agree that is a good investment and it is kind of inland tourism investment that we need to see more of in Barbados. I am sure that it will enjoy the entire support of the House.

In the parish of St. Lucy, permission is being sought to transform a large acreage of land at Harrison's in St. Lucy into a higher valued economic activity that would seriously expand the service industries in St. Lucy.

Sir, the environmental assessment that was required before the start of the Pierhead project in central Bridgetown, has now been completed. The project has been reconstituted, as the House may be aware, and we have reduced the real estate component of it. Barbados needs a marina that is not a residential marina but that can cater to the yachts coming across the Atlantic, a place where yachts can be repaired and a whole industry surrounding that pier. The project has been reconceptualised to reduce the real estate component of it but to make provision for a marina that is not a residential marina.

Sir, I want to say this, that even if the Pierhead project was not to be realised, it is worth the while of the Tourism Investment Incorporated to build the marina at the site to be vacated by the Coast Guard because we do need a marina to seriously expand what Barbados has to offer by way of tourism capacity.

Sir, I could go on. The Apes Hill investment is still on but they do need a coastal resort to make the inland fully viable and they are looking for that, Sir. At Sugar Hill, the environmental impact assessment has been completed and submitted and it is now being appraised. That is intended to complement what the Royal Westmoreland has, by way of golf facility with a tennis facility but incorporating hotel, villas, shops and residential lots at Sugar Hill.

Mr. Speaker, regarding the Joes River eco-tourism facility, Sir, the environmental assessment has been completed and we are ready to move on that project. Even the rum refineries in Barbados are seeking to expand. The point I am making, Mr. Speaker, is that there is still a climate of confidence in Barbados that people are prepared to make investments in areas that involve non-traditional use of some of our old resources.

Sir, I spoke of the need for great changes and one of the changes we have to accept in Barbados now, is that the old economy is vanishing and we have a responsibility as part of managing change in this country, to put a new

economy in its place. Inland tourism is part of the future of Barbados and we have to move aggressively in supporting it with a tourism industry that is not based on sea, sand and sun but caters to eco-tourism, marinas... All these are part and parcel of the future of the new Barbados economy.

The Government wants to continue to support investors who are interested in making investments in the new economy and we, in doing so, Mr. Speaker, will put in place realistic investment concessions that give investors the assurance that they can realise their capital and make a reasonable rate of return on their capital.

The truth is, Mr. Speaker, whether or not we like to admit it, people do not make investment for charitable purposes. They make investments in the expectation of being able to make a return on the investment. Therefore, Mr. Speaker, one of the matters that will continue to engage us, is to make sure that we continue to refine our investment regime to make sure that we can continue to sustain the level of capital formation in the society.

I want to close the analysis of this presentation by just referring to what is ahead of us. This is a year in which the Government proposes to go back to the question of tax reform. I believe, Mr. Speaker, that every 10 years, you should evaluate your tax system and make changes to it to deal with income increases and inflation.

In the early 1990s the Democratic Labour Party undertook a programme of tax reform. Their programme involved the consolidation of a lot of allowances and the changes of the rates but they had a concept that there should be a process of indexation to be applied every year, or periodically. It was my judgment, Mr. Speaker, that indexation as a method of granting tax relief is only meaningful if you have rampant inflation. If you have inflation of 1 per cent per year, and you change the income taxation of 1 per cent to accommodate inflation, this means that you will be tinkering with the tax system and granting tax relief that is not meaningful.

Sir, we did not follow the indexation route, but the Government sought to introduce a number of new concessions that were aimed at increasing the capacity for savings in the country and to allow households in particular, to offset a number of expenses that were related to the building of homes.

The time is upon us, Mr. Speaker, when we have to undertake a comprehensive reform of our tax system. I really feel that every ten years, we should agree as a country to review the direct tax system and make such changes in it, as are warranted by change of incomes in the country and change in inflation and developments. Therefore, Mr. Speaker, that process has already been set in train.

Equally, there is a need for us to review our pension arrangements. The airwaves in Barbados have been bombarded by all of the announcements to the public to contribute to the exercise to reform our pension system. When I come back to the House, Mr. Speaker, with my statement of economic policy for the year, I propose to be in a position to announce the major changes to the system of direct taxes and the major changes to the pensions systems of Barbados that are warranted by circumstances. We have set up committees to take advice on these matters.

I do not believe that tax reform is to be just dealt with by the Ministry of Finance coming with a proposal, without the benefit of broad-based consultations, Mr. Speaker. I would urge all who have a contribution to make their inputs into the process.

This year, Barbados will benefit from a comprehensive review of the structure of our direct taxes. That tax exercise will not only be designed to look at personal income tax, but to set a new corporate tax system for Barbados in the context of the requirements of keeping our economy competitive within CARICOM and meeting the needs of the international business community. I anticipate it to be a comprehensive exercise and I hope that I could look forward to the support of the House when we come back later this year with those measures together, Mr. Speaker, with any other measures that may be necessary to stimulate growth.

I think that the conditions for the restoration and growth of the Barbados economy are real. There is no longer the OECD threat. There is improvement in the international economy and we must find our own niche in the international economy. I feel we can now relax the restraints on liberalisation and go faster with liberalisation. Mr. Speaker, I feel that as we do so, we should look to help businesses find non-protectionists ways of becoming competitive and the Government is committed to that. I give the House the assurance that the Government will maintain the lower interest rates and low energy price regime that has benefited the country so substantially.

We look as well, Mr. Speaker, to supplement Government expenditure with a number of off budget activities that can stimulate investments and jobs in the area of housing, airport expansion, the port expansion and the building of new marinas in the country. We look as well, Mr. Speaker, to create a new bout of private sector capitalisation to help support a new, more competitive economy.

Mr. Speaker, the Government is maintaining and increasing its expenditure on the social capital because we feel that the social capital is the key to the future of the society. I close, Sir, on that optimistic note. This year has been a testing and stressful year for the Barbados Minister of Finance. Sir, it has taken more to keep the economy on its

course than it took to manage the economy in circumstances with great buoyancy. Sir, if I were to take one enduring image from this year, it is the image of how well we have done to contain what could have been a very adverse and potentially disastrous set of circumstances facing this country.

We had to face a recession, Mr. Speaker, but I am proud and pleased as a Barbadian, to be able to say that we have come through the recession well with an economy that is still strong and still possibly able to surge. We have protected jobs as we promised and we have laid a new framework and lifted ourselves to a higher platform of potential economic accomplishments.

3.15 p.m.

Therefore, I sometimes remember the words of Ovid. Ovid said that there can be no excellence without some little difficulty. Perhaps, if I cannot end with the words of Ovid, you must at least allow me, Sir, to end with the words of the Psalmist David who said that weeping may endure for the night but joy cometh in the morning.

I am obliged to you, Sir.

Mr. D. J. H. THOMPSON: Mr. Speaker, I welcome this opportunity as I have done in the past 15 years to take a look at the presentation of this year's Estimates and to join issue with some of the areas of emphasis and some of the comments that have been made by the Minister of Finance in his introduction and also some of the things that would have been revealed from diligent research in the voluminous document that is given to us every year.

The Honourable Member for St. Peter has asked us to view this Estimates Debate more as a budgetary exercise which is what it has often been characterised as but which, in a sense, the Rules of this House do not permit us to clothe it in because the Estimates Debate is very much divorced from the eventual question of the Financial Statement and Budgetary Proposals and the question of how the Minister of Finance will actually finance the deficit at the end of the day. So until we can get that matter resolved, it would, in my view, be a bit premature to describe today's debate as a budget because there are certain features of a budgetary presentation which obviously would have been absent from today's scenario.

However, to the extent that this is a matter of judgment, I am going to be very quick in dealing with the issues I think are most relevant and hope that the House can get to deal with the Heads faster this year than we have done in the past.

I do not think, Sir, that growth in the Barbados economy is going to be restored in the manner the Honourable Member for St. Peter has suggested unless

the Government has the capacity to fully execute and implement the objectives of this Estimates presentation. Every year I have to make the point that there is a widening gap between the official announcements that are made in both the Budget Debate and the Estimates Debate and the actual implementation of the initiatives. Very often, the actors outside of Government who are to benefit from the initiatives take a long time to come on board and, therefore, five years later we are sometimes debating some of the same issues as if there are new and exciting when, in fact, they have formed part of the core of Government policies for the previous five presentations.

Therefore, Government has to find a way to get its policies on the road and have them implemented assuming that it believes and still has confidence in the nature of these policies to transform Barbados and also to get the private actors who are to respond to these policies to do so and then, at the end of the day, carry out an analysis to see whether the intent of the policy has actually been met. You can set up 1001 loan schemes, loan funds, grant facilities, venture capital institutions and development thrusts and you can clothe them in all kinds of very pretty sounding names but if at the end of the day businesses in Barbados, both existing businesses and the businesses, that are to be established to benefit from this institutional support are not held by the hand, and walk through the maze of bureaucracy and all the delays and problems associated with having these programmes implemented and benefiting from the resources that are available, and being able to restructure their enterprises to benefit from the opportunities that are presented, we will be wasting time and Government will be establishing elaborate schemes only for the purpose of what I call the ceremony of it.

So unless the Estimates Debate is transformed by us being able to see the actual results of the programmes that Government has implemented, then it will become just like the Throne Speech or the State Opening of Parliament or the swearing in of a Governor-General or a Judge. It will become a ceremonial exercise that satisfies us that we are doing something, that we are keeping up the great traditions of the Westminster system, that we are abiding by the law and that all of the statutory requirements are met, but then does not translate itself into anything serious in terms of the application of the initiatives to the real problems that exist in the society. So to me this Estimates exercise has become ceremonial.

The Honourable Member for St. Peter is one of the older members of this Chamber with two or three years on me and having gone through this exercise I feel at this stage even that has become more and more ceremonial and less and less of an exercise that really seeks to solve the problems that exist.

I have identified some of the reasons why I have that concern. The first, as I said, is because we often reiterate exactly the same problems but the gestation time for getting the institutions in place and getting the initiatives undertaken lasts for as long as five years, which is the life cycle of a Government in Barbados. Very often you may never see the fruits of your labour in a ministry because of the length of time in which these things take to get implemented. So people often believe that all we do is talk about the same things year after year in these exercises whether you call it the Budget or the Estimates and that they then spend year after year trying to see those benefits translated into options for them but a lot of it has to do with bureaucracy and with that wide gap between the announcement of an initiative and our ability to get it on the road.

The second most important point which the Honourable Member for St. Peter, to my mind accepted, but only in a limited way, is that the largest block of expenditure by Government, if you classify it as investment or capital formation, is off budget.

It is not reflected in these Estimates so that unless the Minister of Tourism chooses, and it is his right if he wants to ignore my request, if he opts not to deal with the work that is being done in St. Lawrence Gap or the other developments that are off budget like the Hilton Hotel, he can choose to do so because strictly, according to the Laws of Barbados, the provisions that are made in these Estimates do not cover that kind of expenditure and therefore more and more over the past 15 years, I have seen expenditure being moved off budget out of parliamentary scrutiny.

The word "scrutiny" in that sense must not be seen as an attempt by me, or assumed by members of the Opposition, or even the Back Bench, if they are so inclined, to delve into and frustrate initiatives. We need scrutiny in the sense that we should be entitled to discuss the development of those projects. I know there must be sitting members representing Christ Church constituencies who when they pass through St. Lawrence Gap have questions and concerns about the way the project is developing but, as I said, other than if there is some allocation for that expenditure in these Estimates, the Minister would be quite entitled if he did not respond to any question because Parliament does not have oversight over those particular initiatives.

We have a large amount of Government expenditure, and I use that expression advisedly, being undertaken off budget by private companies like Needham's Point, like the Caves of Barbados, Barbados Terminals. You can go through a long list of companies wholly owned by Government and also companies in which Government has an investment and companies that are formed for particular activities which do not come under parliamentary scrutiny.

That is why I say in a sense it means that the Estimates debate becomes only a ceremonial exercise unless Members are going to be willing to join in the debate and fully expose Government's patterns of expenditure so that we can have a truly useful debate in this House of Assembly. Now that has not happened in the past, in my view. Since there is no law that requires it, if we want to ensure that this debate becomes more relevant, we have to bring parliamentary scrutiny to bear on all of those activities. Whether you have a finance committee or whether it is done as a committee of the House, once we have done the Second Reading of the Bill and we go into Committee any method we use we need to have that level of scrutiny and discussion, if not, it becomes a ceremonial exercise.

A lot of the details of what is happening at the Airport, we do not need them on the Floor of this Chamber necessarily. A smaller committee might be able to look at that but Parliament must at the end of the day have some oversight and understanding of what is happening in relation to that level of expenditure which is an extremely large portion of Government's budget. It is precisely because that many of those initiatives are off budget initiatives that when you look at the Estimates this year you can only identify three of what I might call new areas of expenditure.

Most of the other new areas of expenditure are off budget. So what are those three areas that we are really going to be talking about this year? There is the AIDS programme which is a significant programme because it is a cross-Ministry exercise and moves right across Ministries in Barbados and is a significant expenditure that is going to be undertaken by the respective Ministries themselves.

The second is the Community Technology Project which, even though it was announced before provision was being made for it this year and therefore as part of the Estimates for this year we can get our teeth into a discussion how this project is going to be developed.

The third area would be the promotional budget of the BTA and the BIDC and the BIDC promotional budget. The increase is almost exclusively targeted at the international business and financial services sector and I will get to that in due course.

Those are the only major new initiatives giving more money to old institutions like the BIDC and the BTA in an environment where the Minister of Tourism has already said that he has concerns about the current structure of the BTA and he has been stymied in his efforts to get the restructuring programme for the BTA fully implemented because of the bad management of human resources in the institution. The point is that when you give the BTA, as presently constituted, more money against a background of the Minister saying in the past that he has concerns about the

structure of the institution to deliver, then basically it seems to me that is one of the reasons why you have such a wide gap between the promise and the actual performance.

In the International Business and Financial Services sector I have pointed out that consistently, and the Minister always denies it, much to his own peril, because the statistics have come to haunt him in that regard, that the more money we put into promotion, the Government is selling itself very short when it tells the public that it has not put resources into international business and financial services. The fact is that the one area in which Government has quadrupled its investment in terms of promotion has been in that sector, but the returns have not quadrupled.

In fact, as I said, we have actually declined in relation to the amount of investment we put into the promotional budget of the international business and financial services sector. At one point, it was managed by the Ministry and then they put it into the BIDC. Again, the question is, when you have new resources in a new initiative boosting an area of economic activity selling new products and you make that money available to an institution that the Minister himself very often does not have the confidence in to implement the programme, then you do not get the results you anticipate.

So the debate is a ceremonial debate to the extent that we identify these initiatives against a background of lack of confidence by the Government itself about its ability to deliver. The very point that the Right Honourable Member for St. Peter makes is that he has not done enough. If he gave the sector four times what it was getting in 1994 and it has not performed, what more can you do? You end up now giving it four times more than it was getting in 1994 with the hope that you can pull it from a position that it was in, the 1980s or to which it had regressed to a level of the late 1980s and bring it into the modern era.

So something is wrong, and something is wrong with the judgment of a Parliament that goes along accepting the ceremony of an Estimates debate in which we speak about the same things, year after year, in the same way, and yet do not get the results. Sometimes I have had to say it is the Ministers because I do not think very often that they apply the kind of judgment, ingenuity and creativity they have, or they are not allowed to, I do not know, to the tasks that present themselves to them.

Aside.

Mr. D. J. H. THOMPSON: That does not work, Sir. I once asked the Prime Minister to turn them upside down. I know you did not like that expression. I did not mean physically; but that did not work. At some point, we need to do in this Chamber a frank assessment of the ability of Government as it is presently constituted to deliver

effectively on the programmes that are announced in the Estimates Debate within a given fiscal year. Years ago, you had Back Benchers who were very aggressive when they did not get things done and perhaps that put additional pressure on Ministers.

Those are the three major initiatives. The Community Technology Project is a good project. On this Side, we supported it and have no problem with it. It needs to be aggressively implemented and it will be a boon to the community centres in Barbados which are currently terribly under-utilised. But you know what will end up happening? We will impose a community technology project on the existing structure of community centres in Barbados where a large number of them operate on the usual business hours and at 4.30 p.m. the place is closed down and there is no activity going on and the people who are most likely to benefit from it, who have to benefit after hours, may find great difficulty in utilising the facility, unlike years ago when you could go to the maid who lived in the district and get the key and open it to go to do something. Now you have to write about 12 letters to the Community Development Department. You have to pay insurance policy, do this and that just to go into the centre and engage in an activity which is beneficial to the community as a whole.

3.35 p.m.

The fourth reason why it is ceremonial in essence is because the Estimates Debate is predated on the ability of the Minister of Finance and his expert officials to estimate the levels of expenditure, revenue and growth anticipated in an economy in a given fiscal year. Even though the Minister did not trespass too much on those kinds of issues and for good reason, the point is that growth across sectors in Barbados is still not balanced in the way it should be.

There is still a preponderance of support being given to one sector, because we keep believing that the tourism sector can pull us out quickly, so the tourism sector is the most obvious which Government gives immediate support to. Meanwhile we hear all kinds of plans and promises about restructuring the sugar sector for the past eight years none of which has come to fruition.

The manufacturing sector is going to be buffeted by further trade liberalisation and many of those enterprises are going to go through a catch-22 situation in terms of benefiting from the new initiatives that are being promoted by the Government in this Estimates Debate. Sir, we would have come out of the Estimates without the Government being able to say with any confidence that it expects a turnaround. Whatever little it may be or however great it might be, the turnaround in the Barbados economy is basically going to be as a result of the performance of the tourism sector exclusively. We are no further advanced in

building up the other sectors of the economy so that they can make a more active contribution to our economic development.

There are some very basic things we need to focus on that are not present in the economic climate in Barbados today that need to be addressed and this Chamber needs to be very frank about them because none of the changes that have been announced today will have any effect on the Barbados economy.

The final reason why a lot of the debate is ceremonial is that the public is going to see through the statement made by the Honourable Member for St. Peter, just as I saw through it in the beginning of his presentation.

Asides.

Mr. D. J. H. THOMPSON: The Government has received no outside support from the IMF or anyone else. The Honourable Member for St. Peter admits that the Government has done some pretty significant borrowing. Therefore, the fact that the borrowing has not come with the terms that the IMF imposes, it does not make it any less a question of external help because borrowing is borrowing. Even though some of it may be based on conditionalities, at the end of the day, it is still external help. The Government of Barbados has drawn down significantly on external help in larger amounts than any other Government in the modern history of Barbados but, as I said before, the public will be able to make an assessment.

Only a few weeks ago I met with a history class in a secondary school in Barbados. The students were talking about Caribbean history and they asked me to comment on the Caribbean Single Market and Economy. I was making the point to them that when Columbus set sail he did not know where he was going. When he got to where he was purported to be going, he did not know he was there and when he came back he was not able to tell anyone where he went. I then told the class that it was all done on borrowed money. A youngster in the class said that it sounded like the current Government. They set out not knowing where they are going, when they get there they do not know they are there and when they come back they make fanciful reports about where they went and this makes it clear to the public that they did not know where they went. Sir, that entire journey would have been done on borrowed money.

Asides.

Mr. D. J. H. THOMPSON: This Government in that sense has been very much like Christopher Columbus and it must not pretend that it has not had external assistance.

Sir, this Government wants it both ways. I understand the Government wants the benefit of being praised as a

country that did nothing to be blacklisted. This is after the Government said it spent significant sums in taxpayers' money to defend Barbados' reputation. This is a Government that introduced legislation in here. It is true that the Honourable Member for St. Peter was not here, but the then Attorney-General said that he was introducing this legislation in compliance with the environment for scrutiny that the OECD had wanted for a country like Barbados.

Mr. Speaker, we took a leadership role and if we were not doing anything, what was it then that we were taking a leadership role in? The Government itself said it was in a defensive mode and, therefore, it was not able to launch new initiatives in the sector and yet the Honourable Member for Christ Church East told the public we did not get blacklisted.

According to a lobbyist, other countries are saying that Barbados is to be admired for the way it went out there and dealt with the OECD issue. They are saying we did something but the Government said we did not do anything. 3.45 p.m.

Sir, I am sorry to say that we did not do anything. Having not done anything, we should be credited for not being blacklisted. You cannot have it both ways. If you are trying to win a public relations battle like that, all you will end up doing is confusing yourselves and the public that you are seeking to influence those issues.

In relation to the borrowing that the Government has undertaken, I welcome the recommendations of the Honourable Member for St. Peter, at last, to say how that money is going to be applied. The concept of borrowing for a rainy day, to my mind, is something that has to be guarded against. I think if we are going to be borrowing money in Barbados over the past eight years, we have to be specific about the activities to which that money is going to be applied. The Government has been extremely loose, almost cavalier, in the way in which it has gone to the capital market borrowing millions of dollars simply because we have a good credit rating. This money is being borrowed without specifying how that money is going to be invested to the benefit of the future generation. Therefore, any indication of the manner in which the money is going to be spent is welcomed and this is something the Government should have done a long time ago.

Sir, some of the economic issues that Government needs to address have not been addressed in this particular Estimates presentation. The fact that the Government is not able to explain why it is that despite the stimulus package that has been put in place, despite all the funds that have been made available, despite all the attempts at economic engineering, the private sector, both the traditional and the emerging private sector, have not been able to seize those benefits that the Government said are being made available to transform their enterprises.

Recently one of the entrepreneurs of the Caribbean, I think that is what he is called, Mr. Bizzy Williams, said that despite all the funds that the Government has made available, the vast majority of businesses in Barbados are not benefiting significantly from those funds. I say that the Government needs to explain why that is so.

I am saying that if you set up the fund and people are not benefiting from it, you must carry out an analysis to find out why the people are not benefiting from it. The Government has that obligation and once you have identified the problem, you need to put mechanisms in place to ensure that enterprises can actually benefit from those funds. There is only one way that this is going to happen in the private sector in Barbados. The Government has to take a conscious decision to hold the hand of almost every investor who is going to benefit from those funds, whether it is the small person who goes to the established business that may be struggling or a manufacturing enterprise that has been around for 20 years, and guide them.

Sir, in the southeast Asian economy, they talk about the East-Asian miracle. They made Government contracts available to certain businesses to import items that supported the cash-flow of the business. Then they gave those businesses specific employment and export targets in respect of a product they had identified for manufacture and export.

Sir, we do not have that kind of creativity in our system. We make things available and assume that businesses are going to know what to do in order to benefit, how to benefit and what kind of restructuring is going to be necessary.

Many of the private sector entities that exist, official organisations like the BHTA and so on, do not have the capacity to benefit. The BHTA has been denuded by the political ambitions of the Honourable Member for St. Michael South, so a large part of the Honourable Member's brain has been transplanted. I would not say that it is brain dead but a large part of his good brain was transplanted into Government.

Sir, the point is, when the Honourable Member was a member of the BHTA, many of the institutions that existed to help tourism enterprises, the BHTA, on its limited resources did not have the capacity to help many of them benefit from those opportunities even if they existed. The BHTA did not start yesterday.

In 1991 when we were in the process of restructuring the Barbados economy, the BHTA existed. They attended meetings and could not even tell you what the impact of taxation was on their operation. They could not explain to you where their major competition was coming from.

Sir, I can go through the entire list of problems we would have had with many of those private sector organisations in getting them to respond. It does not make sense going through the ceremony by saying that you have these initiatives in place and then at the end of the day the vast majority of people who are to benefit from them cannot benefit. It is a wasted effort for this Parliament and for this country as a whole.

Sir, the second aspect of our economic environment is, that despite all that we have talked about over the past eight years, the one thing this Government has not been able to focus on in a serious and sustained way is the question of productivity in this country. I am not talking about the exploitation of people. I am talking about basic productivity of people in the public and private sectors of Barbados.

Sir, this is one thing that the politicians do not talk about because the interpretation is, that when you tell people to be more productive they feel that you want to exploit them or to slave drive them. I am talking about a fair day's work for a good wage and a productivity-based pay that encourages people to work hard and to benefit, both in the public and private sectors, for the additional effort they make.

We seem to have abandoned the effort of competitiveness in Barbados. When we talk about competitiveness, our focus is constantly on taxation, levels of efficiency, retooling enterprises and very little is said about the level of productivity in the public and private sectors in this country.

Sir, we believe that the removal of the red tape means putting somebody in a position in a government department to monitor what work is done and not done. We do not believe that there are ways to inspire public servants to higher levels of productivity with higher levels of rewards. We have stymied the effort of getting productivity pay schemes in place in the public and private sectors in Barbados by some attitudes which exist with the major persons that the Government has to negotiate with. They simply resist at all levels any attempt to reward people for additional effort.

Everybody in the work force, whether in Government or in the private sector, is levelled down to the same thing. Whether you are a productive hardworking individual, your rewards are almost the same as the person who is not productive and is not pulling their weight in the enterprise. 3.55 p.m.

Sir, we have serious problems in Barbados with productivity and also with the work ethic in our country; the lack of cooperation of people generally, people who do not like to support others who work in the same enterprise with them, people who are not willing...

Aside.

Mr. D. J. H. THOMPSON: Well, they can abuse me or not abuse me, it does not bother me, I have said this before. I said it when I was Minister of Finance and I repeat it now, a general ethos of lack of cooperation, where a fellow will tell you this is my job and if the guy next to me is not present on duty, I am not doing what he is supposed to do, even if it shuts down the enterprise. Everybody determines this is all I am going to do.

Sir, throughout the system, from the most junior member of staff, if there is that kind of hierarchy or even as members of a team with perhaps the same status, you find that it is difficult to re-engineer, retool, and to prepare an organisation to benefit from a restructuring exercise where there is that low level of productivity and where there is that lack of cooperation in the workplace. It is endemic. It is almost a disease that is afflicting Barbados and I think we need to focus on it.

There are programmes to deal with it. A lot of it comes from perceptions of exploitations. It is not going to be helped if we perpetuate those perceptions. In other words, if we do not find a way to break that cycle of perception about exploitation, where people feel that they are being paid a fair day's wage for a fair day's work, then all of the talk about funds being made available, retooling and re-engineering, *et cetera*, will be lost and wasted. There is a Productivity Council in place.

In 1991 the economic restructuring exercise was to be based on competitiveness through productivity. It is a key ingredient because as long as the exchange rate remains fixed, there are some things you will never be able to do, but the things over which you have control are the things you need to focus on most of all, and we have abandoned the effort in Barbados to get higher level of productivity and to improve the reward for productivity in our system.

There are some enterprises that can have active productivity pay schemes that do not have them because others do not. Then there are some enterprises that cannot have active productivity schemes largely because the nature of the work does not support it, but they can find other ways to reward higher levels of productivity in the workplace.

Mr. Speaker, the third concern I have is that the Estimates need to be able, very effectively, to address not only what the Honourable Member for St. Peter calls the non-traditional threats of HIV/AIDS, crime and violence, *et cetera*, but the non-traditional threats of the social breakdown in Barbados of community activity and of volunteerism in the way I think it should support the standard of living that we currently enjoy. Sir, a lot of that volunteerism is being dampened by bureaucracy. Let us understand that up front. But for a country that can only boast of new community development initiatives surrounding neighbourhood

watches, that is all we can really boast of in terms of new community initiatives in Barbados. The only thing that can bring Barbadians together is when they are concerned about personal security, about crime, *et cetera*.

Neighbourhood watches are desirable but if you have another motivation in this country that is going to bring communities together and unless Government is going to support that motivation by placing resources into the hands of communities to do some of the things that need to be done to solve some of the problems that exist, then all that has been talked about in terms of social engineering and building up of social capital will be wasted. All of those old school teachers who we like to romanticize and reminisce about, who have reached the age of 65, who go home and do nothing but walk to the shop on an afternoon maybe and then hustle home as soon as it turns dark, are unable to make a contribution to their community. We have to find ways to get them back out.

All of those young men in Barbados who take it upon themselves to manage a football team, and we seem to think that managing a football team is a little joke business, that all one has to do is go somewhere and get sponsorship, that it requires nothing more than the fact of one's existence in a community, that somebody donates three footballs to keep a team together. It requires more than that, but yet the people who are taking time, the youngsters who work on construction projects, who we believe have low self-esteem and cannot communicate properly, but who are managing a football or a basketball team in their community, who have to liaise with the National Sports Council, who have to go down there every month to buy tokens, who have to get somebody to transport the team somewhere, who have to organise the social events for the team; who have to build the team morale and keep the guys together and, at the end of the day, the only resources on which that individual is doing that is a little sponsorship either from a politician or from some private sector organisation, which is barely enough to buy the balls, jerseys and sports gear that they are wearing.

Yet we wonder why people lose interest, why organisations break up so quickly, why guys in groups do not have the level of respect for the natural leader of the organisation who gets frustrated in his efforts to keep it together.

We talk about community development and opening centres. That is what we are really interested in talking about and about the work that the Community Development Officers are, or are not doing in some cases, and the real community development is being done at another level in the society that we are not tapping into at all and very often we need to take those same young people and train them. We have a programme to train them, so they were trained, then they were unleashed on the constituency.

I had about five guys who went to the training and were grateful for it but once the sponsorship had dried up and they had to liaise with Government departments, all of the stresses and strains of trying to keep that community organisation together started to get to them and they abandoned it.

Asides.

Mr. D. J. H. THOMPSON: Sir, the point is, some can raise funds, some cannot. There are some in my constituency who do that. They have fish fry(s), *et cetera*, but the point is, even that requires some skills...

Asides.

Mr. D. J. H. THOMPSON: I do not run any community organisation.

Asides.

Mr. D. J. H. THOMPSON: There is nothing wrong with that. I know there are many youngsters who would like to find an entity that matches what they raise. They will raise it on the understanding that they have raised this amount and it is being matched by that entity, but there is no facility for engineering that kind of community participation and development and a lot of good ideas are written off in our society that would help to build and sustain communities by individuals because of the frustration they feel.

Sir, I believe that is something we need to address, not just a question of social capital by way of health and education issues, because unless we start to tackle the issues in communities and the question of volunteerism and how to finance those activities in a way that engenders more vibrancy, we are wasting time in these debates and I say make them only ceremonial.

Sir, another issue that would be of some concern in relation to this Estimates Debate is how does this Government view, not Barbados in the context of external trading arrangement with CARICOM and external arrangements in relation to the World Trade Organisation, *et cetera*, but so far in terms of Parliament, I think we have a regionally clear picture of that.
4.05 p.m.

Sir, how does the Government view the support that is going to be necessary for the next generation of Barbadians which would have grown up with access to Multi-Choice Television, seeing all of the accoutrement of life in Miami and in the United States of America, which I did not see as a child on CBC.

Aside.

Mr. D. J. H. THOMPSON: I am not talking about that but of all the advertising, the other things that you are

inundated with, which you did not have access to in the 1970s and 1980s and even up to the late 1980s, those things are going to support the higher level of expectation of this next generation of Barbadians. It is not going to be easy to convince them, particularly where you are finding an environment that is highly materialistic, that some of the investments we are making are to their advantage, unless they see immediate and tangible benefits. Sir, that is one of the concerns which we need to address in the context of our Estimates. I am speaking in general terms, Sir, because I hope we get to the Heads quickly.

Sir, there are other concerns I have relative to the Government's programme for the year 2002-2003. The first of them relates to the fact that the Government has been taking on a very significant burden with respect to the guarantee of debts of a large number of companies, both by way of Government's guarantees before Parliament and also, by way of other guarantees. I know one was done under the Public Enterprise Investment Fund and I assume that there are other ways in which the Government has been offering these guarantees outside of those provided by the Law.

I am extremely concerned, once again, about the fact that the Government seems to be ploughing money and support into a number of enterprises which, by every educated and sensible guess, are not going to be successful. I refer, of course, to the enterprise like the GEMS of Barbados project which has sucked up a large amount of money from the Government of Barbados. This money could have been better used for tourism related enterprises.

The Government must, at some point tell Parliament where it is going relative to the GEMS project. I think we have had enough talk, documents have been laid in here about the level of the financial operations of that enterprise, but every respected analyst will tell you that we will not recover a lot of that money. It is repeating itself and we should put a stop to it.

We had Southern Meats, which is another example of the Government putting money in an enterprise which basically sucked it up very quickly, and then everybody pretended that they did not know what happened to the money.

Aside.

Mr. D. J. H. THOMPSON: That is something completely different from holding hands. In fact, in that situation, the people whom the Government put on the Board did not even know that the company had practically gone bankrupt. The Chairman of the Board pretended he knew nothing about it, so that is not holding hands. There is negligence in ignoring the fact that taxpayers' money was invested in the enterprise and in not being prudent about the

way the money was spent, or not alerting the Government that the company was going in the wrong direction.

Aside.

Mr. D. J. H. THOMPSON: Sir, that is not holding anybody's hand. It is letting go their hand over a well. Do not say that I am talking about holding people's hand. When I talk about holding the hand of people in the private sector, I am talking about offering technical and financial advice and walking people through the maze of bureaucracy, which has afflicted many applications by private individuals to Government departments in this country. It may start with the Town Planning Department, then through the Ministry of Health and then to the financing institution and all of the other requirements that are necessary. That is what I am talking about which I think is extremely important.

The Government will also have to be careful and prudent during this fiscal year in its spending to ensure that the targets the Honourable Member for St. Peter has identified are going to be met because there is not going to be a lot of room for manoeuvring. One of the reasons why the Estimates debate in Barbados has become ceremonial is because having agreed to these Estimates, as we get down into the month of August, just before we recess, we are going to start to see Supplementaries. Those Supplementaries very often relate not just to errors in the calculation of National Insurance and so on, but very often relate to substantive programmes which were not included in the Estimates.

Sir, again there is a disconnection between the Estimates that are presented in March and the Fiscal Programme of the Government for the rest of the year. For example, this fiscal year, we are already at Supplementary No. 16 or No. 17. Sometimes we reach Supplementary No. 22 and you are talking very often of about \$50 million to \$60 million in new expenditure which is occurring and which, as I say, would not have had the scrutiny of Parliament during the time of the Estimates Debate.

The other caution the Government has to be extremely concerned about is its excessive reliance on the social partnership to file every problem with the social partnership for resolution. It is becoming a very dangerous scenario in which the social partnership is not able to deliver on its promise. It is not able to function even within the terms of the protocol which establishes it and where one gets the impression that the people who sit on the social partnership are all tired of each other. They seem to be worn out seeing each other every quarter, so they all say things for the record but nothing is achieved. Sir, that is why I am not surprised that the Leader of the Trade Union Movement only recently questioned the social partnership and this is something we have been doing since 1994.

I am sad to say that something is wrong with the social partnership and many of the issues are not effectively dealt with by the social partnership. Many matters are still on the agenda to be resolved. I felt that once the social partnership moved from a scenario where it has fine objectives that were measurable to a situation and it only became a talk shop, that at the end of the day it would end up compromising the workers in this country.

Sir, once Government was put in the process, the Government then started to feel that it was a victim. The Government itself was pretending that it was a victim of everything. Instead of the Government having an overarching role as both an employer and as an entity involved in the investment of the country which should be accountable to the workers' organisations in an aggressive and effective manner, the Government itself started to pretend that on one occasion, it is in the corner of the worker and on the other occasion the Government is pretending that it is some victim of the actions of the worker.

Sir, you would have noticed in this year's Estimates that the Honourable Member for St. Peter was entitled to go through the entire presentation which lasted three or four hours, without once mentioning the role of the social partnership. I am not saying that he has to do it every time but there was a time when we were told that the social partnership was at the centre of designing a new Barbados, but it has run out of steam. The participants seem to be tired of seeing and hearing each other and that is why they have nothing new to say about where Barbados will be going in this Century. Therefore, the Government's reliance on the social partnership is not achieving the objectives that had originally been intended.

4.15 p.m.

I think the Government needs to be extremely conscious of the fact that September 11 did not prove to be as negative as they had originally anticipated it would have been in terms of its impact on the Barbados economy and they need to get out of that mode and provide a very clear picture about the way forward for a country like Barbados.

Despite what has been said by the Honourable Member for St. Peter relative to our commitments to regional and international trade blocks, and those kinds of things, and what is happening in relation to international trade and its commitment to trade liberalisation and so on, one has to be extremely clear about the picture of the Barbados that is to emerge from the trade negotiations and from further trade liberalisation in this country, so the Government finds itself in a Catch-22 situation.

The most propitious time ironically to encourage private sector entities to go through a process of re-engineering and restructuring is during a period of recession or economic hardship. So in 1991 when many of the

businesses in Barbados were facing difficult times, they were more willing to go through a process of restructuring to save their businesses and to cope with the demand of the future, so the Government started its trade liberalisation programme then.

The idea that we went and sign off on the Uruguay Round and then came back to Barbados and did nothing is absolute nonsense. Mr. Speaker, the first set of licences that were removed in Barbados, except in respect of agricultural produce, sweet drinks, chicken, pork products, gas bottles, fireworks, explosives and so on were removed by the Democratic Labour Party. A committee of officials from the Price Control Department, the Ministry of Trade, other Government Departments as well as private sector representatives went through a list of all the items on licence in Barbados and went through the first round of liberalisation.

We then introduced the measures to remove the level of import duties which were extremely high. We agreed that in some instances we did not remove licences but where full liberalisation would have an impact on domestic production we put a surcharge on imported items to a level commensurate with the competition they had in relation to locally produced goods.

I am constantly hearing the comment that the Democratic Labour Party went to Uruguay and sign off and that we came back and nothing happened. The Honourable Member for St. Peter said he put it on hold in 1995. If we were doing nothing, what did he put on hold? That is why it cannot be true, and it is an absurd allegation.

The programme was designed then, the Government put it on hold and then tried to introduce it against a background by giving the manufacturers and the producers in the agricultural sector a comfort level from which they did not want to move, and they will not move from that comfort level when the economy is registering high levels of growth.

The Government is caught in a scenario where it wants to boast that the economy is growing and that there are wonderful opportunities on the horizon. They are also trying to convince the people who want to seize on these opportunities that trade liberalisation is the only way those opportunities will become open to them, but trade liberalisation will, at the same time, have a very negative impact on their businesses initially.

I am saying to you that the messages are extremely conflicting and it is a Catch-22 situation. The Government has to resolve whether it is going to seek to rescue some of those enterprises that are worth rescuing in the context of the Barbados economy, how it is going to launch a programme to introduce and develop new initiatives that can compete

effectively internationally and the level of competitiveness that is needed in respect of our tourism industry.

We have a fixed exchange rate and the Honourable Member for St. Peter quite rightly said that as long as you have a fixed exchange rate there are only so many other ways in which you can generate competitiveness in your key sectors, so the tourism sector will end up reeling if we continue to ply significant taxes and burdens on the sector which will make it uncompetitive with other jurisdictions. Of course, we look at jurisdictions as they are now because we often believe that the world today is as it will always be, but there will be a day when the Cuban market will open up even more. As we all know, American Airlines has flights going into Cuba and there will be more competition from other destinations in the Caribbean some of which have very distinct characteristics which, to my mind, will have an impact on tourism in Barbados but we do not know what that impact will be.

Asides.

Mr. D. J. H. THOMPSON: Well, I heard all of that. There was a time when we were going after all markets. There was a time when part of the Honourable Member for the City's strategy was to go after all markets, so I do not know what different market that would be.

Asides.

Mr. D. J. H. THOMPSON: We were told that we were going back for the Canadians but it is the Canadians who are going to Cuba.

Asides.

Mr. D. J. H. THOMPSON: That is the whole point I am trying to make. You all would like to get a \$80 a night bed in Barbados. That is what you said at one point you would like. You would like to cover all segments of the market. That was part of the strategy that the Barbados Government was pursuing. It was the Honourable Member for St. Michael South who came in this Chamber and said that in his view that was the wrong strategy and that we needed to identify those areas of the market that Barbados has an advantage in and pursue them.

Asides.

Mr. D. J. H. THOMPSON: Well, he did. I cannot credit the Honourable Member for the City with that. I want to be fair to him. I do not wish to tell lies on him. I am talking about the Honourable Member for St. Michael South. He said where his particular focus was going to be.

Therefore, Mr. Speaker, I think it is extremely important for the Government to resolve this dilemma in

relation to trade liberalisation and to work out whether it is going to stay the course. Government has to identify the timetable and stay the course or abandon it, not the chopping and changing and the idea that there is an easy road for you to walk on in issues like this and that you can do it and pull it back when things get rough. It does not work like that, Sir.

In 1995 the Government should have continued with the trade liberalisation programme and by now the manufacturing sector would have made the adjustments that were necessary and the VAT would have come on stream in 1997 which would have given the Government the resources to put in all the support that it is only now putting in place for the productive sectors in Barbados, but instead of that, we put that process on hold and in the year 2002 we are trying to catch up, particularly in relation to our obligations, some of which will come on stream in the year 2005.
4.25 p.m.

There will be dislocation. Let there be no doubt about it, because once you re-introduce full liberalisation in some areas, your local chicken farmers and pig farmers and the people producing vegetables in Barbados are going to start crying blue murder once again, and the Government is going to have to be prepared for the consequences of its chopping and changing in relation to economic policy on this particular issue.

The last caution I want to make relates to this question of housing in Barbados. The Right Honourable Member for St. Peter has said that he is going to empower or require from the Minister of Housing if he gets the housing program going. This is a fundamental and very important aspect, to my mind, of what is necessary in our country today. I am still of the belief that too much of the time of the National Housing Corporation has been spent on its own headquarters, and on the building at Warrens, to the detriment of being able to deliver on a housing programme in this country.

The National Housing Corporation is at the stage in Barbados where it is sending out notices to the purchasers of low income houses all over the place, many of whom are still in the process of trying to get their loans put in place, simply because it needs cash flow and giving the impression that it is doing something to try to get money to come in. On a monthly basis, the National Housing Corporation is scrambling around for money. That is the situation the NHC is currently in. Therefore, you have to find some way between now and when the building at Warrens is finished to give the National Housing Corporation some resources to do the things it must do.

Where is that money going to come from? Despite what the Honourable Member for St. Peter says in this debate about getting housing going again, how can a national

housing corporation that can barely pay its monthly bills launch a major low-income housing project and its major building project, the profits of which are to go towards low-income housing being only 50 per cent completed after three or four years? On that time line, it may take another three or four years to complete it, by which time the backlog of people in Barbados who need low-income housing and middle-income housing would simply increase. Where are the resources going to come from to put housing on that large acreage that Government has acquired or to make those lots available to purchasers? You do not just tell people to go on a lot, you have to put in roads, street lights and water and all of the other amenities. That is going to call for resources which the Government has not made available in these Estimates to the National Housing Corporation. The Minister needs, therefore, to tell us where those resources are going to come from.

Mr. Speaker, permit me the time to deal with a couple of constituency matters because I noted the Right Honourable Member for St. Peter and, rightly so, used the opportunity in this debate to focus on some issues that were of concern to him relative to his constituency. I will only be two minutes, because I do not want to trespass on your generosity in allowing me to deal with a couple of specifics, but I want to say that there were some major roads that we debated in the last Estimates in the constituency of St. John, the major road from St. John's Parish Church to Station House Hill in St. Philip which were to be done in the last fiscal year, which roads were not done. The Foster Hall Road has not yet been done, nor the tenantry road, the main road, now that they have done the work on the gabions and so on.

In fact, I do not think that there has been any major road resurfacing in St. John in the last fiscal year, despite the fact that when the Estimates were read out last year, I almost felt guilty as a Member of the Opposition, because people were looking at me and wondering whether the Minister of Public Works was either going to be running in St. John or he wanted to secure my political future.

I remember asking and he said St. John is getting everything and they listed the roads that were being done. Not one of those roads has been resurfaced. It may very well mean that Government restructured the capital works programme but I would also venture to say that there are other Members in this Chamber who heard of major roads in their constituencies that were to be resurfaced that have not been resurfaced either.

That is why I am saying if this Estimates Debate is not to be ceremonial, and not just to be an exercise in writing down things for the sake of writing them down, then Members need to understand why it is that all of the hoop-la that was made about a major road resurfacing programme has come to nought. The Ministry of Public Works is still

working in some areas of St. Philip that I was working in last year that the Minister said work was going to be completed within two months.

I drove through St. Philip going to a wedding this weekend and some of those same roads are still being worked on by the Ministry of Public Works. So there is a gap between what is pledged in here and the reality, if you went away with the impression that I was getting all of these roads being done. Many of these roads are death traps. That road coming out of District 'C' Police Station and right up the corner by Colleton Plantation, no matter how good your tyres are, do not take that corner at more than ten miles per hour because it is so bumpy that the car actually jumps off the road, and I am surprised that we have not had a major accident in that corner and there are other parts of rural Barbados for which major road programmes have been promised in the last Estimates. A lot was made of it and the works have not yet been completed.

Relative to the question of physical development, on several occasions in here, I have spoken about the untenable situation at College Savannah in St. John, an area in Barbados in which the Codrington Trust allowed people to build wall on what was essentially tenantry land in a very unplanned development and it is, to my mind, a physical development nightmare.

I asked the Rural Development Commission recently in a site visit they made into St. John to adopt that area. There was some area I remember in St. Peter that the Rural Development Commission had adopted as a special development area. They put in roads and aligned the walls and did some other things. That is what needs to be done at College Savannah in St. John. People have put in hundreds of thousands of dollars in physical improvement in terms of their own housing, but many of them do not have water mains running to their residences, many of them have poor and sub-standard roads, no street lights, and it is largely because of the fact that the houses have not been properly aligned. People are still undertaking construction in that area and I doubt that the Town Planning Department could be in support of the developments that are taking place which, at the end of the day, may mean that the Government has to spend millions of dollars either re-aligning houses or resiting people simply to put in basic physical developments.

I make another appeal, Mr. Speaker, relative to the polyclinic in St. John. I do not know what is going to be done with the building that had started at the Glebe. It is now, to my mind, derelict. The ceiling has rusted and it looks to me that there is not much that can be done with it, but I am not an engineer. What I do know is that the current polyclinic is certainly not suitable for use anymore. The drainage and most of the other facilities in that building have deteriorated significantly. I would say that once it rains the polyclinic

itself becomes a health threat and, therefore, I would urge the Government please to take a look at the resumption of work on the St. John Polyclinic or make a decision relative to the direction that it is taking.

It stands out like an eyesore to people who pass there. People who come back to visit from overseas come and ask me what they are doing with the polyclinic, and I cannot say because to this day nobody has ever, other than one gentleman with whom I had a discussion on it, and he and I came up with some suggestions, but then I heard nothing else about the matter. It was a public officer and I urged that something be done about that St. John Polyclinic and that the public be told because at the end of the day it is the taxpayers' money that has been involved in constructing it.

I have noticed, not from what was said in today's Estimates, but from what was said in an article which purported to describe the Computer Technology Project that one of the locations for it was going to be the Gall Hill Community Centre in St. John and I welcome that. I want to say that when I have regard to the way in which community centres in Barbados are operated that we have to have a new approach to making those facilities available to Barbadians. We have to give people in the community an opportunity to demonstrate some responsibility. I am talking particularly about people who, as I said, may have retired and may have an interest in being involved in those projects and who will see to it that the property is protected from vandalism.

I believe we need to find a very flexible way to make that technology available and let us not start this Computer Technology Project and then mire it in bureaucracy, in rules about opening hours, and rules about accessibility and all of the other problems that always attend to things of this nature unless you have somebody who is willing to go the extra mile to encourage people to use the facilities.

The other matter I want to raise, Sir, relates to St. John's Parish Church. The Church, as I understand it, has now been able to acquire and is working on raising funds to construct a car park opposite the Church for the tour buses. 4.35 p.m.

Many years ago Errol Barrow identified that area for the construction of kiosks for the people who sell in the Church yard. The Church itself has a shop, but it is important to develop some self-sustaining activities in that area and capture some of the benefits of the large number of tourists who visit St. John's Parish Church.

The Government needs to identify that as an area for the construction of a tourism-related project in which people can sell handicraft, local post cards, jams, jellies and those kinds of things. I know this is one of the important things that Errol Barrow identified for the area before he died and I would like to see it implemented.

I also hope that the Sports Council would be able to facilitate lighting at Gall Hill. If the Honourable Member for Christ Church East Central was following the Sargeant's Village team yesterday, he would have seen them playing at Gall Hill in St. John. We had to blow off the match and one of the players came to me and asked me why Mr. Carter, as Chairman of the National Sports Council, did not put any lights on the pasture. I told him that Mr. Carter was working on it but that it was taking a long time.

Mr. Speaker, anything we can do to support the activity of young people in Barbados should be done, but I am making a plea for St. John because that is the constituency I represent. I think we need to get lights in many of the rural facilities as soon as possible so that our young people can be involved in wholesome sporting activities.

Sir, the other point relates to the Rural Development Commission. Both the Rural Development Commission and the Urban Development Commission need to carry out an analysis of the impact of the loans and grants made, since their establishment to small enterprises and individuals in Barbados to see the extent to which those loans have inculcated self-sustaining activities. In other words, once the money was given, it had the impact of helping those individuals build enterprises that can sustain their families. This needs to be done by both the Rural Development Commission and the Urban Development Commission. It is not just a question of giving grants and loans to people, but we need to make sure that it is having an impact and if additional support is needed, to ensure that they use the resources wisely and effectively.

Mr. Speaker, far too much money has been put on the road in Barbados by both the Rural Development Commission and the Urban Development Commission without ever being able to tell Parliament that the money was wisely spent and that the beneficiaries have been able to move on to another stage in their lives. I am worried about that because there are other people who fell through the cracks and were not able to benefit from that kind of financing but who want to be involved in gainful economic activities.

Mr. Speaker, the last point I want to make relates to Consett and Skeete's Bay fishing facilities which Government opened this year. They are both attractive fishing facilities, well staffed and well provided for but both are grossly under-utilised. I want to know, as part of its programming in the fishing sector, what plans the Ministry of Agriculture has in place to ensure that both the Consett and Skeete's Bay fishing facilities are being more actively used by persons who are to benefit from them. I think more needs to be done to ensure that those resources are not wasted.

Mr. Speaker, we want to get to the various Heads and I do not want to stand in the way of what one may call the reality of moving beyond the ceremonial. This debate can be about a very active to and fro between Members of the Government, the Opposition and the Back Bench. It can be about the way in which Government can actually deliver on the pledges it makes in its opening statement in these Estimates, and which are contained in the document given every year. If the Government is unable to do that, the Estimates Debates become just a ceremonial exercise which takes place in this House every year just to say that we had a debate.

When we actually measure the results of what the Government has promised and projected through its documentation and through the statements of the Honourable Member for St. Peter, we see very little to the benefit of the average person in Barbados or the benefit of those target groups on which the policies have been identified to make an impact.

Mr. Speaker, if it is to be a watershed, as the Honourable Member for St. Peter said, it would not be a watershed for any of the reasons that the Honourable Member identified. It would only be a watershed if next year the Honourable Member for St. Peter is able to say that every single thing that the Government pledged in these Estimates Debate has been realised, that in fact the Government has been able to fully execute its capital works programme, that the off-budget expenditure which Government identified in the opening statement has been carefully marshalled, and that all the projects identified as forming part of the off-budget expenditure are on stream. If it is to be a watershed, all of the many loan funds and announcements made about the impact of trade liberalisation and the mitigating effects of it should, in fact, be made available and we should see a new ethos in the private sector of new investments commensurate with those funds that are available.

The Government should be able to raise the level of productivity and efficiency in Barbados, that it is able to tackle the problems of work ethics in our country, that it is able to impact on bureaucracy in Barbados, that it is able to have a tremendous impact on communities and volunteerism in our country, and that after September 11th, or the result of the economic slowdown, Barbados at the end of the day is poised for a takeoff so that the people of this country can truly benefit from full participation in the economic life of our country.

I thank you, Sir.

SUSPENSION

Hon. Miss M. A. MOTTLEY: Mr. Speaker, Sir, I beg to move that this House be suspended until 5.15 p.m.

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

The question that the House be suspended until 5.15 p.m. was put and resolved in the affirmative without division and Mr. SPEAKER suspended the House accordingly.
4.45 p.m.

RESUMPTION

Mr. SPEAKER: This House is resumed.

Hon. R. R. FARLEY: Mr. Speaker, I rise to participate in this important annual exercise. I, unlike the Honourable Member for St. John, do not hold the view that this a ritual. This is a very important, practical and a most necessary exercise.

Sir, the problem is, we in Barbados take many things for granted. We often do not give ourselves credit for the things which we do well. It is no accident or no set of happenstance that we are standing here today in this debate after a year which was slow at first and turbulent towards the end, with an economy which is intact and high employment, 128 700 people going to work every day in Barbados.

Sir, when you look at unemployment, it is still very low, 9.8 per cent. Sir, you have to bear in mind that the labour force has increased. Sir, when you look at this figure in absolute terms this is the highest number of persons that we have employed in Barbados at a time when interest rates are low, the lowest they have been for many years. The liquidity in the banking system is high, energy prices are low and we have all these blessings, Sir.

Mr. Speaker, contrast the system in Barbados with that of Argentina's. Argentina is a country many times larger than Barbados and endowed with resources. We saw recently the spectacle in Argentina where there is turmoil and dislocation in the financial system. It reached the point where a former Minister of the economy was walking down the street and he was recognised. On being recognised he was kicked and spat upon and the television cameras were there to capture it. This is the level of hatred and mistrust of the citizens of that country in their economic managers. This is not the case of Barbados.

Sir, I can cite other examples. Arising out of last year's economic slowdown and subsequent to the events of September 11, there are countries whose economies have been decimated, but this is not the case in Barbados. I want to say, without any hint of modesty, that the Minister of Finance, and indeed this Barbados Labour Party Administration, is worthy to be praised for the solid management of this economy. It does not happen by accident.

In the context of these Estimates in which we are engaged, one of the things we always have to reinforce, in my estimation, is the fact that these Estimates are not just about numbers, GDP growth and how much money we are going to spend, but what impact these Estimates will have on the ordinary man and woman. What contribution will these Estimates make to true sustainable development in the economy? These Estimates must be able to contribute to the basic needs, shelter, food, help and protection of our people.

These Estimates will make a positive contribution to true sustainable development and they have to be able to raise the living standard of our people. They must be able to provide more jobs, improve the standard of education and provide for some of the higher needs of culture and the like. Sir, the Estimates, if they are to truly work towards development, we also have to ensure the preservation of our institution of political freedom.

Let us not take for granted and treat lightly the fact that we are here today with a situation of macro-economic stability and as characterised by price stability, continued budget discipline on the part of Government. We saw indiscipline on the economy in 1989-1991 from the previous Administration. Sir, with national savings high, the manageable external debt situation and the health sector being reformed, it is against that background that the Government is clearly focussed on achieving its objective and transforming Barbados into a fully developed society within the first decade of this Century. These Estimates are aimed at economic stimulation. They are aimed at advancing social progress and advancing the cause of physical development within an environmentally sound guideline.

Sir, if we examine the programme as characterised by these Estimates, we would see the stability of the economy. Additionally, allocation of funds was made to tourism and international business, keeping the focus on our social progress, a sustained fight against HIV/AIDS, allocation of funds to EduTech and the new technology community programme and sports facilities.

Sir, there is a very ambitious capital works programme but not grandiose projects that are mere monuments to human vanity. These projects will continue to enable the country to earn its way in the future, projects such as the Grantley Adams Airport, the Bridgetown Harbour, the expansion of the road networks, coastal conservation efforts and things of that character.

These Estimates are conservative in their financial scope. Sir, recognising that although we have an economy that is intact, we are not yet out of the woods but we cannot ignore the regional and global situation in which we operate, therefore, there is no danger, from these Estimates, of creating a major systemic long-term problem which cannot be financed.

I recognise it is a critical role which the Minister of Economic Development has to play in achieving the objectives of these Estimates. We have been charged with the responsibility of stimulating and sustaining economic activity in this global environment of uncertainty but also of greater competition. We also have been charged with the responsibility to assist with the creation of employment as well as the earning of foreign exchange.

One of the major activities in which we will embark in pursuit of these objectives is the preparation of the national strategic plan. This plan is to guide our activities, economic and social over the next 10 years, and provide a clear coherent strategy for our advancement in the areas that I have identified.
5.10 p.m.

More details will be forthcoming on this later but clearly this plan will speak to issues relating to a macro-economic strategy for sustainable development; it will articulate the human resources strategy for this country; it will deal in a major way for the protection of the management of the environment; it will speak in volumes about the economic transformation of Barbados; the social transformation of Barbados; the responses to trade liberalisation; our responses to the various new threats to human security; the health of our nation, *et cetera*.

Sir, clearly in that great future as well as in our present, we have – and this Government is by the way committed to the programme to deal with a number of the issues that are facing us – the issue of productivity and competitiveness is an important one and, at the end of the day, in a world which is more global in orientation, in a world where we are moving to further liberalise within the CARICOM Single Market and Economy, within the Free Trade Areas of the Americas, and within the framework of the World Trade Organisation, our survival and our maintenance of the quality of life, to which we have become accustomed, at the end of the day will depend on the extent to which we are able to sell our goods and services throughout the world; whether we are talking about music, CD's, films, tourism, manufactured products or agriculture products.

Sir, I want to let the Leader of the Opposition know, because he has made the gross incorrect assertion that there has been an absence of focus on this matter of competitiveness and productivity, that indeed, Sir, included in these Estimates by way of allocation to the National Productivity Council, not only this year but in previous years, there has been a focus on productivity enhancement in the public sector and also the private sector. In fact, according to the Inter-American Development Bank on the study they had on competitiveness, they looked at 22 countries within the bordering member countries and in Latin America and the Caribbean.

Sir, Barbados was one of six countries that over the decade of the 90s, showed positive growth in productivity. Therefore, as a result through the work of the Productivity Council and other national efforts, Barbados has been able to improve its quality of life and competitiveness through productivity. Later, as we deal with the programme, I will speak in more details about some of the things that are happening, but just to say that there are 75 units within 14 Ministries which have been engaged in productivity measurement and enhancement.

There are some 56 companies in the last five years that have developed productivity enhancement schemes; there are at least 20 000 workers in the private sector who are benefiting from incentive-based pay schemes and the Productivity Council is aiming to increase that every month by 20 per cent. Of course, Sir, we will expand both the public and private sector programmes.

Sir, in the limited time that is available, I want to turn to a major aspect of the programme which has been the subject of great focus and allocation of additional resources. This is a sector which, perhaps more than any, typifies not only the need to be competitive, given that we are competing in the global environment, but also one that indicates the kind of new threats to which countries such as ours, small, high income, yet vulnerable, are facing as we embark on this brave new world adventure. Sir, I speak of the International Business and Services sector.

I will want to say that, contrary to what the Honourable Member for St. John would have put abroad – he claimed that the Government did nothing to get off the OECD list but in fact, we did. Again, Sir, he is speaking from a point of pure confusion. The essential difference between those countries that got off the list by signing a letter of commitment and the case of Barbados is that Barbados did not sign a letter of commitment.

Sir, what that is about is when a country signs a letter of commitment, there is the undertaking in the future to make changes to the regime as they exist now, therefore we do now know what their international business sector will look like by the time the OECD is finished with them. We know what ours will look like; it will look like how it looks now.

The other essential point is that our capacity to earn foreign exchange has been constrained by the fact that investors were put off by the threat of possible sanctions coming out of the OECD. That threat is no longer with us, so what do we do about it? We have a programme for the accelerated growth of the International Business and Financial Services sector which will feature a few very simple but effective things.

We will engage in a more aggressive marketing and promotion and public relations efforts jointly with the private

sector. We will move aggressively to expand our Tax Treaty network. We will move to reduce the level of administration in the sector, that is, reduce the level of Government bureaucracy which impacts not only on this sector but on several others. The process which has already started in relation to the communication reform, to make a wider range of the quality of the services available at reduced cost, will be accelerated. We will continue to introduce new legislation to offer a wider range of product choices in the sector. We will continue to accept and implement the best practice with respect to the supervision and regulation of the sector.

We will do what is necessary for the long-term growth of the sector, that is, to ensure that there is the widening of the focus away from the narrow look at financial services. The non-tourism sector of Barbados is capable of greater growth. We, as a Government of a country, need to maximize the export of our cultural services. We have already done so in the Carribean but we need to go beyond and I will speak more about that in the limited time which is available to me.

In terms of the intense marketing and finance programme to which the Minister has so generously provided, there is a full detailed programme worked out which will have as its core element, a participation of both public and private sector in a range of promotional activity, captive insurance, companies associations, trade shows, insurance, off-shore and corporation strategies. There will be a Canadian Management Information Society in Canada in September, 2002, Off-shore Trust promotional activity in September, World Captive Forum in Naples, *et cetera*.

In addition, Sir, there is specific opportunity which is open to us to capitalise on new insurance business which has become available. This is as a result of what all of us in Barbados are facing, that is, our increasing insurance rates. It is affecting people around the world and what large companies around the world are doing are essentially forming their own insurance companies. They are looking to Vermont, United States, Bermuda, Cayman Islands, and we need them to look at Barbados as well. We are satisfied that our legislative framework is quite adequate for those investments. We are not satisfied that a carefully honed marketing programme, operating at its most effective has, as yet, been put in place and that Sir, will be addressed.
5.20 p.m.

In fact, Sir, we make bold to say that by way of the targets which we have set ourselves for the growth of the international business sector, we would want to return to our normal growth trend in this way. In terms of international business companies formation, we would want to return to a level of 400 international business companies to be formed during the course of this year. We would want, with respect to a society with restricted liability, to see the creation of

some 40 of those businesses, with respect to insurance companies – 25 and offshore banks – 9 for a total of 474.

Of course, Sir, I need not speak of the economic benefits of these companies because that translates, Sir, into several million dollars of foreign exchange generation during the course of the year. I just want to assure this Parliament that by way of the additional allocation to the international business sector for its stimulation that it is a full programme which has been developed. I would want to remind this Chamber that the targets which I have identified are not outside of our reach because it was this same Ministry and the same Government which in the year 2000 had the best year ever for international business in Barbados.

There are some 456 international business companies formed, 13 insurance companies, 47 societies with restricted liability and seven offshore banks and we can clearly trace the reduction in the level of new business towards the treaty which was created by the OECD. Sir, that is not the only means by which we will be seeking to advance our interest.

Clearly the strategy concerning the development of international tax treaties has worked. We have here, a Barbados model tax treaty which we signed with other countries around the world as a result of the OECD and in particular, the Secretary of the Treasury, O'Neal of the United States, confirming that instruments known to law, such as the double taxation agreements are the way to go. We will be concentrating on several countries by way of targeting them for double taxation treaties. Among them are Denmark, Mexico, France, Germany, Ireland, Japan, Spain, South Africa and Italy.

Sir, I want to speak as well about another important aspect of this programme. Mention has been made of the critical importance of telecommunications to the achiever of the objectives of all the international aspects of our economy. This House has approved the Telecommunications Act and a reform programme has been lodged with this House. I want to report that we are working on the fullest implementation. Indeed, Sir, the first visible act of liberalisation which the general public sees, will be seen relatively soon.

Cabinet is at this time being asked to consider what is called a request for proposals for the operations of completing cellular services in Barbados. Sir, it means that very shortly, we will be going out to the public with the application forms – to put it in simple language – for companies interested in operating cellular services in Barbados.

We anticipate that between the application, approval, licencing and other processes, that before the end of the year, Barbadians will be able to operate and have in their cellular sets which will offer them a choice of operator. I will not

provide any further details on that matter as yet, but I assure the public that the process of telecommunications reform is progressing. Both the Telecommunications Unit and the Fair Trading Commission are actively engaged in the necessary, regulatory reform which is required to allow us to get to that desired point.

Additionally, I would also like to speak very quickly to the plans which we have given the opportunity of the lifting of the treaty by the OECD, as well as telecommunications reform to build our fledgling informatics sector. As you know, Sir, great opportunities exist within the information technology sector for the creation of employment which is very significant.

In fact, Sir, as it stands right now, we are currently targeting the areas of call centres, software development and various forms of e-commerce activity. During 2001, last year, we were able to attract an additional four international information technology companies to Barbados, offering call centre activities, software development and various e-commerce activities.

Of significance, Sir, is that one of the largest call centre operations in the United States has been operating a pilot project in Barbados for the last two or three months. Sir, that pilot project has been operating out of the Technology Training Centre which this Government established early last year to provide training and information technology. They had 24 operators on training and running this pilot project and from all indications, they are satisfied with the project and are considering establishing a full-fledged business in Barbados initially to provide employment for 150 persons.

Indeed, Sir, that facility also holds the possibility of doubling that number in the course of the next two years and we are currently in discussion with that company to ensure that we provide the necessary space and other incentives. The essential point I am making is that the strategies which have been identified in these Estimates, the additional resources that have been provided, by way of these Estimates, will be translated into the stimulation of the economy by way of the earning of foreign exchange and the creation of additional jobs in the sectors which have been the targets of the generosity of the Minister of Finance.

Sir, the manufacturing sector has been bearing the brunt of trade liberalisation efforts. I recognise, and I have been quite candid with the manufacturing sector by various discussions with them, including when I spoke to them on the occasion of the Annual General Meeting of the Barbados Manufacturers Association, held just last week, that the Government is of the view that there will continue to be an important place for the manufacturing sector of Barbados. Sir, just as how other sectors of the economy have had to adjust to new realities so will that sector.

Indeed, Sir, we can pursue our trade liberalisation strategy and still maintain a manufacturing sector. We may not save all of the companies that are there but we may in fact, create opportunities for new companies. Sir, we have, even now as we speak in Barbados companies in the manufacturing sector which export the majority of their output. There is a company manufacturing insecticide that exports 80 per cent of its production so it is not dependent on the domestic markets. We have, Sir, a company making labels for rum and other types of spirit bottles, similarly, attractive labels which export over 75 per cent of its production. Sir, essentially, it is not widely known that there are companies in Barbados which are already taking on international competition in a successful way.

There are, of course, other companies which depend exclusively on the domestic market and which companies will be the ones with the greatest impact from trade liberalisation. I hold the view, Sir, that with the CARICOM Single Market and Economy, widening the Barbados market from 270 000 to 6 million, and widening beyond that, Sir, to a market of 800 million persons and a GDP of \$15 trillion in the Free Area of the Americas, holds out the greatest overall hope.

As in any reform, Sir, there will be some entities which will go by the board, and there will be other entities which will soar on the wings of opportunity created by the enlarged market.
5.30 p.m.

But the examples already exist which indicate to us that it can be done.

Mr. Speaker, I recognise that my time is up, I think I am on borrowed time...

Asides.

Hon. R. R. FARLEY: Mr. Speaker, I am satisfied that these Estimates will translate into a Government's programme which would be executed with alacrity in which targeted financial and technical assistance provided to the private sector would be tied to achievable objectives so that when we meet here again next year in this most serious exercise, we will be able to report progress on these funds. This will indeed be a watershed year for us. The Right Honourable Prime Minister and Minister of Finance, the international business sector, the information technology sector and the manufacturing sector stand ready to seize the opportunities which will be presented by this open window.

Mr. Speaker, I thank you.

Mr. D. St. E. KELLMAN: Mr. Speaker, I rise to speak on the Estimates by saying that in order for us to tackle the economic problems of Barbados we must seriously consider the whole restructuring of the Civil Service.

We cannot continue to have a Civil Service where we limit the productivity of civil servants to a production period dictated by law. We must allow our civil servants to have the capacity to use their ability otherwise. We cannot have in this day and age a Civil Service where the Law states that civil servants can only work for the Crown. We must allow them to use the other 16 hours which are available to them so that they can improve their lot and in so doing improve the lot of the country.

It is regrettable, in a time and age when we are being asked to be more productive, to ask civil servants to devote one-third of their time to productivity of the country and use Laws to stop them from increasing their capacity and then come to this Parliament and ask ourselves why they are not producing at a higher level.

Let me just give you one example of what I mean, Sir. A policeman goes on duty for eight hours and then he goes home and sits down for 16 hours when he could be employed elsewhere to help with the same crime situation in Barbados, but we are saying that he cannot do that because the Law states that he can only work for eight hours and he must go home and do something that is non-productive because if he does something otherwise he will be breaking the Law.

Mr. Speaker, can we be honest and serious in an age like this where we want to improve productivity in the country and still limit the productive forces of our economy? I am saying that any serious restructuring of the Civil Service will have to change that first. There are many civil servants who have the capacity and the ability to do other things outside of their eight to four job but they have to go home and do nothing because of that Law. Can we as a small country continue to allow this to happen, Sir?

I am saying that we are wasting our natural resources and we are failing our educational systems by educating people and then limiting them. I am also saying that if we are serious about moving the economy of Barbados forward, we must first recognise that that is the first direction we have to move in.

I am also saying that if the Government of Barbados, and I have made this point in here before and I will repeat it again, is serious about exporting goods, they cannot depend only on the private sector to be the engine to push the exportation of goods in this country. The Government must be proactive and recognise that there are certain industries which have the capacity to export and they must invest in them by providing the necessary capital to those industries and force them to export.

It does not make sense having a manufacturer produce a good product which is being sold so well, and which is accepted by the tourists, but because of limited capacity

that product can only be used in Barbados. I am saying that any proactive Government should do a sharing arrangement with any company which produces a product that has capacity and should provide the capital base for that company in order to allow it to export its goods.

I am also saying that in light of all the glory I am hearing about and how well things are and has been for the economy, especially the Government and the private sector, that one interesting point keeps coming up in that whereas a few companies and the Government have been able to do well within the last eight years, the small business sector has suffered, which tells me that as a country we have adopted the top down policy at the expense of the bottom up policy, and if we have to describe it based on a house structure, we will have a house with a good roof but not a good foundation.

I listened well to what the Prime Minister said today and realised that every time he came to the small business sector, he said, "I have to do, I have to do," which tells me that he has recognised that there is a critical problem as it relates to the base of the country which has to be corrected. So I hope that the interpretation I have is also the interpretation of the Prime Minister of Barbados.

I am saying that the biggest problem facing the economy of this country is the ability of politicians to understand that in order for a country to do well, not only on a short-term basis, that it has to correct its foundation, but once you continue to ignore the masses of people in the country, you will always have that problem. It does not make sense for a "too few" to brag about how much money they have and at the same time the mass base people are suffering, so I am saying that we need to correct that quickly.

We also have to recognise that we have to move quickly to change our taxation policy because of globalization and the policies of the World Trade Organisation. We have to recognise that there was a time when we used to get all of our taxes through Customs but because of a policy which is dictated to us now by outsiders we are being limited. I am saying that we have to look for a system to allow us to fight back and find a tax that would allow us to increase the cost of imports without coming into conflict with the World Trade Organisation.

Once that is done, we will then have to look for counter policies to make sure that we can provide alternative work for the drop-outs in society, the same way we did in 1961 where we had the Parks and Beaches Commission, or where we had the reserve credit expanded to such a level in order to assist those poor people that the system had affected.

5.40 p.m.

We need soon to find a tax system that will make our people more productive, because as it stands right now the

tax system we have in place in this country is anti-worker and anti-productivity. A small country like Barbados cannot afford a tax policy that is regressive. It has to find a tax policy that is progressive. The sooner we recognise that there is an opportunity and we need to be more productive, the better for a small country like Barbados.

I am also saying that a couple months ago I warned the Government that in borrowing US \$150 million they were not truly looking at the opportunity cost of borrowing that loan. I am happy and still sad that from the admission by the Right Honourable Prime Minister and Minister of Finance that he has acknowledged, and in his own quiet way has admitted, that that loan was a bad loan and because of the liquidity problem, which is a positive problem, not a negative one. Most of the time in Barbados when you say "problem", everybody tends to think...

Aside.

Mr. D. St. E. KELLMAN: It is a problem and let me explain why it is a problem. We borrowed at a time when our liquidity in the country was good and it has now created a problem for us because we have over liquidity. When I warned the country, if you had listened, it would not have been a problem. If you had adopted what I asked you to and that is to borrow half of it, US \$75 million and not US \$150 million, we would have done well. Now what you have are high foreign reserves and when you look at it, Barbados is now saddled with a situation where we have to look for BDS \$442 million to service a BDS \$300 million loan at a point in time when the liquidity situation in Barbados is good. You can laugh at this, but at the end of the day it is the masses of people in Barbados who will have to fork out this money.

I am now being told, Mr. Speaker, that our foreign reserve levels are very high, excluding borrowing. That is a serious problem, Sir. Those of us who can use a calculator or can work figures would understand what I speak of, but those who cannot understand I cannot do anything to help them and they will laugh, but I am saying we have a big problem because liquidity sounds good and to the ordinary mind when you hear of a liquidity problem it sounds as if you are suffering, but what we are now having is a problem where you have too much liquidity within the system.

We have another problem, Mr. Speaker, and I want to challenge the Prime Minister and have him go back and think about this again because in the last Budget Speech I explained to this Parliament that the situation facing the sugar industry as it relates to imported sugar is not a problem. The problem is that whereas the sugar industry should be the one getting the money, that is, the profit from the importation of sugar, the money is going to the BADMC when in truth and in fact it should be going to the BAMC.

Because BAMC is not getting the profit from the sugar, they are now asking Government to stop importing sugar so that they can sell their sugar on the local market to get a higher cost.

The truth is, and I want to make this point, that when BAMC sells sugar on the local market they are still making a loss because the cost of producing that sugar is \$1 366 and they are actually receiving something like \$15 less than what is the production cost of that sugar. We, as a country, cannot afford to have a situation where we are selling sugar at a loss on our local market when we could be importing sugar and making a profit.

BAMC needs to get the profits from the importation of sugar and if they do they will not complain. If you tell me the reason why you want to sell local sugar on the local market is because we have the best sugar in the world I might agree with you on that. That is a different argument. If you are going to tell me that the reason you are doing it is because of profitability, I cannot agree because the truth is the present system as it stands now is the better system.

If you are talking about quality, I can understand why Bajans want the best quality sugar and I support them in getting the best quality sugar but, at the same time, we have to understand that you cannot have the best quality sugar and use it as an excuse that you are allowing Barbados to get the best quality sugar because the concept of selling sugar in the local market is the most profitable choice. That is not correct. What we are doing is depriving ourselves of \$6 million in profit and depriving the sugar industry of \$6 million in profit.

Sir, I am saying that if this policy is allowed and the impression is given that the sugar industry is now getting more money and they will be making a profit one would wonder why the sugar industry would have to come back and beg the Government for money.

We cannot expect Barbados to go forward when we have such an unhealthy country. The truth is that our health situation in this country must be looked at and it must be looked at urgently. Barbados has so developed now that we cannot continue to depend upon one hospital to fix all of our health requirements. We cannot be serious that the health of our country is the wealth of our country and we continue to keep all of our eggs in the same basket. It is time that Barbadians be given another choice. For a country where we depend upon tourism, we cannot be heard to be saying that we are happy with the situation at the Queen Elizabeth Hospital when we are a country that is offering services in terms of tourism and feel comfortable about it.

We also have to understand, Sir, that we have spent a lot of money on our educational system and we cannot continue to believe that we can continue to educate people

and keep them in Barbados. We have to see education as an export service, not only people remaining in Barbados and doing something to export, but we must allow our people to go outside and work and come back. Then, if we do not do it, Sir, we would have wasted a lot of money on our educational system. We have to understand that the same way that consultants can come here and make a lot of money that our Barbadians should be allowed to do likewise and return to our shores. That is another sure way, Sir, of building the capital of Barbados.

I have also said in this Parliament that Barbadians have to understand that they have to stop running to international banks to borrow money. There are many Barbadians who work overseas and have large bank accounts and we have to use the Treasury of Barbados as a way to attract that capital back to Barbados because we have a connection to it.

It does not mean that Barbadians are going to bring their money back here because the interest rate is three per cent in England or America, but I am telling you that any Barbadian living in Barbados who knows that instead of getting 3 per cent overseas they can get 5 or 6 per cent at home, they will bring every cent back home, especially at a time like this when they know that the foreign reserves of the country are so high. Any smart Government would move quickly to make sure that they do everything within their power to get the bank accounts of Barbadians overseas into their own country. We have to recognise that we would have invested in those bank accounts by creating the systems earlier on to allow them the capacity to leave the country and generate that money.

I am also saying, Mr. Speaker, that I have also said to this House many things and everybody laughed. The Honourable Member for St. Michael North is very famous for laughing at me when I make particular points and I want to remind the Honourable Member for St. Michael North at this particular point that I have asked this House that the Companies Act of Barbados be changed. I have been told by many people that if you change the Companies Act of Barbados that you would interfere with outsiders, that nobody else would have changed it and we cannot do it. I want the Honourable Member for Christ Church West to study this particular point because this would interest him. If the Companies Act of Barbados had been changed and adopted by the Americans, the EMRON situation would not have been where it is today because the shareholders would have been able to spot the problem a long time ago.

Do you remember the change I requested, Sir? You do not only tell shareholders when they cannot get a profit you tell them when they should get one. Study that! In other words, here in Barbados we came up with the solution to solve the EMRON problem but because this Parliament does not have any foresight, and the necessary people to move the

legal adjustments, we have deprived the world of a golden opportunity to correct some particular problems.

Sir, I am saying that we have to stop believing that because we are in Barbados we cannot say anything to affect the world. If we continue like that, we will always be a third world country and we will get no further. We have to understand that we have things...

Aside.

Mr. D. St. E. KELLMAN: This is all part of the Estimates, how to generate revenue and how to use services to get revenue for the country. You see, you cannot tolerate this logic.

Aside.

Mr. D. St. E. KELLMAN: The problem is that the Minister understands that a one-factory system cannot work in Barbados like Andrews, and he wants me to make that point for him that Andrews is in the wrong location for the factory.

Mr. SPEAKER: Please, please!

Mr. D. St. E. KELLMAN: This is all part of the Estimates, Sir. He is asking me to stick to the Estimates and I am sticking to the Estimates. I am saying that the Minister of Agriculture and the Minister of the Environment need to sit down and find out why Portvale is supposed to be the most efficient factory, supposed to be the newest factory, and we are going to get rid of Portvale because right now you are only talking about two factories.

The Minister of Agriculture and the Minister of the Environment must tell me why in this modern age we cannot correct an environmental problem when Portvale happens to be the best location, has the best foundation, and even if the machinery is old it can easily be relocated from another factory that has new machinery to Portvale, without interfering with the sugar industry. The truth is that if Andrews is the preferred factory, that is the death knell for the sugar industry. As I said already, people like straight roads.

5.50 p.m.

If Portvale is the preferred factory, you can still get canes from the north, centre, east and south.

Asides.

Mr. D. St. E. KELLMAN: You cannot get from the west because golf courses must now be built on the West Coast. Sir, Andrews is the preferred factory, you can only get canes from certain locations. If the Government is serious about making Andrews the preferred factory, I can tell

anybody that the sugar industry will not be with us for too long. I hope when it turns out to be true that nobody will say they have said it before me.

Sir, the location of the Bulkeley area is the best one for a new factory but if you are not building a new factory, the factory to keep is Portvale.

I am also saying that in the offshore banking sector, the Government made many errors. They were given the right approach but they took long to implement it. The truth is that the stance the Government took afterwards should have been taken first because after the Bahamas meeting, which the Speaker attended, if that approach was implemented right away Barbados would not have been blacklisted because those who thought they had authority in Barbados would have recognised that Barbados had more authority on them than they had on Barbados. We chickened out and we allow countries who were guilty of money laundering and many other things for many years to accuse us of doing many false things.

Sir, I am hoping that we understand that even though Barbados is small, we have a lot to offer the world. We must recognise that we have to do everything in our capacity to make sure that Barbados remains where it should be. The truth is we may have done well but we could have done better. There is an alternative to all of this and we must search for it because it is clear to me that the alternative is not coming from the Other Side.

Sir, the project to be done in St. Lucy should not be kept on the back burner any longer. This project is too important to the development of Barbados and to keep development in St. Lucy on the back burner cannot help, when you consider that the level of investment is over \$200 million. It should be fast-tracked because there are many spinoffs that will come from the project at the Naval Base. When this project comes on stream, North Point will also come on stream and there will be many other projects that will come out of that particular project.

I am also saying that the Port St. Charles Marina in St. Peter has not been properly marketed and used. I have said on more than one occasion to the investors that Port St. Charles cannot only be seen as a marina but it must be looked at as a total development within the St. Peter and St. Lucy environments because they are providing a service, and it should not be limited to the residents at Port St. Charles. We have examples like the Sunset Crest Beach Club and the surrounding area which were used to service the whole Sandy Lane and Sunset Crest areas.

Sir, as a small country we cannot be giving taxpayers concessions and allowing the private sector to limit us in our development. If we do not exploit the full capacity of the

Port St. Charles Marina, we would have wasted the concessions given to that project.

Sir, I do not understand why we do not recognise that instead of limiting Barbadians to a two by two booth to sell their produce that we must give them concessions and allow them to flow North, South, East and West. The same way a man living outside of Barbados can send his goods to Barbados and they are received and marketed, why should we limit our fishermen and agriculturists to a two by two booth. Markets cannot be seen in the same light as when the slave masters owned them. We must be more proactive.

Airconditioned vans must be used to push the products of local manufacturers across the island so that by the time the foreign product gets here, the local product would have already been landed on the doorsteps of the consumers because when you go into the supermarket you get only foreign goods.

Sir, we must change our marketing approach.
6.00 p.m.

Sir, the only goods that you can get in the supermarkets are foreign goods. If we are serious about helping our farmers, fisherfolk and manufacturing, then we have to change our marketing approach.

I thank you very much, Sir.

Hon. R. N. GREENIDGE: Mr. Speaker, Nat King Cole once sang a song called "Rambling Rose".

Asides.

Hon. R. N. GREENIDGE: Mr. Speaker, I want to begin my presentation by commending the Honourable Prime Minister for the way in which he presented the Estimates earlier this morning and he continued in the afternoon session. I can safely say that having listened to him, it is clear to me that we have a Prime Minister who is very concerned about the economic health of this country. I think he is one of the best stewards of the public purse that we could hope to have.

Sir, I have to say that I trust his judgement on these matters. I have responsibility for the EduTech programme. I know that we wanted \$51 million for the EduTech programme but we were only able in the Estimates to get \$45 million. However, the Prime Minister has given us the assurance that if things improve, we will receive priority in getting another \$7 to \$10 million. I welcome this information on behalf of the EduTech programme.

Mr. Speaker, in reply to the Honourable Member for St. Lucy, let me say that we on this Side have no problem

with the question of exporting skills. I want to make the point that the exporting of skills has to be on our terms. It has to be done on the terms of the Government of Barbados. I want to make the point that we will have a brain drain only if the skills we export cannot be replaced.

Sir, if there is a situation where we can export teachers and we have replacement for those teachers, then that would not be a problem. In cases where persons from the United States come to Barbados and tell us that they want teachers who have specific specialities – for example, that they want Spanish, Geography and Science teachers, while we in Barbados also want Spanish, Geography and Science teachers, we would say to them that they cannot have them because if we are going to have a shortage of teachers in those areas, there will be no arrangement with the Government of Barbados and those making the request under those circumstances. That is the point I want to make to the Honourable Member for St. Lucy.

Mr. Speaker, I am not going to discuss any matters on EduTech or education today. We will have the opportunity some time during the Estimates to do that. My main reason for getting into the debate so early is to commend the Right Honourable Prime Minister for the masterly way in which he presented the Estimates and, as I said, that I trust his judgement.

Mr. Speaker, today the Prime Minister has been extremely forward-thinking. I think he anticipated the events of September 11 almost with the mind of a fortune teller regarding what measures he was going put in place because of this eventuality. I think that he has been doing an excellent job.

I think these fiscal measures are aimed at positioning Barbados for whatever economic onslaught is around the corner. He has to stimulate the economy and he said that this is his main intention in these Estimates.

Mr. Speaker, you will appreciate that these are very challenging times all over the world. When you listen to the economic analysts, they are of the opinion that many investors the world over may not be able to realise their dreams this year. You will realise that many workers worldwide may not be able to keep their jobs this year. Mr. Speaker, we as a Government will be judged on how we handle this crisis. We are going to be judged on how we handle this particular year. It is going to be a very trying year for us.

We have to focus on how the economy is going to hold. The management of the Barbados economy is going to be determined by whether we survive or fall in this global competition. This year, as the Honourable Minister has said, we have to concern ourselves in minimising economic slippage as well as maintaining jobs.

I think to have kept unemployment at 9.8 per cent is commendable.

Asides.

Hon. R. N. GREENIDGE: Sir, unemployment is still in single digits.

We have heard from both speakers on the Other Side and they must admit that when they had the opportunity to manage this economy, you could have counted the foreign reserves on one hand, Mr. Speaker. Only God knows what they will do in the unpleasant eventuality that they should ever again regain the reigns of Government in this country.

Asides.

Hon. R. N. GREENIDGE: I believe, Mr. Speaker, that in the competent hands of our Prime Minister our economy is going to recover. I honestly feel that way, Sir. Barbadians will then have the opportunity to see how both Sides have reacted to these crises and then they will determine in whose hands they will invest the reigns of Government.
6.10 p.m.

Mr. Speaker, I believe that in the competent hands of our Prime Minister, our economy is going to turn the corner of recovery and then Barbadians will have the opportunity to look and see how both sides have reacted to these crises; then they will determine in whose hands they will invest the reins of government. Sir, we as a Government will be judged by how we take those tough decisions, tough decisions that we have to take now, tough decisions to keep this country on a stable footing. I have to admire the Honourable Prime Minister for being so proactive in what he is doing.

Sir, we have to put very sensible measures in place because if we do not fix today's problems today, it means that we are going to leave them for somebody else to fix tomorrow. I firmly believe, Mr. Speaker, for our Caribbean leaders to stay strong, for them to prove their worth, that these hard economic tests are sometimes very, very necessary and I think it is a good test for our Caribbean leaders. Some of them, Sir, will pass and some will fail. I have every confidence that the Honourable Member for St. Peter will pass. The records have shown that in every good administration in our region, sometimes that administration had to undergo some testing. Good administrations manage the test and other administrations collapse.

Mr. Speaker, when the Honourable Member for St. John spoke in this debate today, he said and I quote that he saw through the Prime Minister's arguments and the public will also see through them. He also stated there is not a lot of room for manoeuvring, and that this Government has to exercise fiscal prudence or else, and about how the Government is in a catch 22 position.

Now, he is a messiah. He is offering advice about what economic decision we should take in these trying times. I tell him, thanks, but no thanks. When he had the opportunity to advise Sir Lloyd Sandiford, that resulted in the most cruel form of economic exploitation ever witnessed by the public servants of this country. It was the most devastating chapter in economic mismanagement in Barbados, so I tell him again, Mr. Speaker, thanks, but no thanks.

Mr. Speaker, both Honourable Members for St. John and St. Lucy have to realise that we are in the midst of global economic slowdown and what is happening in Barbados is not of our own doing at all but I think the point has to be made that how we handle it is what is important. Anyone can tell you that this country's economic path seems well-paved and certainly well-managed. We are not as affluent as places such as Sweden. We are not as prosperous as places like Japan. We are not as powerful as places like the United States of America but if one listens to both Honourable Members for St. John and St. Lucy, one would believe that the economic downturn which the world is experiencing, is due entirely to the mismanagement of this present Administration. That is the impression they want to give us.

Sir, I believe this talk about mismanagement and catch 22, *et cetera*, is only talk to divert attention. I feel, Mr. Speaker, that they belong to a family that would have a motto, "when everything is going wrong on our side, blame somebody else. When we are destroying each other, blame the other side".

Mr. Speaker, we have absolutely nothing to hide. In fact, on this Side, we encourage Barbadians to ask Government. We encourage Barbadians to ask the Minister of Finance tough economic questions and wherever possible, we also ask them to suggest alternatives. Mr. Speaker, the last thing in the world we would want to do as a Government, is to deflect interest in or to deflect attention to, or investigations of this economy.

We try to get solutions and opinions in the aftermaths of the 11th September, 2001, and as a Government, we called together the brains of this country and held a forum also on international trade. We always seek national participation in these matters wherever necessary. I have to say this Sir. In those two meetings in particular, I saw our Prime Minister at work. I saw our Prime Minister at work, first of all, in the aftermath of the September 11, 2001. I also saw him at work on Valentine's Day.

Asides.

Hon. R. N. GREENIDGE: The truth of the matter was that it appeared to us as though he did not want the meeting to come to a close. We were there stretched out and here was a Prime Minister who was virtually telling the people that he did not just want to have a meeting, he wanted a meeting

with results. He wanted a meeting that had some opinion or guidance as to what we should do. He wanted to save us from ourselves.

Sir, very often those of us in Government will tell you that we have meetings and sometimes at the end of the meetings we may ask ourselves, what have we achieved in this meeting? Sometimes we discuss matters on which no decisions are required but at those meetings in particular, the Prime Minister actually wanted decisions, even after the meetings were finished.

6.20 p.m.

I recall a meeting he had with the Press and virtually speaking to the Press for another 45 minutes on what the meeting achieved and what was the next step. We have nothing to hide and we encourage national participation on these matters. Let me say, Mr. Speaker, that even though the Civil Service and the Government generally have gotten bigger and bigger over the years, the Prime Minister undertook to make a statement at both of those meetings to the effect that in spite of what had happened, he was not going to lay off any Government workers.

I think that was a commitment that he had and he wanted to sell his commitment to the private sector with the hope that they would follow suit. When you get someone with that commitment up front, who will say that whatever measures I take, I am going to take those measures on condition that I do not lay off a single public servant, are strong words in these turbulent times.

I would want to say too in commending the Prime Minister for these Estimates that it is no secret now that he argues for this country in the international arena. I do not believe, Sir, in fact, I know that he is not responsible for Barbadians having a reputation as a thinking people. We always had that so he is not responsible for that, but he had solidified what many in this region and the world already thought about us because they always had a good impression of us.

They knew we managed well and we are analytical people. They knew we do not cave in easily but we make our position known in any forum in any part of the world. He is now a living testimony to that. I am happy therefore, to say, Mr. Speaker, that the money we spend on education is money well spent, if we continue to produce persons of the calibre of the one who speaks for us in those international forums, produce excellent managers, whether it is our Ambassador in Geneva who speaks with authority on these matters, or the Director of International Business, I think that these persons are living testimonies to our educational system.

Sir, all of us admire the stance taken by the Prime Minister during the ship rider battle and so on. I knew that

would not have been his final battle either and even recently there was a fight which removed Barbados from the OECD black list. I am telling you this, even that is not his final battle either because the test for our leader is not yet over. Countries like Barbados are being put under international pressure with each passing day and there are going to be more tests for us to pass.

The challenge will be when you are called upon again to surrender more of your rights or be blacklisted in some other form or fashion. We still have a lot of those tests to pass. He will again be called upon, Mr. Speaker, to ensure that we are on par with international standards and requirements and I have every reason to believe that we will meet these standards but he will ensure that we do so without loss of sovereignty, dignity and without loss of pride.

I am obliged to you, Mr. Speaker.

Hon. N. A. LYNCH: Mr. Speaker, I am privileged to be here at this time to speak in this annual debate and assess before Parliament, the Estimates of Income and Expenditure of the Government. This year's presentation and debate are reminiscent of last year's debate when I heard the Leader of the Opposition, the Honourable Member for St. John, and the Honourable Member for St. Lucy make what I consider to be the same speech they made this year. It is interesting, Sir, even though things are so alike, the statement is that the more things change the more they remain the same and, Sir, how quickly things change in the world.

Last year when we met here at this time, the issues that occupied our thoughts were:

1. How would Barbados and the rest of the world cope with the new world trading order?
2. What did the future hold for the region's, threatened offshore financial sectors, given the OECD challenge?

Sir, that was the context in which the Estimates were laid at that time. In August 2001, during the Budget debate, these same issues continued because, Sir, we had already recognised that we were faced with a world economy that was going into recession and that Barbados, as a small open economy, had to find mechanisms to respond to the recession.

Sir, then came the Budget debate in August and again, Sir, we continue to deal with similar challenges. How were we to deal with this new world trading order, in terms of influencing it for the development of Barbados and how were we going to handle the future of our offshore sectors, given the OECD challenge?

Sir, the September 11, 2001 attacks came and it was really a wake-up call for many of us in the Caribbean and across the globe about how vulnerable our economies were to influences that certainly were way beyond our control. Twelve months ago, it was generally recognised that the world economy was in decline and that there was a need for caution and control and that was the context in which we laid the Estimates.

Sir, some people had the foresight to predict the issues relating to the technological bust in the United States. I speak today against a background for which all Barbadians can be proud. We, as a Government, even in the face of much adversity, were able to handle the fall-out and the recession to keep Barbados afloat without reverting into some of the concepts and issues of the past. I think, Sir, we should be proud of a Government that had sound policy making structures and long-term forward plans that actually kept Barbados' economy very buoyant during, maybe, one of the worst global recessions we have seen for some time.

6.30 p.m.

The backdrop against which we speak today is for a continued environment of cooperation in Barbados. This should be an exemplar to the rest of the Caribbean and for many other countries in the world because we have an environment of cooperation between the private sector, the labour movement and the public sector which continues to give Barbados good receipts. Further unity and further cooperation is needed but the base has already been established for us to continue to cooperate better.

The world we occupy in the next two decades is being shaped and created in another place and we need to influence that process more so than we have done in the past. The business environment and the business investment which is perhaps the most leveraged component of any economy has been seriously curtailed by the technological problems in the United States of America and the investments that have disappeared. There is going to be less investment available to us and less income for both consumers and the Government and, therefore, both will suffer.

There will be a more liberalised environment because this is becoming a World Trade Organisation world and whether we want to accept it or not it is here to stay and will be around for a long time. There are new opportunities which will be created but how we seize those opportunities is what will really make the difference.

The next challenge will be the degree to which we are able to accept and embrace our future environment which is more fragmented and more individualistic and unless we can understand what our place and space in the world is and be able to find a special niche for ourselves, we would be disadvantaged.

Sir, there is also the issue of the information revolution which will obviously influence the way in which we do business from hereon in.

Sir, the year ahead will be a challenging year for our economy and we accept that. We accept that the economy declined in the year 2001. We also accept that policy failures did not cause us to be in that recession but that there was a global recession, as the Honourable Member for St. Peter said this morning, and that every region of the world either slowed or declined but there are signs of optimism on the horizon.

We were able through our sound macropolicies, which have always been a hallmark of this Administration, small deficit, low inflation and low unemployment levels, to create that sound base that kept Barbados alive. At the micro-level, even in the face of that recession, we were able to see our productive sectors perform credibly.

Sir, some people will argue that there were declines in some of our productive sectors last year and we admit that. Tourism declined by 6.8 per cent and international business did not sign on as many new international business companies or foreign sales corporations as they would have expected. What is important to note though is that that measure of economic performance, the good balance of payment and the foreign reserves have been kept high, net borrowing.

Sir, I want to speak on that issue. We were able, by net of borrowing, to increase our foreign reserves by \$150 million. What is important is that we have kept our way out of the recession not by borrowing our way out of it.

When I look around the rest of the Caribbean and see what has been happening to them, particularly in the tourism sector, Barbados, in the face of all adversity, continues to be the envy of the Eastern Caribbean and some countries of the northern Caribbean which are strong tourism economies because we were able, through that recession, coupled with the September 11th events, to do things that no other tourism destination around us was able to do and we were able to increase airlift capacity into our country.

Out of those September 11th events people were reluctant to fly and air travel was curtailed substantially because of that apprehension to fly. All around us the airlines were losing money and in the face of all that Barbados was able to bring airlifts out of markets that have been depressed and were able to put new airlifts into Barbados. Sir, I think that is a significant achievement for any economy which were facing a serious recession.

The other productive sectors also perform reasonably well in the face of much adversity. The fact that

210 international business companies were registered and 22 societies with restricted liability signed on, tells a story, even in the face of our own recession which was triggered by that global recession and the challenges of the Organisation for Economic Cooperation and Development (OECD), that Barbados was still able to keep its head above water.

Sir, we are facing a world of change and we need to accept the realities of globalization, and trade reform is an essential plank of globalization. The Prime Minister made reference today to the new and dangerous uncertainties that await us but how we prepare ourselves for that new reality is important. He also spoke about the concept of phased liberalisation rather than accelerated liberalisation and that we need to focus first on a more regional, hemispheric, and global phasing of these new realities.

He also spoke about the new social issues that will affect our ability to progress and develop as a nation and made specific reference to the HIV/AIDS issue, the drug culture and the new cultural consumption that are facing Barbadians. All of this, Sir, will make a difference as far as we are concerned and how we will be able to progress as a country. How to deal with some of the traditional social areas such as education and health is another issue that has sprung up.

Sir, most important is the fact that we are able to keep the confidence of our people in the Government. I know that a number of people would never be able to understand the whole issue of being able to keep the confidence of the people in their Government because they were the ones who put the confidence of the people in Barbados at its lowest ebb ever.

Asides.

Hon. N. A. LYNCH: Sir, I know that the truth hurts and the truth stings and when you speak the truth you will get all types of Asides.

Apart from the economic and social issues we have been able to keep the confidence of the people in Barbados, in the Government high. What is also important is the issues that deal with the numbers that are written in this volume and being able to wake up every morning and be confident that your Government can deliver the goods in the face of all adversity. That is what development is all about.

A lot of these people, Sir, that you hear with Asides cannot speak to that because they had their opportunity as well but they brought Barbados down to its lowest level ever and we should never let them forget that.
6.40 p.m.

Sir, the issue as well is that all of our economic gains could easily be eroded if we do not put sound social policies

in place – the issue of building a higher level of productivity, enhancing our competitiveness and the cultural aspects of our development that really build the type of Barbadian that could take advantage of all the issues that are presented to us and the continuation of being able to build this new economy.

Globalization has now narrowed the odds for continued development and the focus on the two main sectors of tourism and international business where we are going to increase the budget this year. We are all agreed in here that building the new economy will focus on these two service sectors which are the ones in which Barbados has a real competitive advantage over many of our neighbours and even over the rest of the world, being able to find the niches in which you have that absolute advantage over everyone else.

Sir, in the case of tourism, I know the Honourable Member for St. John is really waiting for a debate on tourism and this year he will have his opportunity to speak to all the issues, even the off budget issues that he spoke about I intend to speak about, and I will give him the opportunity to be able to ask any question he wants on every issue relating to the development of Barbados particularly as it relates to the tourism sector. He will have his opportunity. The other member that sits with him has no idea about anything so that it would be difficult for him to even understand or even debate with me on tourism.

The issue is that tourism continues to be the main industry on which we will depend and I will be the first one to say that there are concerns. The Honourable Member for St. John has expressed some concerns about the issues relating to the BTA problems, saying that I have spoken in some other instances and some other fora about the BTA not being the correct model to be able to move Barbados' tourism forward.

Barbados' marketing has always been focussed on that agency. The issue is that I have said, and others members have said already, that I do not think this is the most complete model to market our tourism but with recent reforms and being able to place more private sector interests within the Board of the Barbados Tourism Authority we think we are moving in the right direction to create the type of environment and the type of organisation that will move Barbados forward.

I keep making the point, Sir, and it is for the member for St. Lucy to understand, that Government does not market anything in tourism because Government does not control the product. The industry is private sector driven and should be private sector led and we have said that before. As a Government we have given the private sector an opportunity to be at the forefront and to lead the issue related to tourism development. Therefore, there should be no complaints.

When Government gives all of the resources – and last year this Government gave the Barbados Tourism Authority to begin with \$45 million in the Estimates – we came back and gave another \$6.9 million when the issue of the USAIR programme was coming to fruition. The Government came back after September 11th and provided the \$10 million relief fund. This Government has given \$25 million to a Tourism Sector Development Fund. It has given \$5 million to the small hotels of Barbados and then converted \$1 million of that into a grant, \$300 000 a year for the next five years for the administration of the small hotels Co-op. These are issues which I think we would understand that place tourism at the forefront. We have given all the resources for tourism to thrive and even do better.

Sir, I am concerned when people tell you that if tourism is in decline, or some measure of the tourism industry has declined, that Government is to blame. This Government has done more for the tourism sector in recent times, in my memory, than any other Government has done in terms of providing the resources. We have kept an open door policy and we have included the private sector at every level in terms of what we are doing for the marketing of Barbados. I cannot see how it is to blame.

I saw a recent article that said 40 000 more seats are being made available to fly people into Barbados this year. One of the areas we have always been concerned about is our airlift.
6.45 p.m.

Sir, developmental funding has been made available, not only to the tourism industry, but also to the other productive sectors. This Government has been able to provide funding and open up new institutions which small businesses can rely on like the Industrial Development Fund, the Small Business Fund and the Innovation Fund available through the Ministry of Commerce.

I heard the Honourable Member for St. Lucy talking about small business but this Government has put money into a small business fund to provide opportunities for small businesses. Sir, this Government can take people to the water but it cannot make them drink. They have to get up, be innovative and creative to access the resources that have been made available to them by Government.

I had the opportunity to speak to the small hotels of Barbados last week and I told them that this Government has provided every single option to the small hotels of Barbados with the Barbados Hotel Tourism Association at the forefront. The financial resources are available. The airlift and support are also available.

Sir, there are four ex-presidents of the Barbados Hotel Tourism Association on the Barbados Tourism Authority's

Board and the Chairman of the Small Hotels of Barbados Inc. also has a seat on that Board but people cry foul even though the opportunities are there.

I heard the Honourable Member for St. John say that we are creating the opportunity but there are no mechanisms in place, but the Government has also provided technical assistance in getting these small hotels ready and to help them prepare their accounts as long as they can prove they need it. The one who can prove that September 11th incident caused them some measure of problems in terms of receipts we have offered the opportunity to lend technical assistance through the Enterprise Growth Fund Limited (EGFL). Sir, this Government has done more than enough in terms of putting the ball in their court, but they have to be able to play.

Sir, we are able to seek out niches that work to our advantage and we are working our way out of the recession. The ability to go to the capital markets and borrow is due to the sound management of the economy. If this economy had not been well managed, we would not have been able to go to the capital markets in the face of the recession. Sir, all Barbadians should have some level of confidence in this Government which is acting in their best interest.

Sir, HIV/AIDS affects the most productive people of our workplace between the ages of the early 20s and late 40s and more emphasis is being placed in these Estimates to protect them.

Sir, the health service is a fundamental plank for the new economy because the health of a nation is the wealth of a nation. Then there are the traditional social areas like education which have made us what we are today.

Sir, the Ministry of Social Transformation, I have heard a lot of people criticising us and saying that we are creating a welfare state. The fact of the matter is that all of us were poor a generation ago. Most of us now that consider ourselves to be highly middle-class, had a poor background a generation ago but some of us were provided the opportunity to move up and change our social and economic status, but some of us fell through the cracks. I think it is gross hypocrisy for people to talk of a welfare state and criticise the efforts of a Government that has been putting the financial resources in place for those people who have slipped through the cracks when they had the opportunity in their hands to create a concept similar to that of the Ministry of Social Transformation and provide an opportunity for those same people who have slipped through the cracks.

Sir, my grandmother was from Orange Hill in the parish of St. James and she was a labourer on Westmoreland Plantation. I grew up in Bush Hall Yard Gap and I remember

when my father built a water toilet onto the house because we had a pit toilet in the yard like anybody else. When I was going to school at Lodge School I remember my father building the water toilet and it was a great event.

Anybody who says that the Government is creating a welfare state because the Government is giving people who have paid their dues and are in the twilight of their days the opportunity to have water toilets in their homes, should never hold the reins of Government in Barbados.

Asides.

Hon. N. A. LYNCH: Yes, it is gross hypocrisy because the opportunity was presented to them and they let it slip away. I know what it felt like for me to experience having a water toilet for the first time in my house and I do not know how anybody in their right conscience can say it is not the right thing to do.

Sir, I want to deal with the issue of cultural development. The issue of the Prime Minister taking over the Ministry of Culture is an important development, not only in the social context but being able to create the kinds of economic opportunities to make a difference. A lot of the fellows that are on the block and street corners are people who have not been exposed to understanding very clearly who they are, where they have come from and where they should be going as a people.

Sir, Crop Over and Congaline are simple concepts to be able to allow people to understand better their own identity. It makes the difference when we are able to put more money into areas that create a better platform for them to understand who they are. Knowing the national heroes, being able to celebrate Emancipation Day and Community Independence for the first time as a Government are issues that allow people to understand where they come from and where they are going. It sets out the platform for them to be able to take advantage of all the other social and economic opportunities presented to them.

Sir, I have never been exposed to such political gibberish in my life than the presentation I heard this afternoon from the Honourable Member for St. Lucy. This Government is on the right track and I am proud to be part of a Government that understands the economic and social issues as they relate to Barbados. I am also proud to be part of the Government led by the Honourable Member for St. Peter and the Minister of Finance.

I give my blessings and endorsement to the Estimates 2002/2003. Thank you, Sir.

Hon. Miss B. A. MILLER: Mr. Speaker, Sir, I am very much disposed to give support to these matters engaging the

House of Assembly at this time. This morning, in my judgement, we were the beneficiaries of one of the finest expositions I have heard on where the Barbadian economy is today in our own national interest, where it is in the context of the region of which we are a part, and where Barbados is now repositioning itself in the context of the larger international economy.

I wish first of all to give my support to the proposals now very clearly put by the Right Honourable Prime Minister and Minister of Finance regarding amendments to the Standing Orders. It is a call that I have made in the past, not as specifically articulated as it was today, but it has taken a long time for us to get there, and I hope it does not take as many years again for it to become a reality.

When I first came into this House, I gave voice to it and there were some who sniggered at the time. It always seemed strange to me that we would debate our Estimates of Expenditure in March of the year, everybody knows our financial year ends on March 31st, and some weeks or months after that we then do the Budget. It has always seemed to me to be the wrong way to do it.

It seems to me that it would have made better sense to deliver the Budget and then do the Estimates of Expenditure to say how the money would be spent in the various Ministries. In more recent years there was talk of bringing the two together but, as the Prime Minister rightly pointed out, it will require more than one amendment to the Standing Orders. An amendment to the Standing Orders would not be a major operation and you do not have to be a rocket scientist to be able to do that.

Mr. Speaker, it is a poor reflection on us and I want to appeal to you, Sir, that as a matter of urgency we need to amend our Standing Orders. New ways of doing public business have overtaken the Standing Orders which are possibly older than I have been in here, and the work of this Honourable Chamber is being inhibited by the fact that the Standing Orders as they presently stand, do not permit us to carry out this very important function.

There are two major functions that we carry out as legislators. We are here to legislate laws and levy taxes. It continues to concern me that for want of amending the Standing Orders to better allow us to carry out those functions, particularly the function attached to the levying of taxes, that we continue to give them lip service and it can be done literally at the stroke of a pen. We can decide in here, that is our privilege and function to amend those Standing Orders.

7.00 p.m.

I believe that the Standing Orders Committee has complied, if not presented, certain recommendations for

amendments in this respect. Another financial year must not come and go and find us in this position.

I want to add my support for an amendment of the Standing Orders. I like what was said by the Minister of Finance. Last year I was able to put in place in this Chamber a Standing Committee, no *ad hoc* committee or Select Committee, a Standing Committee on Foreign Affairs and Foreign Trade. That is what we need in here and the Minister of Finance is correct.

We cannot do justice to these Estimates in modern times with the kind of debate we have in here over a period of five days. They need to go to a Standing Committee on Finance where they will be scrutinised over several weeks. This happens in Jamaica. The Prime Minister is right. Not only civil servants but any person in Barbados could be required to give evidence of one kind or another or be requested by this Committee to answer questions. When that work is done, the Estimates of Expenditure come to this Parliament and we can address these matters much better informed. As it is now we are the committee.

The Opposition knows just as we do, that everybody comes in here with their briefs and nobody reads the briefs. They are too voluminous. It is not that you do not want to do it. They are too voluminous and you cannot absorb it over a five-day period. We have preparatory meetings, at least on this Side of the House. I suspect it is the same on the Other Side, although to tell the truth, when I looked at the draft copies of the Estimates on the Other Side this morning they did not look as though they had been read to me.

Asides.

Hon. Miss B. A. MILLER: Mr. Speaker, the point is, over a five-day period, with this volume of documentation, we cannot do justice to this debate the way we need to do it. I want to give my support to the call of the Right Honourable Prime Minister and the Leader of the Opposition that it is past time and certainly by the time of the next Estimates debate, that we have a debate which includes the Budget and the Estimates as one major debate.

Now that these debates are being broadcasted on the radio, I hope by this time next year they could be televised. This is the kind of debate that needs to be televised. This is the kind of debate in which the public needs to be hearing and seeing first hand how this economy is run and the context in which this economy sits in the early 21st Century.

The point has been made diverse times but it should be repeated that Barbados cannot be isolated from the rest of the world, whether it is in the developed world or in the developing world. We have to face the fact that we are part of an economic community known as CARICOM and that

we are now engaged in a trade negotiation process and in other processes involving the international financial institutions, and other institutions as well, which put us at the centre of a world economy. It does not matter how small you are. We have made the case that there has to be some special and deferential treatment for small economies like ours.

You cannot reverse out of this situation or you cannot say that you do not want to be part of this situation. It is like the air that we breathe. We have ideas. We have read and have been educated about what the world was like a thousand years ago. Changes overtake communities, countries and the world from time to time. It is true that we are now in the dynamic process of such a change. Mr. Speaker, life is about change and about choice and we have been making our choices in Barbados. I would like to think that there are informed choices.

This Government, and I have sat through many administrations in here, has been more consultative than any other Government in my experience and I would venture to suggest, ever in the history of governance in Barbados. We have consulted in every sector of our economy. At this time our trade negotiations are dominating and last month we had over 100 people from all sectors in Barbados as part of the consultative process, and there are going to be more of those meetings.

The Prime Minister spoke of a public debate which is expected to generate dialogue relating to matters of taxation, pensions, and pension policies for Barbados. Mr. Speaker, everything is boiling up in the pot at this time. It is a most dynamic and engaging process from which we cannot abnegate.

I had hoped today, in vain, to hear from the two Honourable Members on the Other Side, something which could have helped to take this national debate forward. In my life I have learned that you learn great lessons, not only from those who are on your side but from those who dispute the passage with you. Some of the best lessons I learnt, although there were the toughest lessons I have learned in my life, I have learned from those who disputed the passage with me but it is not so today. The Opposition is failing this country and failing this economy because all of us are in this together. It does not sufficiently or in some areas engage in such.

The Honourable Attorney General sits next to me in this Honourable House. She has a volume of the Estimates at her position as well as the books "Civil Liberties in a Turbulent Age" and "Shooting Fire" by author Alan M. Dershowitz. I saw that the Leader of the Opposition had two volumes of the Estimates. He has them hidden away now, Sir. Before the luncheon interval, the Leader of the Opposition had two volumes of the Estimates at his position.

I was shocked to discover what he is now reading on the opening morning of the Estimates debate to inform his contribution. This is what is employing his intellect. A book called "Honourable Insults"....

Asides.

Hon. Miss B. A. MILLER: There are hidden under that black bag. I am telling you what I saw with my eyes.

Asides.

Hon. Miss B. A. MILLER: Mr. Speaker, this cannot be the literature to be informing the contribution of the Leader of the Opposition. I can imagine lesser likes down the Bench but not the Leader of the Opposition.

Asides.

Hon. Miss B. A. MILLER: I do not think that will inform this debate. You came in here to curse. That is why you brought the book "Honourable Insults" with you. You cannot even invent your own insults.

Mr. Speaker, Sir, it does not speak well.
7.10 p.m.

Mr. D. J. H. THOMPSON: Sir, on a point of elucidation so that I can illuminate the dark corners of the Honourable Member's mind. "The Mimic Men" is a book written by the most recent Nobel Prize winner, V. S. Naipaul. It is about the experience of West Indian immigrants in the diaspora. If that has nothing to do with modern international relations, our culture or any other aspect of our human endeavour, I do not know what does. You are a Philistine.

Hon. Miss B. A. MILLER: Mr. Speaker, I have read and even reread "The Mimic Men" even before he knew about it. I am saying that it cannot be relevant to inform any contribution that he would make in here today.

Asides.

Hon. Miss B. A. MILLER: Sir, this is a man who has once absented himself from the Estimates Debates, so we know where the Estimate Debates stand in the order of priority for the Honourable Leader for the Opposition. Mr. Speaker, Sir, let me get to another point.

The Right Excellent Sir Grantley Adams once said that Barbadians' memories are short and particularly when it comes to politics. Too many people have already forgotten that we have had a Budget in August last year. This was at a time when the United States was not yet even admitting that they were into recession. The Prime Minister came in here and carefully explained to Barbadians the fact that what had

been forecast was not looking to deliver what we had thought. At that time he came in here with a Budget intended to restore, as far as possible, the situation. In less than one month, the events of September 11th overtook it. Following that, the United States conceded to the world that, indeed, there was a recession, as to other countries like Japan. A few weeks after that, the bottom fell out of Argentina. I do not know what words one would use to describe where Argentina is today.

Sir, the Prime Minister has made the point this morning that it appears that in the United States the recession appears to be showing some signs of recovery but that, in his view, they were faltering. I support that view as well. All the commentators are saying different things and everybody is all guess work as I see it. We cannot predict what we have to do in Barbados in terms of our response to the recession and what it has done to our economy, or what three or four persons may be saying in North America.

Sir, the Prime Minister has laid out very carefully for us today where the priorities are. He was full and frank with Barbadians. He made it clear that this is going to be a historic year for Barbados and I think that is correct. He told us that Tourism and International Business are the sectors which must lead the recovery and, indeed, must underpin the Barbados economy in this first decade of the 21st century.

He spoke plainly about agriculture and manufacturing – the need to recapitalise, retool and redirect our thinking and our practice in those two sectors. Sir, particularly in that connection, he issued a call to arms – that is how I heard it – to the private sector begging them to engage, making it clear that the Government is willing to help.

I heard the Leader of the Opposition saying that we must lead the private sector by its hand. Mr. Speaker, Sir, it is nothing, it is not enough. The Minister of Finance is right. The private sector has to get up and become more engaged. I keep making the point, Sir, we never take a trade negotiating delegation out of Barbados without inviting both the labour movement and the private sector to be represented on it. The representation can be stronger and be better informed than it is.

The private sector cannot always wait for the Government to say this is the way to go or this is the way we are going. Sometimes the private sector must be more proactive. It must take the initiative sometimes. The private sector must have a sense of its own direction because this Government has stated that it is an open book. There is no secret as to where this Administration wants to take the Barbadian economy in these early years of the 21st Century.

Sir, I too want to support the call to arms that the Prime Minister has issued to the private sector. He has made

it clear and it has warmed my heart because I have been making these speeches in here for over 20 years, that the social sectors are productive sectors too. It is an old time backward view that the social sectors are the soft underbelly of any government and that the social sector ministries should be given to women – both Ministries of Education and of Health.

I have held those positions in my time and so I am in a position to say with authority, Mr. Speaker, that has always been a myth. They are the largest Ministries in terms of administration and percentages of revenues they receive and we are going to discover that in this Estimates of Expenditure exercise over the next several days.

Sir, it pleases me to hear the point being made that they are critical components of human capital formation. I have always known that and it is time for Barbadians to get a stronger handle on that and understand the importance of it. The human resource base we have today is what is paying the dividends now and what is going to have to pay the dividends because Barbados has long made its choice that services is going to be the way for us in this new century and that is what underpins services. Therefore, it is very important that they do not lapse, that we do not allow them to become derelict and that we have to keep them well-maintained and well-oiled.

Mr. Speaker, Sir, this is going to be a very busy and critical year particularly for the Ministry of Foreign Affairs and Foreign Trade and particularly the Division of Foreign Trade. I think everyone knows now of the important trade negotiations which all converge in 2002. We have the World Trade Organisation already underway in its negotiations since the ministerial meeting in Qatar last year. We have in Brussels the African, Caribbean and Pacific Group of States, negotiating a new and quite different partnership agreement than the old Lomé Convention that we knew of over the past 25 years.
7.20 p.m.

We also have in this hemisphere the Free Trade Area of the Americas process and that too is underway. On top of all this, Mr. Speaker, Barbados is very much engaged, within the CARICOM grouping. Where we have to speak as a group, Barbados also has its national trade review which takes place in Geneva in mid year.

Every member country of the World Trade Organisation (WTO) has to go through this process. It is a gruelling process and it has taken us a year to prepare for it. Indeed, for about the week of the 18th of February, we had officials from the World Trade Organisation here in Barbados working on the ground in the Ministry of Foreign Trade but engaging day in and day out. I saw members of the private sector, all the sub-sectors of the private sector come

in and out and also members of the Labour movement. I think they are well-pleased with where we are in the process but in July, my advisers and I will have to sit down and answer the questions that any country which is a member country may ask.

Last year the OECS countries held theirs as a group and the Americans alone asked 182 questions. That is only one country. It is like an *inter vivos* examination but I believe that we are going to be well-prepared but all of that will be going on. In addition to this, Mr. Speaker, when the CARICOM Heads met in Belize last month, they took some very important decisions about these trade negotiations, where we go as a group.

Sir, nobody is going to listen to us as individuals and they decided on who would lead the negotiations and who would be the alternates. For instance, in the FTAA process, Jamaica is the lead country. In the ACP Cotonou arena, Barbados is the lead. In the WTO, Guyana is the lead, and for my sins the Heads have decided that they must have a Dean of the College of Negotiators – as it is called, somebody or some country, I would prefer to think – which has the oversight of all of the negotiations and that has fallen to me and to Barbados. This is going to be a very busy and critical year for us, very much dominated in the Ministry for which I have responsibility, by matters to do with foreign trade. This is informing almost every forum this year.

The Prime Minister will go off next week to a very important conference, one that he feels may perhaps be the most important conference of its kind, since the Breton Woods of many moons ago. This is a meeting for financing for development. We spoke of this last week in Australia when the Commonwealth Heads of Government met. I have to say that the Caribbean had to fight very hard for serious discussion on the interest of small States. In fact, it ended up that the Caribbean countries spoke for all of the small States, not only ourselves, but those in the Pacific and some of those off Africa, as well as other parts of the Commonwealth.

We tried to make the developed countries of the Commonwealth understand that we are not all coming with a little begging bowl. Sometimes what we require of them does not even have to cost money but where we spoke of attitude, we got what we wanted, both in the declaration and in the communique in respect of small States.

I want to highlight the fact that we asked for that in the international financial institutions in other meetings like this meeting that is going to come up on finances for development, and other meetings during the course of the next several years, that wherever it was possible, the developed countries of the Commonwealth should give support to the cause of the smaller developing countries and economies of the Commonwealth.

Sir, it is fitting that today, the 11th of March and Commonwealth Day, should be the occasion for this point to be made that the developed Commonwealth countries must help put the case for the developing countries in these financial institutions and in the negotiating stages where we are going to be much enjoined over the next several years.

It is important, Mr. Speaker, that these institutions and particularly the developed countries, stop this old time process of trying to divide and rule small former colonies and small economies like us. We see it from time to time. In fact, we saw it a couple of years with everything but arms initiative, where they sought to divide developing countries by making special dispensations for the least developed countries.

We have nothing against that because we were once these developed countries and could be easily returned to that status, except that we do not want to and that is what this process is partly about, helping us to keep our heads above the water and not to slip back. We are among the recently poor and I keep making this point, Sir, and we do not wish to slip back into that place where we...

Aside.

Hon. Miss B. A. MILLER: There is a country and I would not name it, because I was so shocked last year at a meeting to hear a country saying, with pride, "oh, but we are now a least developed country". Nobody wants to be a least developed country and we do not want to go back to that status.

The developed countries must desist from this constant temptation. It goes back even to colonial times to be divisive. Developed countries need to hold together as much as they can, in all of the circumstances, but we see it happening too often. Everything but arms is not the only occasion recently when it happened. The OECD so-called initiative was partly a divide and rule process also, but it was very much part of what is the way of developed countries who like to dictate to us that we must do as they say, but not as they do, because what the OECD accused us of, is exactly what they were doing. They were pointing the finger at us in the Caribbean but these are not the countries where money laundering goes on. When the research showed it, the money laundering capitals of the world are the developed countries' capitals of the world. It is very important that Barbados' position was vindicated that we should never have been blacklisted in the first place. They did not want to hear and it is happening again now.

We are being told, and we have been told, year in and year out, over the past several years...

Mr. SPEAKER: The Honourable Member now has two minutes.

Hon. Miss B. A. MILLER: Thank you, Sir.

...that in this period of globalization and this process of trade liberalisation, you have to be competitive. The days of concessions are gone, protectionism has gone, reciprocity is the order of the day.

Only last week, President Bush found it possible, in the face of the world – I do not know what his trade representative, Mr. Bob Zoellick is going to tell us now – and the WTO to offer protection to the steel industry in the United States. They have to make up their minds and it is not only in steel.

In Europe, there is a quarrel in agriculture, and that is why they cannot get a common agricultural policy together, has always been that the French in particular, the British, the United States of America and others, are very protective of their agriculture, but they want to tell us that we have to dismantle bananas, sugar and rice. Sir, you are back to the same story, do as we say but not as we do.

Mr. Speaker, the enemy is large, and do not think that because we have won one battle that the war is over, far from it. The OECD battle is nothing compared to what is going to come when these negotiations get into more detail and that is the kind of animal we are fighting. It has severe implications for all of the things which we heard this morning from the Minister of Finance which must be Barbados' priority.
7.30 p.m.

So the work we do behind the scenes, in this immediate jurisdiction and outside of this region is very critical to the success we may reap in making international financial business and tourism the major underpinnings for our economy for years to come. This will have severe implications for us and we must continue to shore up and keep modern and be at the cutting edge of our social sectors which give us the human capital base from which we work that will allow us to find new directions and new solutions for the old commodities which we cannot throw through the window like...

Mr. SPEAKER: Could you come home, please?

Hon. Miss B. A. MILLER: Sir, I would wish to end where I began by saying what we had was a fine exposition this morning and I wish that a way could be found for all Barbadians to have this brought home to them so that they can understand it better. Barbadians are well educated and bright people and they are well on the way to understanding these things but we have to keep them in the picture so that when decisions and sometimes hard decisions have to be made – the Prime Minister is correct when he said that the coming financial year is going to be a tough one. We have to

toe the line and watch very carefully how we go because, as has been said, there is great unsureness and uncertainty in relation to what is happening out there in the larger world.

Mr. Speaker, I know I overrun a little bit but I am very much obliged to you.

SUSPENSION OF SITTING

Hon. Miss M. A. MOTTLEY: Mr. Speaker, Sir, the hour is getting late and in the circumstances I beg to move that this Sitting be suspended until 10 o'clock in the morning.

May I use the opportunity on moving the suspension to remind all Honourable Members that there will be no prayers in the morning as the Sitting will be a continuous Sitting. Therefore, the House will be appreciative of the punctuality of all Honourable Members tomorrow morning such that we may have the appropriate numbers to start promptly at 10 o'clock since it is only a suspension and not an adjournment.

Mr. Speaker, with that I beg to move that this Sitting be suspended until 10 o'clock in the morning.

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

The question that the Sitting be suspended until 10 o'clock on Tuesday, March 12, 2002 was put and resolved in the affirmative without division and Mr. SPEAKER suspended the Sitting accordingly.
7.35 p.m.

RESUMPTION

Mr. SPEAKER: This Honourable House is resumed. When the suspension was taken, this Honourable House was in Committee of Supply. To that it will now revert.

Mr. SPEAKER left the Chair and Mr. D. CARTER resumed the Chair.

COMMITTEE OF SUPPLY

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

Hon. R. C. EASTMOND: Mr. Speaker, the Honourable Prime Minister made many important points yesterday but I want to elaborate on one point. The Honourable Prime Minister said that many economists, indeed, many Governments worldwide have been guilty during tight economic times of setting interest rates high.

Mr. Speaker, that statement reminded me of the period of the Democratic Labour Party misrule of 1991 to 1993 when a number of monetary and fiscal policies, not well thought out, were inflicted on Barbadians. Mr. Speaker, you will recall that even before 1991, some persons had developed the thesis that when foreign reserves are under pressure there should be high interest rates for exchange control orders and credit squeezes. Nobody in this Honourable House is unmindful of credit squeezes being imposed during hard times in Barbados.

The Barbados Labour Party's position has never been inconsistent even though it would have been true that there was something of a credit squeeze in a previous Barbados Labour Party Administration of 1981 to 1986, but that too would have to be put in its proper context.

Mr. Speaker, you will recall yesterday that the Honourable Prime Minister said that where there is a lot of liquidity in a banking system, commercial institutions should be more prepared to lend for productive purposes rather than mere consumption. The credit squeeze the Barbados Labour Party had imposed between 1981 and 1986 left out the productive sectors but was a defensive mechanism designed to put the damper on consumption while not doing anything to interfere with the productive sectors, in such a way that consumption threatened to run wild with the concomitant impact on the foreign reserves. This great Administration decided to introduce not just a credit squeeze but a regime along the line of monetary policy where, for example, when certain items were being purchased purely for consumption, the conditions under which they could be acquired on hire purchase required a larger down payment. Also, certain conditions were applied so that it would not impact negatively on the foreign reserves.

The Honourable Prime Minister was saying yesterday that if your economy is going through strain, your national output is not increasing and your economy is sluggish the worst thing that could happen would be to make it more expensive to get money. Mr. Speaker, I will explain that point if you permit me to make a comparison between our policies and the policies of the Democratic Labour Party between 1991 and 1994 when they last occupied office.

Mr. Speaker, there is no question of the fact that Barbados' economy is an open one meaning that imports are usually higher than exports. Even when we say this, we still have to be careful because if imports are constituted of technology and raw materials then they would not have the same deleterious effects as imports used purely for consumption. Even then, in the context of what we are doing here in this economic debate, we have to be careful to segment particular policies where they should be properly segmented and then proceed.

The point the Honourable Prime Minister was making was that if the economy is performing sluggishly and if the productive sectors lack stimuli, then the worst thing would be to raise interest rates so high as to make the cost of getting money high and prohibitive which would mean that if the cost of obtaining money for tourism, manufacturing, agriculture and other services is prohibitively high then clearly, those sectors would not be able to access money easily. In a situation like that where the national output is not increasing, to further inflict high interest rates on a sluggish economy would likely push it further back and put it in recession. This reminds me of the furious fiscal and monetary policies which the Democratic Labour Party practised in this country between 1991 and 1993.

Mr. Speaker, I will first speak of the fiscal side. Honourable Members in here would remember the famous stabilisation tax. There must also be Honourable Members in this House that would remember the Election in 1991. Before that Election, the Barbados Labour Party was maintaining an argument that the economy was under siege, the productive sectors were not performing and that economic crisis was looming ahead. This was December 1990 to January 1991.

The Democratic Labour Party, under a former Honourable Member for St. Michael South, insisted that we did not have it so good and told the people in January 1991 that all was well under them. When they won the Election, having told the people all was well, they came to this Honourable House three times and each time they further increased taxation. This is a Democratic Labour Party which is today saying that there is too much taxation in Barbados.

The records of this Honourable House will show that in 1991 there were three massive doses of taxation inflicted on this country designed as a defensive economic regime to protect the foreign reserves and designed to ensure that a damper was put on spending, but they were not well thought out.

Mr. Speaker, at the same time on the monetary side, you found that between 1991 and 1993 the Democratic Labour Party increased the liquidity reserve ratio. The liquidity reserve ratio is the total amount of deposits that commercial banks are required to place with the Central Bank, thereby taking money out of the economy.

In normal times, before 1990, the liquidity reserves lingered between 21 per cent and 22 per cent but in 1991, they increased it greater than the norm thereby taking money out of the economy and causing the economy to contract. Sir, it did not end there. They also increased interest rates, the opposite to what the Honourable Prime Minister was encouraging yesterday.

The economy was sluggish and behaving in a poor way and rather than find stimulation for the economy, they found some type of mechanism that put a sluggish economy further into a state of slumbering sleep. You found at that time that the productive sectors like manufacturing and agriculture went down so low that it would have taken a long time to bring them out. Generally speaking, all the productive sectors declined. Mr. Speaker, what we have done now is to evaluate precisely where the economy is at.

Mr. Speaker, there was an admission yesterday that the period 2001 to 2002 was not characterised by growth but was characterised by something of an economic decline. Sir, even when there is an economic decline there is no need for panic. If the extent of the decline is not substantial, there is no need for panic. When we talk about economic decline, we have to be careful because it is customary to measure economic performance in terms of increase in the country's performance as far as the national income is concerned.
10.10 a.m.

Sir, what is being said and being admitted, that there was no increase in national income or national output. Generally speaking, from a theoretical perspective, the total volume of goods and services traded and the total amount of receipts coming in did not increase. Amazingly, Mr. Speaker, the foreign services did not appear to be severely impacted on. In the context of the economic history of Barbados, wherever in the past there has been a decline in national income, accompanied by recess, there has always been, prior to 2001, a decline in the foreign reserves.

Mr. Speaker, at the same time there was no marked decline in employment. Indeed, today the level of unemployment is low compared with what has been the norm. Prior to 1998, many Barbadians would have been satisfied, not the Members on this Side. There was an unemployment rate of 10 or 11 per cent. They were those who fatalistically resigned themselves to the fact that in developed countries, an unemployment rate of 4 per cent is acceptable and that in developing and under-developed countries, an unemployment of 10 or 11 per cent, taking into account the high population and size of the country, would be acceptable.

This great Party, Mr. Speaker, has been able to get unemployment below double digit figures. I am not satisfied that enough of our Honourable Members on this Side have been able to take it to the people. I am not happy that we on this Side have been unable to properly explain this wonder outstanding economic feat. Today, Mr. Speaker, unemployment is still below double digit figures.

At the same time, even though we are admitting that there was a small economic decline, where was the level of

investor confidence? That too must be taken as a perimeter when measuring the economic tide. There was a time in Barbados that once there was a signal of a recession, investors panicked and would look elsewhere. Today the level of investor confidence remains high.

There was a time, in my existence, Mr. Speaker, where there was a recession, not the one of 1981 or 1991, but the one of 1973. This recession was not only accompanied by pressure on the foreign reserves and a decline in employment, but was also accompanied by massive levels of inflation. Where is the inflation in all of this in the year 2002? I am saying that notwithstanding the fact that the economy did not perform to the level of expectation that any Barbadian would have wanted, at the same time the economy has still been able to show signs of resilience and signs of strength in all of this.

Yesterday reference was made to the importance of our human resources. I think that every Honourable Member on this Side understands what the Government is doing is developing an overall national strategic plan within which there will be a human resource strategic plan. We have to continue to treasure our social capital and human resources as the principal resources that we have in this country. In doing so, we must be mindful of the threats to human resources.

Sir, successive administrations have always placed a high premium on education. Education is being singled out as one of the principal ways by which we can equip our people and train them to take on the responsibility of developing this country. We have diversified the range of educational products. We have seen normal academic education increase in the last 41 years. We have also seen, through the efforts of previous Governments, attempts being made to provide more technical education.

There is no question if one looks closely at the syllabus or the curriculum of Samuel Jackman Prescod Polytechnic that one would see that there are many skills which are being made available to Barbadians to equip them to develop this country.

The Barbados Labour Party, to its eternal credit, would also have been responsible for introducing the Barbados Training Board. This Training Board has a mandate which is unique to it, where the emphasis is on apprenticeship and on the job training people to prepare them for the labour market and bid for work.

We can say that successive Governments have been determined to do their utmost to equip our people to be ready in terms of academic and other education for the world of work. However, even though education is a necessary

component in developing human resources, the question is, is it by itself a sufficient thing unto itself? In a situation where there are threats to our human resources, we will have to conclude that education as important as it is, is not all.

There are threats to our human resources. What are these threats? There is the threat of HIV/AIDS. The scourge of drugs is often linked with HIV. There is a culture of fatalistically thinking that schools and training institutions are there without people sufficiently appreciative of them. I am not going to try to set back the clock by urging that Members of this Honourable House support any system in which we force people to pay fees for education. What I would say is, that in the context of our social endeavour and development, we now have to get our people to develop that sense of urgency and importance on education and training.

There was a time in Barbados when the typical Barbadian parent and child looked forward to an education and wanted to achieve that education to avoid failure. Unfortunately now, there are too many persons who take education for granted. There are too many people who set out to go to school, apparently unclear as to why they are going, and there are some people who seem not to be teachable.

Mr. Speaker, right now there are five or six rural secondary schools where you will see children at this hour disembark the bus at a bus stop close to their schools. Instead of walking in the direction of the schools, they walk in the opposite direction of the schools and waste time for another two hours before sauntering into school. This suggests that something is amiss with our attitudes.

There are those children who go to school and leave school and do not remember the names of 75 per cent of their teachers. Sir, what level of interaction can there be between those who provide education and those who receive education if we have reached a stage where children do not bother to know the name of their teacher?
10.20 a.m.

Therefore, in the context of our addressing our human resources, the urgent need to do something about what educators call the "affective domain" is to do with attitudes, if we are going to preserve and protect our human resources, if we are going to fight the scourge of AIDS, the scourge of alcoholism and the scourge of drug dependency. We also have to realise that a culture of complacency has hit the home where many a parent is not sufficiently keen to try to transmit the correct attitude to their offspring to tell them how to approach school.

We have also, Mr. Speaker, to try to determine the extent to which the apparent wealth that is being seen in

Barbados has a strange, hypnotic effect on those who want to partake in the wealth but who seem to feel that it is there for the taking and the asking and you just reach out a hand and it comes there. There would have been Barbadians over the years, over the '30s, the '40s, the '50s the '60s and the '70s who were determined not to fail, who were determined to get education and training.

Too many of our youngsters are falling by the wayside. It would not have been a good thing when those Honourable Members who were here in 1995 heard the Honourable Member for St. Michael North East saying that in excess of 70 per cent of secondary school children were going to school and leaving school without any certification. Beyond the question of failure to receive certification, is this. Are we in this culture seeing our children drift into school, operate in a state of anomie there, drift further and then pick up negative attitudes and come out into society with these negative attitudes that do not lend themselves to nation building?

In the context of development of our human resources, we have to look at the threats to our human resources and the threats beyond HIV, the threats beyond alcoholism and drugs. We have to get to the root of the problem. There is no question that the vast majority of children who are not receiving certificates are intelligent people. Therefore, there must be some sort of investigation why a person who is ordinarily intelligent does not bother to set about to acquire an education. Many of those boys on the block who seem to be moving away from established norms are highly intelligent. The question that must be asked is when and where and how did we lose them. Are they necessarily the victims of poor parenting? Are they the victims of a school culture that did not nip their problems early in the bud? Is it really true that 75 per cent of them never went to a Sunday School? What are these threats?

Mr. Speaker, in the context of lifting our people up, in the context of practising the adage that "each one matters", we have to go to the root of the problem, and the challenge is for the Honourable Member for St. Michael South East as it is, indeed, for other people in here. The question is, what are all of the threats to our human resources? What will happen if we do not arrest these threats and how can we avert these threats and how in a situation where there are people in Barbados who are definitely doing well and others who are not doing well, what do we do to lift those up who are not doing well?

It is not a good feeling to talk to eight young boys on the block and when you talk to them in a group you get resistance and when you single them out one by one, each person on a one-to-one basis is a totally different person from when he is on the block with his peers. Some of those boys when they come to us as individuals we can make a

hand of, but give them that group solidarity they experience on the block, together they resist and deviate from norms and seem totally resigned and fatalistic about the affairs of this world.

Mr. Speaker, even when we come to the stage where we identify the threats to our human resources in an era of trade liberalisation and globalisation, we have to tell even those Barbadians who are doing well of the need to see education and training as ongoing. I repeat that. Even for those of us who are apparently doing well in an era when efficiency in the workplace, efficiency in the factory and when the question of the survival of the fittest and the best comes up, those of us who have done reasonably well still have to try to work out where we can improve and where we can go on to even higher heights.

I therefore urge, Mr. Speaker – and I trust that we can come to the Head of Education some time – all Barbadians to see education and training as ongoing, as never-ending. It grieves when I hear a fellow in the final year at the Community College or in the final year at the University of the West Indies saying, "this work is so hard at Community College and at University that when I quit and get my degree I do not even want to read a traffic sign nor a Nation". I have heard people say so in Barbados, people who believe that a B.A. or an Associate degree is a passport to success suddenly just as they are about to get it say the pressure of studying is so severe they do not want to study again. That attitude has to stop.

Indeed, if we are going to be humane in all this, we may have to find out if indeed the institutions exposing them to learning are pressuring them into that type of resignation and fatalistic attitude. If it so happens that tertiary level institutions are turning off their graduates and are not stimulating people to love learning, then we have to re-look how we deliver teaching and the extent to which people enjoy learning and the extent to which they are turned off by learning. All these are things which we can take the opportunity this week to examine.

I conclude, Mr. Speaker, by commending these Estimates to this Honourable House. There is no question that there is nothing in the Estimates to suggest that the Estimates are holding estimates. What are holding estimates? Holding estimates are those estimates that the Democratic Labour Party brought to this Parliament in 1991 in my time, 1992 in my time, and 1993, and to some extent 1994, where they just voted money and one or two years the deficit was so astronomically high, high *ad Astra*, especially between 1992 and 1993, that all the measures like layoffs, like eight per cent salary cuts, like high interest rates, those panic desperation measures that Barbadians are accustomed to experience through the Democratic Labour Party, had been inflicted on our people. Not so with any of the

Estimates this Honourable Parliament has had the opportunity of approving ahead of today. Not so with these Estimates whose approval I would definitely commend.

Mr. Speaker, in the context of where our productive sectors are going there is no question that the Estimates are clearly and cleverly placed on an anvil which will trigger development and growth and I, as I said already, heartily and wholeheartedly commend them to every Honourable Member of this distinguished and August House. I thank you.

Mr. M. Z. WILLIAMS: Mr. Speaker, I, too, would like to lend my voice to this Estimates of 2002-2003 in this Chamber on behalf of the many constituents of St. Michael North West who would want to hear, not only accept the fact, that as far as this present Government is concerned, under the leadership of the Right Honourable Prime Minister, we have seen tremendous growth and a much better understanding of people in relation to the way a country should run.

It is extremely important for us to look back, as I am known for, and anyone of us who has had the benefit of elementary education would understand that the basics of education is your timetable.
10.30 a.m.

If we do not understand what 2 plus 2 means, something is wrong. Mr. Speaker, if you clearly understand that 4 from 6 leaves 2, then it is obvious that somewhere along the line, we could understand how the economy has been going to the betterment of all of us. When we look back at what the foreign reserves of this country were, as far back as 1991 to 1993, we would realise that the average Barbadian was living in crisis and that was a serious situation.

Sir, between the period of 1991 and 1993, the average Barbadian was not sure what the next stage was likely to unfold for them. Those of us who were working at various institutions across Barbados, statutory boards and within Government institutions, relate to the fact that there was a serious salary cut where most people found it difficult to maintain their families, including paying mortgages. Some even had difficulty paying for the simple transportation they owned, which took us to and from work. This transport was not used for luxury, as some are being used today. So, because of the economy at that time, there was a situation where people were faced with a possibility of:

1. Properties being sold for not being able to pay our mortgages.
2. Cars being repossessed for not being able to pay our car loans.

3. Those bailiffs who worked for the various firms in Bridgetown in relation to higher purchase, wrecked havoc in repossessing the very simple little table model gas stove that was probably one of the cheapest of the stove lines because those persons, between 1991 and 1993 found it extremely difficult to pay those simple little debts.

Sir, we should have followed the advice of a former member of this Chamber who is now on the Other Side in the Other Place. He is what we, in Barbados, call the economy guru, who feels within himself that he is probably a person whom this country can depend on to move it forward.

Sir, between the years of 1991, 1992 and 1993, he was the principal advisor to the Government. What did we experience? Mr. Speaker, we experienced not only the hardship of some of the things that I have just mentioned, but we also experienced the situation where, in this little island of ours, Barbados, people who had a little savings in the banks had to resort to drawing off those savings for survival.

Mr. Speaker, last week I read that the domestic savings in the savings banks in Barbados have run into millions of dollars. When I talk of domestic savings, I mean the savings of the average person and that goes to show you that the Barbadian of today has become extremely confident in the way the economy of Barbados is being managed today by the Prime Minister, the Right Honourable Member for St. Peter, from 1994 to this year, 2002.

Mr. Speaker, as we go on, one must understand that when we look carefully at the youth of this country – and I am sure that the Honourable Member for James North spoke about it earlier and that is education. Mr. Speaker, you will know well because you sit in the Chair sometimes at an institution in Barbados so you know the importance of education in Barbados. You also know very well that many Barbadians today have seen education as the priority for survival in this country, again, under the leadership of the Prime Minister the Right Honourable Member for St. Peter, because it provides the opportunity for them to prove that they have an interest in the affairs of this country.

Mr. Speaker, you talked about the foreign reserves not only of the improvement over the years because I have heard the Honourable Members on the Other Side going about Barbados and telling people that this Government does too much borrowing. Sir, that is the programme of their platforms and also the programme on the call-in programmes and those are some of the things they are known to be saying.

Mr. Speaker, you could only borrow if you have a good credit rating. You could only borrow, if by right you have paid back what you have borrowed. Today we can, hopefully, say that between the period 1991 and 1993, the credit rating of the former Government was not strong enough because they were advised by someone who, in truth and in fact, seems not to understand how a Government is managed, but knows how an individual operates.

Sir, no one should believe within himself that they have the right answers for anyone. Mr. Speaker, I am proud to say today that under the leadership of the Prime Minister, the Right Honourable Member for St. Peter, we have not seen any selfish approach to the running of this country. We have instead seen the involvement of the trade unions, commerce and the manufacturers. Therefore, several people are involved in the exercise of running this country.

The Opposition seems to think that the affairs of this country rest on one person's shoulder and that person has the answers to a better Barbados. We have seen, as I have said before, that it cannot work and it will not work. Mr. Speaker, it is difficult for us at this time in our parliamentary life, because when you have to answer the statements made by the Opposition, it is a waste of time to answer to those statements because they do not have any weight. It is a cloud. Today you see it and tomorrow it is gone and you have to be very careful.

Mr. Speaker, in the last by-election in St. Thomas, we heard that there was going to be a tremendous layoff in Barbados, people would be out of jobs and there would be more vagrants on the roads in Barbados. They painted such a gloomy picture of Barbados that people had to ask themselves if they are really living in this country. Sir, this Government, under the leadership of the Prime Minister, the Right Honourable Member for St. Peter, did not allow that to happen.

Sir, I am going to advise all Barbadians to drive around Barbados if they want to see the development and the progress of this country. Look at the several houses that are being constructed, the people who own those homes and the people who live in those homes and you will see progress. You will see one or two cars and that could only happen if a country is moving forward.
10.40 a.m.

The Democratic Labour Party made the comment that there will be massive layoffs in the country but between 1994 and today there has been tremendous improvement as far as employment is concerned which moved from an unemployment rate of 26 per cent down to nine per cent as it is at present, and I am sure that through the initiatives we have been receiving in this Parliament under the leadership of the Right Honourable Prime Minister to move the

economy forward, that within the next couple of months we will reduce unemployment further. Sir, one does not have to be a mathematician to take nine from 26 to realise that there is a great difference.

As far as the former member of this Parliament who is now in the Other Place is concerned, one must understand fully that in terms of dealing...

Asides.

Mr. M. Z. WILLIAMS: It is obvious that he will remain in the Other Place, if selected again.

It is extremely important to improve the living standards of our people. Today, the average Barbadian is making an attempt to own their own home. The first thing young Barbadians who are just starting to work think of is owning their own home because they want to be part of the country which they have been brought up in, educated in and in which they intend to live. This is unlike the 1991 to 1993 period when many Barbadians migrated because they were scared of what was happening in Barbados at that time.

Barbadians could not face the music at that time because the music was out of tune but today there is a lot of harmony, chords and chorus in the music. As far as a cappella is concerned, there is harmony in what is going on in this country today. The voices are blending now and because the voices are blending you can expect to hear sweet sounding music in your ears. This is what the Right Honourable Prime Minister has been doing for this country over the last eight years.

During the period 1991 to 1993 members of the Democratic Labour Party walked about this country telling Barbadians that they do not have any rights to land like if Barbadians do not understand that they can go to the Land Registry and investigate and know the truth. Nothing can hide in this country and there is nothing that Barbadians who want to know will not know.

Between the period 1991 to 1993, people who bought land found it difficult to repay the land loans and they had to turn around and sell the same piece of land that they had seen as something to move them forward or to pass on to another family member. Many families suffered during the period 1991 to 1993 because they had to rid themselves of things that would have been beneficial to their families at a later date. Today, Mr. Speaker, Barbadians are buying land and they are shopping in the classified ads for land as if they are shopping at one of the major discount stores in Bridgetown. That is because Barbadians are feeling extremely comfortable and safe that the economy of this country is in the right hands.

Mr. Speaker, it is difficult for anyone not to relate to what has happened in this country over the last couple of years. Regardless of how much opponent one is of this Government, and of the various Ministers in this Government, it is difficult for anyone not to relate to the fact that every single Member on this Side is hardworking and dedicated and has been delivering the goods. Our Leader makes it possible for us to deliver because he provides a programme and gives us the initiatives in these Estimates to work toward a better Barbados.

Mr. Speaker, I am extremely proud at this time to be in this Chamber...

Asides.

Mr. M. Z. WILLIAMS: I will continue because I realise that the Honourable Member for St. Lucy has sat there and listened very attentively to what I have been saying over the last couple of minutes. Sir, I believe that the Honourable Member for St. Lucy can relate to what I am saying because he understands what I am saying because he is a grassroots man like me, but he is being unfair to himself because there are things he would like to say that he cannot say from that end.

Asides.

Mr. D. St. E. KELLMAN: On a point of order. The Honourable Member is misleading the House by giving the impression that I might be falling into his own trap, but I want to make it known that nobody dictates what I say, Sir.

Asides.

Mr. M. Z. WILLIAMS: Mr. Speaker, years ago governments use to talk about thousands of dollars, then they moved to millions and now they are talking about billions. Sir, the Barbados economy is moving forward. With proper management over the years Barbados has developed and moved forward.

Sir, we, on this Side and Barbadians in general are extremely confident that this country is being managed properly which enables us to do the things we are doing at the present moment. We have to provide better roads for Barbadians based on the fact that Barbadians are driving a better standard of cars so the roads have got to be good and we must find the money to provide them.

As far as education is concerned, it pleases my heart when I come out of Speightstown every afternoon, and I am sure the Honourable Member for St. Lucy would admit to this, to see the students of the Alexandra School taking home

their laptop computers to further educate themselves. That is what progress is all about.
10.50 a.m.

Mr. Speaker, that is what that is all about, to be able to bring your people along with you as you develop, to be able to make people understand that they are part of the development. You cannot blame the next person. It is not an individual game when it comes to Government. No wonder there are so many problems on the Other Side. No wonder there is so much disharmony on the Other Side.

It is a worrying situation when there is so much disharmony because one has to ask oneself what is happening in this country. If you fight in a house that is not united, then it must be divided. That is not so on this Side and the reason why we can stay in this Chamber and be able to put the case and prove to Barbadians that we are working in their interest, let them give us a chance to get the things done and they will be done.

Aside.

Mr. M. Z. WILLIAMS: Well, when we get to Social Transformation, I am going to be in my glebe because it is obvious when we come to the improvement of St. Michael North West, the constituency of which I represent, when I am hearing that I am going to have a community centre with a computer lab, can you imagine that. When I am hearing that I am going to have lights on all of the playing fields in St. Michael North West lit so that games can be played at nights. I am proud to say that, for the first time in the history of Barbados, we have seen games being played at night and that is what I consider to be development. This Government sees the need for developing the minds of young people. Sir, I heard the Member of St. James North talk about the men on the block. Mr. Speaker, I can tell you and can sanction this. The minds of the men on the block are not what people think it is. The minds of the men on the block are just like anyone of us in this Chamber. They want to make a contribution to a better Barbados.

Sir, some of us do not see it as that but one must go on the block and listen to them. Sometimes they say things that surprise you. They have to say those things because a lot of us spend time listening to what they would want for Barbados and this Government has been providing it. This Government has been assisting the minds of young people in Barbados in developing what I consider to be a plan, not only for themselves but also for their children and their children's children. A Government that looks ahead, a Government that spends ahead, a Government that plans ahead, then it is obvious that down the road, those offspring of many of us across Barbados will truly benefit from what has been done as far as the Estimates of 2002 to 2003.

Sir, we talked about sugar. Times have changed. There are certain children in this country who would not want to do what their parents have done, and we must understand that clearly. This Government must prepare the road for them. We have to be able to be in a position to make sure that whatever is happening at the world level that Barbados, by right, should be part of that.

Sir, it is only now when we can read any of the financial papers around the world that are written by gurus and read that this country of which I have been raised, is rated at number 5 or 10. One has to understand what that means. Some Barbadians, like those on the Other Side, must stop preaching doom and gloom. They must be honest to themselves and say that they have taken the Government from 1961 to a particular period and it has worked for them. It has stopped working for us between a particular period and the Barbados Labour Party (BLP) Government has taken it forward. Sir, now they are seeing the period between 1994 and 1999 – do not oppose for the sake of opposing. Be honest to yourselves and to the people and say, “Look, we cannot wrong this Government on the performance of some of the things they have done because they have done them correctly and we must come with solutions”. Where are the solutions? None whatsoever.

Mr. Speaker, I am extremely proud. I think at this time I will give way to other speakers but I am sure, as this Estimates Debate goes before this Chamber, there will be several other things to which I will have to lend my voice. I am extremely happy this morning that I am a Barbadian, and I am hoping that everyone of us who is Barbadian will continue to be proud of the fact that under this Government everyone of us can say openly, “I am a proud Bajan”. I thank you.

Hon. Miss C. Y. FORDE: Thank you, Mr. Speaker, for this great privilege; my first opportunity to participate in this Estimates Debate in this Honourable Chamber.

Mr. Speaker, I also want to thank the people of St. Thomas for this privilege. If it were not for them and the confidence they have bestowed in me and, indeed, in the Barbados Labour Party, I would not have been here this morning. Therefore, I want to speak, not only on their behalf but on the behalf of the people of Barbados.

I want also to laud the performance of our astute Leader, the Right Honourable Member for St. Peter who, in his presentation yesterday morning, has been able to restore a higher level of confidence in the people of Barbados. His performance is outstanding and, indeed, with the team here on this Side, I am sure we can continue to carry out that mandate that has been set for us by the people of Barbados to deliver the goods.

Mr. Speaker, these Estimates serve as a continuation of many of the programmes and projects that were set within the last number of years, as well as the startup of new projects because, as you know, life is a continuing exercise and therefore we cannot afford to be stagnated. There are always new things to be done if we are to prepare ourselves and our people to be on the cutting edge. Therefore, these Estimates I will not see as a ceremonial exercise, as the Honourable Member for St. John said yesterday, but as an integral part of the people of Barbados being made aware of the plans and programmes of this Government. Therefore, we will stick to what we know is right because it is the people's rights that they be told, and be consulted with, and that the goods we deliver to them are in as timely a manner as possible.

Mr. Speaker, the efforts of this Government should be lauded because of the stabilisation and the confidence that it has put, not only in locals but, indeed, in the regional and international market when it comes to the economy. We must also look at our people and the training that is necessary for them to continue to be a force to reckon with in the rest of the world. We hear a lot about globalisation and if we are to train our people as we have for many years, not only to serve us locally but also in the regional and international markets, then we must continue to focus on the human resource development, as was mentioned by the Honourable Member for St. James North and others in this Honourable Chamber.

Mr. Speaker, I agree that we must work harder at attitudinal development. It cannot start with adults in the public sector, but we must work within the households, the schools, churches and community groups in preparing our people to develop good attitudes towards getting along with each other, having good work ethics; getting to school and to work early.

These things are significant if later in life we are to expose our people to getting to work early and producing. Therefore I support all those other comments that were made by other speakers regarding attitudinal development of our people. It is not enough for us to offer them the free education or to pay for the education but, thereafter, the biggest chunk of money has to be spent towards helping them to develop good attitudes. It is my believe that when the Government offices or the private sector offer services that every individual who calls on the phone or visits an office must be accorded respect. We are getting a lot of difficulties from human resource management and people interfacing with others at a level that makes them feel comfortable and want to carry on a conversation or even carry on business in those areas. I think that is one of the emphases that should be taking place now in our country. We have the skills, the knowledge but the attitudinal development needs to be beefed up in almost every area.

Mr. Speaker, last year and again early this year, this Government consulted with the people; town hall meetings, internal meetings, consultative meetings and discussed issues that will impact on our growth and development as a people. Sir, there are repairs and maintenance to houses of the poor, senior citizens and others to offer them waterborne toilets – the Urban Development Commission that has been doing exceptional good work. Mr. Speaker, I believe that we cannot stop there but must continue to deliver the goods to the people. Their taxes help to go towards the payment of our salaries and our resources but there are some people below the poverty line who, for one reason or other, are not able to contribute at the level to which they would love to.

11.00 a.m.

Therefore, it is this Government's duty to ensure that every individual in this country receives benefits, and the Urban Development Commission and the Rural Development Commission are doing exceptional work in this area.

Sir, millions of dollars are being pumped into the HIV/AIDS Programme. We all know that during 1996 under the great leadership of the former Minister of Health, pregnant women were given AZT free of cost. This Government is going to ensure that persons diagnosed with HIV/AIDS are given AZT as well. We have also moved beyond pregnant mothers and we are giving AZT to other persons in the country as well as we are also making provision to train people who work with HIV/AIDS, diabetes and cancer and other forms of illness that will impact on us as human beings.

Mr. Speaker, at this point I want to make reference to the network services offering counselling to workers in the public sector to help them fit into the work place and be able to produce.

Mr. Speaker, the EduTech Programme does not only call for refurbishing the school and providing computers, but it calls for training of teachers, educational officers and others in the educational sector to make sure that the delivery of the programme is not only appropriate, but culturally relevant to the needs of our people.

Mr. Speaker, there are grants and subventions for hotels, small businesses, community groups and individuals as well. That is significant because if our hotels are to function at a level for our tourism sector to develop, and if private schools are to continue to function and offer high quality education, then Government has to offer subventions to them.

Mr. Speaker, I appreciate the efforts of this Government for the community research centres to be set up across this island. Indeed, the Honourable Member for

St. John spoke about the one in his constituency. I am glad that he can stand boldly in this Honourable Chamber to speak of plans which the Government has for St. John because the people of St. John pay taxes and they deserve roads, a resource centre and housing development. Mr. Speaker, we on this Side and the Honourable Member for St. Lucy made an important and interesting point on the growth and development of all Barbadians.

I agree with the Honourable Member for St. John that proper systems have to be put in place to ensure that the community centres are opened on time to serve the needs of those who use the technology. This Government cares so much for the people of Barbados that it brings the technology to the masses.

Mr. Speaker, we know there is technology in almost every sphere of the country but it has to reach us in the homes as well so that we can be on the cutting edge.

Mr. Speaker, this Government must be applauded for bringing the unemployment rate down to 9.8 per cent. I shudder when I hear the Honourable Members on the Other Side speak because I know that between 1991 and 1994 Barbadians lost confidence in the then Administration. There were layoffs by the thousands and a structural adjustment package was put in place that made us afraid to exist in this country. We started to look at other countries in the Caribbean which went down the road of structural adjustment. Thank God, today the Barbados Labour Party has been able, through its programmes, policies, astute leader and the dynamic team on this Side to be able to put Barbados on the map of the region and international, so that investor and local confidence has been restored.

Mr. Speaker, I feel happy today to be a Barbadian and be part of the team that delivers the goods to the people of Barbados. In 1993 we could not speak with this confidence. It is amazing that some Honourable Members on the Other Side were the major architects in designing the programmes that helped to push Barbados down the gutter.

Mr. Speaker, so many people are working today that it is difficult to find a maid or gardener during the week and maids and gardeners are doing two jobs. I heard the Honourable Member for St. Lucy speak about police officers not being given the opportunity to be as productive as they should be, but when they work eight hours they are tired and we need the police officers to be alert when they are carrying out their duties. Therefore, Mr. Speaker, I would not want to be associated with those kinds of comments.

We want our people to be multi-talented but, at the same time, we want them to give an honest day's work for the money they receive. It is not always the money but a lot

has to do with contentment and knowing that you have done a good job and helped to make people safe in the environment in which they live and work.

Sir, I want to touch on another initiative that this Government is working towards through these Estimates. It is the first time in 40 years that there has been major expansion at the Queen Elizabeth Hospital. We all know of the conditions at the Queen Elizabeth Hospital and we know of the challenges this Administration and the workers have been faced with over the years. Therefore, the expansion of the Queen Elizabeth Hospital must happen if we are to cater to the health of our people.

The Queen Elizabeth Hospital has continued to serve us well and these Estimates speak to that. These Estimates are not in any way ceremonial but are a part of proper planning if we are to be effective in the delivery of our services.

11.10 a.m.

Mr. Speaker, I spoke about the confidence that the people have put in this Government. I want to say that the people of St. Thomas are happy for this Government to continue to serve them well. The people of St. Thomas are also aware that this Government continues to provide high quality service. The people of St. Thomas have also benefitted from the programmes that have been provided by this Government.

Mr. Speaker, the people of St. Thomas are very happy and we look forward to more of the services being delivered to us as a result of this great exercise that we are undergoing today and the remainder of this week.

The Rural Development Commission is currently working on the concrete roads and one is being built at Grand View. We are aware that everything cannot be done at the same time but the pie is being distributed across this country. Mr. Speaker, the people of St. Thomas are happy and I know that those people living in Jackson will get theirs next year, God willing. We will speak to that later, Mr. Speaker.

House repairs have been done and the asbestos roofs have been removed from all the houses except one house in Bagatelle as a result of the National Housing Corporation. Sir, it amazes me how the Members of the Opposition talk about the small black man and the masses and what the masses should have when the masses were never in their plans.

Mr. Speaker, everybody wants street lights and they deserve street lights. The Rural Development Commission is

servicing the parish of St. Thomas and other parishes across Barbados. We need street lights to see to get around to do our chores.

I want to add to what the Honourable Member for St. Michael North West said. He made mention of the students of Alexandra. We can also praise this Government for the primary school students. The students of Sharon Primary School have laptop computers. These computers are not taken home to play games but laptop computers are used as teaching aids for their homework. Mr. Speaker, I am grateful for that assistance given to the students at Sharon Primary School.

Many people do not talk about the important work the National Sports Council does. They have installed lights across this country to facilitate the needs of young people after hours so that they can play the various games like basketball and netball to help them burn up the excess energy they have. Sir, once they are on the playing field they do not have the inclination to do anything that is negative.

I also thank the National Sports Council for the lights that were installed at Content, St. Thomas, which were switched on last week. The residents are making wise use of their time at that location, Mr. Speaker.

Mr. Speaker, I want to talk about the Social Transformation Department and the National Assistance Board for the repairs that were carried out, Sir. I can only speak to the parish of St. Thomas at this time. Ramps are being built for those disabled persons in St. Thomas to enable them to get into their homes without any difficulty. It rains almost every day in St. Thomas and it hurts me when persons have to be exiting their homes to go into the backyard to use the facilities out there.

The Social Transformation Department and the Rural Development Commission have been helping persons to access waterborne facilities attached to their houses and that is what I call growth and development under this great Administration. Waivers have been offered to students for school books, school fees, petty fees and bursaries for private schools. Some parents are unable to meet the expense of such fees because of their economic situation. The Government is ensuring that people are not placed in an embarrassing position. Information is discretely passed on to the relevant authorities about such situations. Persons who are in need must benefit as a result of the policies and programmes of this Government.

I want to speak to the Community Resource Centres. I want to laud the efforts of the Community Development Department for identifying Bridgefield pavilion to choose as a community resource centre. I am sure that the residents of Bridgefield, Grand View, Cane Garden and all surrounding

areas of St. Thomas will be very happy to be able to use that facility. Mr. Speaker, we are very cultural as well. Members of the community will take the responsibility to ensure that the equipment is secure and proper signatures put in place so that the centre is always adequately supervised.

There is currently a system in place at the Lester Vaughan School where the residents of the community ensure that when the pavilion is in use that it is properly supervised. The watchmen, teachers or the principals are not responsible for looking after the Centre. The residents of the community come together and look after such matters. This is what we need to do if we are talking about community life. We have to make people responsible for their actions and the facilities they use in order to help them grow from strength to strength.

I want to say that the Right Honourable Member for St. Peter has vision, ability and dedication for the cause of all Barbadians. The Honourable Member is supported by a team on this Side. They too have the capacity to ensure that the needs of all Barbadians are met. We will not ask this Side, as was asked by another Administration, what we will cut this year? We are going to ask, what things are we going to expand this year? These Estimates speak to the expansion. We have allocated more money for the HIV/AIDS programme, the expansion of the Queen Elizabeth Hospital and the road works across Barbados.

We will not ask what we will cut. We have no reason to cut anything. The only thing we will want to cut at this stage, and we are working assiduously at doing it, is the unemployment to make it lower. We want the people in Barbados to be gainfully employed so that they can make a contribution to the growth and development of this country. That is what we will expand, Mr. Speaker.
11.20 a.m.

We will not ask to know who are our friends from our enemies, Mr. Speaker. All the people in Barbados we consider to be our friends. They gave us the mandate and we are here to serve them at every level and to serve them with distinction because we consult with them on the issues that matter and the issues that will help to develop their own interest and their welfare. Therefore, we know that we are the Party of choice and the people of choice on this Side because the people know that we have the capacity to deliver the goods to them.

We will not ask anybody to like it or lump it. We would ask them to like it, because we know that the people of Barbados like these policies and these programmes. They feel comfortable living in a country that is safer than most across the world. They feel comfortable that democracy reigns; that education is free; that they can go to the Queen

Elizabeth Hospital to get their treatment and their medication and to do all the various things that are to be done there.

We know that there are pockets of grievances that will be dealt with. Rome was not built in a day, Mr. Speaker. We know that people will have grievances and sometimes when you give them all the goods they still have grievances anyhow. If you dig up the roads, everybody grumbles; but when it is a nice new nylon road, everybody wants to walk or drive on it. We know that we will get challenges of that sort, but it is in the interest of this Government to ensure that the people like what is being done for them and they are working hand in hand with us and with the various persons in the Ministries across this country to be able to meet the needs of all Barbadians.

The Ministry of Housing is playing its part, and while it may not be able to establish all of the housing that it has on its plan, I am confident that the people of Barbados, the upper class, the middle class and the working class will get the opportunity to own their homes, to be able to rent a facility to help them to raise their children in a comfortable environment. It cannot all happen at the same time, but I challenge those on the Other Side to tell us how many houses they built in the eight-year period so that Barbadians could feel comfortable living and owning a piece of this rock.

When the Government changed, they could not tell you how much money could be paid per month to live in one of those houses in the Church Village area of St. Philip. This Government has a totally different approach and attitude towards housing development in this country, and I feel confident that more people will benefit as time goes on. Now it is not only the Government that will be doing the construction, but Government will be doing it in association with the private sector to ensure that the private sector continues to be able to inject part of the skills and expertise that it has, to ensure that we reach people across the length and breadth of this country.

Mr. Speaker, in closing, I want to say that I lend my wholehearted support to these Estimates. I know the Government is not only interested in the poor or the rich but it has an overall interest in the white, the black, the young, the aged, the disabled across this country. The interest of the people are at the heart of this Government. These Estimates are about the future. These Estimates are about stability in this country. These Estimates are about developing further employment. These Estimates are about making people feel safe in the environments where they work and live. These Estimates, overall, are about living a good quality life in this Barbados. It is the motto of our great Party – Better Life For Our People. These Estimates are helping to point our

people to be able to receive a better life as a result of the policies and programmes of this great Government.

I want to thank you, Mr. Speaker, for the opportunity, and as the discussions move on, I would want to make my further contribution. I thank you.

Hon. A. P. WOOD: Mr. Speaker, I rise to make my contribution to this debate on the Appropriation Bill, 2002. As is customary, just like the Honourable Member for St. Thomas, I could not have done this without the support of the good people of St. Philip South and it is to them that I say thanks.

Mr. Speaker, we need to look at the contextual framework in which these Estimates were geared, and the Honourable Member for St. Peter gave us a very good picture yesterday in this regard. He was very clear in pointing out that Government has major objectives which in the fullness of time we would want to realise. Some of these objectives are long-term in nature and some are short-term in nature.

The major long-term objective which the Prime Minister reminded us of yesterday is to move the Barbadian economy from a developing society to a developed one within the first decade of the 21st century. One could argue that the Honourable Prime Minister is being very optimistic but we need to be optimistic when we are convinced on this Side that this is a long-term objective which is very much achievable.

Mr. Speaker, such an objective requires sound macro-economic policies and certainly a policy agenda that is characterised by some measure of dynamic consistency. However, it does not mean that we should follow extremely closely any rules-based policy to macro-economic policy formulation. Given the uncertainties that exist in the regional and international economies, we have to be very mindful of the fact that from time to time we need to step in and promote and, indeed, formulate policies where the policy is to bring the economy back on track. This is where we are today, Mr. Speaker.

The Prime Minister also made the important point that in a highly uncertain, economic environment the odds for sustained economic prosperity will be short. We, being very mindful of this fact, are very conscious that it is important for us to monitor closely the performance of the economy and stand ready to provide the requisite economic stimuli to re-engineer and restructure certain productive structures of the economy.

Let us turn now to the short-term objectives. These were also outlined quite clearly yesterday by the Minister of

Finance, but this Honourable Chamber and, indeed, those outside who are listening to us must be reminded of these things because these set the stage for the structure of the Estimates and all of us on this Side have the responsibility to make sure that the public at large is informed and becomes very aware of what we intend to do and why it is we could set out on such a journey. In respect of the short-term objectives, the main one is to restore the economy to a path of growth in the shortest possible time. That is a noble objective.

One of the things we have to do is to examine the fundamental economic indicators to convince ourselves and all of those on whose behalf we are functioning that the state of affairs in the economy at this point in time will allow us with a proper implementation of the proposed programmes to restore this economy to a path of growth.

The fundamental question is whether the major economic indicators tell us forcibly that we can achieve increasing levels of economic prosperity. The Honourable Member for Christ Church East detailed these indicators just as the Right Honourable Member for St. Peter. What are these major economic indicators which will determine whether or not we can move forward? An important indicator of macro-economic performance in small, open, developing economies is the level of foreign reserves and they are extremely strong. Indeed, the Prime Minister mentioned yesterday that despite the slowdown in the economy last year foreign reserves net of borrowing increased by \$150 million. Honourable Members on the Other Side and their chief economic spokesman would give us the impression that the only way the foreign reserves in Barbados would increase was if they were buttressed by borrowing.
11.30 a.m.

The absolute level of these foreign reserves, Mr. Speaker, is at a staggering \$1.5 billion. Once again and in a period of an economic downturn, the unemployment rate at December 21, 2001 was below double digits and it stood at 9.8 per cent. There have been increased levels of savings in the financial institutions. Indeed, during the course of last year, savings increased by a staggering \$400 million.

The liquidity position in the financial system and the financial system remains extremely healthy. We had a very proactive approach to monetary policy formulation. The Honourable Member for St. George North was just reminding me of the movements in the interest rates in the right direction during the course of the last year and this proactive policy was designed to keep the interest cost reasonably low, which is an important element of cost to businesses.

We have also seen reasonably low levels for energy prices, this is by our standards, and this is another important element of cost to businesses. Of course, Mr. Speaker, we welcome further reductions in cost in this area but it is our anticipation that with the reforms in the telecommunication sector, we will see some reduction in the cost of doing business in this area.

Mr. Speaker, I do not need to go on about the review of the Barbados economy for last year, to inform this Side and certainly Members on the Other Side, or those who are outside listening to us, that the economic fundamentals are in place to allow us a proper implementation of creative macro-economic policies in order for this economy to be restored to its growth path. The Honourable Member for St. Lucy will agree with me.

Mr. Speaker, I submit that the stage is set for growth to be restored in this economy. We have managed the economy properly in the face of international recession and with proper implementation of the programmes for the productive sectors, we should see a turnaround in macro-economic performance.

Mr. Speaker, achieving the objective which I mentioned earlier, that is, the overriding long-term objective is not an easy task. One of the things the Prime Minister has been able to do in an attempt to have us realise that objective is to insist that a national strategic plan, covering a ten-year period, be prepared. Meticulous planning has gone into the preparation of this strategic plan. There was a time when we used to call it a development plan. We have moved away from that development plan and we are dealing with a strategic plan.

Mr. Courtney Blackman was contracted to do the initial work in this area. The productive sectors, and indeed all sectors, have contributed to the formulation of the draft of this National Strategic Plan and this will set out in detail, the short-term, medium-term and the longer-term objectives for all the sectors in Barbados – be it foreign exchange using or foreign exchange generating – but a clear plan of action for all sectors will be put together.

Mr. Speaker, what we are also mindful of in the preparation of this National Strategic Plan is that in areas where there are clear linkages, or the possibility exists for clear linkages, that the plan speaks to maximising the potential which exists from those linkages.

I have been informed by the Honourable Member for Christ Church East that this very important document which charts the course for this economy for the next ten years, will be ready in draft, in the not too distant future. We hope to be

able to share with all Barbadians the draft of that national strategic plan for the next 10 years as early as April of this year.

Mr. Speaker, this economy is at a stage now where we need to focus on reform. I do not have to mention why it is important for us to do this. It has now become clear to all and sundry that we cannot continue doing business as we have done over the last many years, if we are to compete in a fiercely competitive, regional and international economy.

We recognise that if Barbados is to be repositioned to take its rightful place in the regional economy, the hemispheric economy and the international economy, there must be a clear order of priorities to provide the right engines of growth for this economy. Sir, these Estimates speak to just that, for the Prime Minister has identified those sectors which would lead the charge for our recovery. Sir, just as he did on August 8, 2001 in this Honourable Chamber when we brought an economic statement here, where particular attention was placed on the productive sectors, once again, he has identified those productive sectors and areas which require urgent attention.

In respect of the focus of reform, the point was made yesterday that there must be reform in the international business sector. We need to take advantage of what we have been able to achieve from our fight with the OECD and move with haste. The planning for the underwriting of business in this sector must be done in a very meticulous fashion, because it is a very competitive area. We have the able offices here and the Prime Minister has made it very clear that funds will be made available to this sector in increasing amounts, in order for us to achieve some measure of success.

Quite recently, the Minister of Finance met with members of the private sector on this matter and there is a clear understanding of the strategy which has to be adopted, in order for us to see more and more businesses underwritten in this area. Sir, \$2 million will be made available for the marketing of this sector in the financial year 2002-2003.

Mr. Speaker, particular attention must be given to the tourism sector and the Prime Minister must be commended for making an additional \$7 million available to the Barbados Tourism Association for its marketing and promotion programme. Quite unlike what the Honourable Member for St. John said yesterday, in seeking to give the Barbadians the impression that the Prime Minister is continuing to promote some type of unconstructive growth in this economy, the empirical evidence, especially in more recent times, does not bear his claim.

11.40 a.m.

In the Financial and Economic Statement of August 8, 2001, emphasis was placed on the manufacturing and the agricultural sectors while at the same time recognising the strategic importance that tourism and international business play at this time. During the course of the next financial year we will be seeking to recapitalize both the agricultural and manufacturing sectors.

Also in the Economic and Financial Statement of August 2001 mention was made of the establishment of a number of funds which could be used for the re-tooling and the re-capitalization of these sectors. These numerous Funds include the Agricultural Development Fund which should be fully operational in the not too distant future. All the administrative work has been completed, a management committee has been established and it is our anticipation that the Fund should be making disbursements within the next month or so. We have a \$25 million Employment and Investment Fund for manufacturing, the Innovation Fund, the Small Hotels Fund and the Tourism Fund.

During the course of the next financial year, we need to unlock the gate for these funds which should see capacity being built in both the manufacturing and the agricultural sectors and a modernisation of the practices and the employment of updated modes of operations so as to increase the level of competitiveness in these two sectors.

Mr. Speaker, this Government is geared to create the most enabling environment for businesses to flourish and to provide an enabling environment for the restructuring and the re-engineering of businesses but for success to be achieved in those areas what is ultimately required, beyond what Government is doing, is that senior government officials who have to look after the administrative arrangements will have to work to ensure that there is a smooth operation of these funds and they will have to work more assiduously to make sure that these funds are of tremendous benefit to those who are intended to benefit.

Mr. Speaker, the beneficiaries of these funds must understand why Government is making these funds available and they have to take themselves through the necessary change of attitude and understand that there must be a different approach to business. The unions in Barbados have come around to recognising that importance and have acknowledged that they have a very important role to play in the implementation of the different strategies within businesses like creating a new business culture.

The Trinidadians have been able to introduce a totally different approach to entrepreneurial development for their manufacturing sector and it has given them the opportunity to gain the competitive edge in the area of manufacturing and trading within the CARICOM region. So we, Mr. Speaker, be it in manufacturing, be it in tourism or be it in agriculture,

have to convince ourselves that it is vitally important that if the private sector is to prevail in a seriously competitive regional environment that there must be a different approach to business but in order to create this new type of business culture all players must play their part. So apart from the Government providing the necessary financial assistance there must be a conscious effort on the part of managers of financial institutions to channel large amounts of the accumulated financial savings into investment activity. The economists call this the transformation process. So the rate at which financial savings is transformed into productive activity has to be enhanced.

The Prime Minister said yesterday that more of the funds that are lying in our financial system should go towards building investment opportunities as opposed to funding consumption activity.

Mr. Speaker, turning to the Estimates now I recognised that one of the things that will take this country forward and which happens to be that thing that has brought us to this point of prosperity is the building of social capital. Mention was also made yesterday of heavier investment in education and health.

We have said, and that is no secret, Mr. Speaker, that there is a very positive relationship between investment in human capital and the promotion of economic growth. There is a theory of economic growth called the endogenous growth theory. One of the major proponents of that is Professor Paul Romer who has done some excellent work and has shown very clearly, and a lot has been written since his pioneering work, that investment in education and in human capital does translate into higher levels of growth.

Mr. Speaker, we have had the benefit of our own Sir George Alleyne coming to Barbados last year and giving us a public lecture on the relationship between investment in health and economic growth. So no amount of money which is planned for investment in health should be denied because there is unmistakable evidence that there is an empirical link between health and productivity. So this Administration has recognised the importance of a healthy population in these Estimates. Mr. Speaker, we must accept that one of our major productive resources would be our people and we have to make sure they are healthy. That is why this Administration is to be commended for the assault that it is launching on the AIDS pandemic.

Mr. Speaker, what is required at this point in time is not the channelling of large amounts of money into the Ministry of Agriculture and Rural Development. You will recall, Mr. Speaker, that on August 8, 2001 the Financial and Economic Statement that was presented to this House was dominated by policies and programmes for the Ministry of Agriculture and Rural Development. It spoke to creating

domestic market opportunities in an expanded fashion for our farmers. It spoke to the establishment of the Agricultural Development Fund. It spoke to modernising the incentive structure at the Ministry of Agriculture and Rural Development. It spoke to increasing the level of training for farmers.

11.50 a.m.

Mr. Speaker, in most recent times, the Government has made a clear statement in respect of the radical reforms which are necessary for the sugar industry. Sir, I maintain that as this country continues to focus heavily on tourism, there is absolutely no reason why it is that we, in the agricultural sector, cannot benefit in a stronger fashion from the potential linkages that exist between tourism and agriculture. Sir, it is that on which I would want to spend a few moments just to mention that I have had a very detailed discussion with the new Director-General of the Inter-American Institute of Co-operation and Agriculture, our own Dr. Atlee Brathwaite, and this is important. There is need for the establishment of an agro-tourism centre in the region and they have also explored the possibility of having that sector developed in Barbados. We see the importance of a strengthening and enhancing opportunity between agriculture and tourism, not only at the domestic level but this is a concept we think should be regionalised and are working towards that...

Asides.

Hon. A. P. WOOD: They are not going to send it in St. Lucy but then again, the important thing is that we want it formally established because it signals to the agricultural planners and to the others in the sector that a body that functions at the hemispheric level as important as International Tax and Investment Association (ITIA) is willing to contribute in a very material way in strengthening this linkage between agriculture and tourism.

Mr. Speaker, the Honourable Member for St. Lucy, as loose as he is in his delivery in this Honourable Chamber, recognises that it is important the agricultural sector be dragged along with the tourism sector.

Mr. Speaker, I must revisit something that the Honourable Member for St. Lucy said yesterday and it has to do with the fact that the small business sector was crushed last year and that this Government has not been doing enough in promoting that. Mr. Speaker, I know that the Honourable Member...

Mr. D. St. E. KELLMAN: Mr. Speaker, I am not in the habit of interrupting Honourable Members but I think the Honourable Member is misleading the House by saying I said that small businesses were crushed last year. I did not

say that. What I said was that the Prime Minister, in his delivery, was at pains to point out that even though the economy did well, on many occasions he had to find incentives to create that atmosphere for the small business. I said that seeing the Prime Minister had to spend so much attention mentioning it, it is clear that the top-down policy is not working and that we should put the bottom-up policy. Therefore, I hope that the Minister will understand that.

Hon. A. P. WOOD: Mr. Speaker, I am glad that the Honourable Member did clarify that point. All that it means is that this Administration, very skillfully led by the Prime Minister, understands that the small business sector...

Asides.

Hon. A. P. WOOD: That speaks to the development of that sector. It is not true to say that we have not been extending our arms to the small business sector to help them to see this type of growth. For example, we had numerous pockets of funding that were specifically earmarked for the small business sector and funds to be accessed, e.g. in the case of the Rural Development Commission, there is a Rural Enterprise Fund. This Fund has been in operation for sometime now and no fewer than...

Asides.

Hon. A. P. WOOD: Those funds have been extended to the tune of \$3.4 million. We have the Small Hotels Fund and there are numerous other funds available to small businesses. Also, the Government's programmes are such that the small business sector, more so now than ever before, has been getting an opportunity to participate in Government's programmes.

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

Hon. A. P. WOOD: It is on a lower scale now than at any stage before and I do not want to tell you what has happened to small businesses, medium-sized businesses, during the period 1991 to 1994; that is well known. Honourable Members on that Side have been very careful to remind this Honourable House what happened to that class of business persons, that is not the case any longer...

Asides.

Hon. A. P. WOOD: Sir, but I must remind this Honourable Chamber that the applications listed by the Rural Development Commission, of course, with the backing of the Cabinet, were to decentralize training by the small business sector in this country. This programme has been extremely successful to date because one of the things that we want to ensure is that the businesses not only get

started through the provision of such funding, but that these businesses flourish and indeed survive. Therefore, we had to decentralise our approach to training in the small business sector. There are no fewer than 80 centres in Barbados which have been identified for this training. This training is done in a very coherent fashion, in collaboration with the Small Business Association.

The Small Business Association is providing the human resource personnel to the delivery of this training, whereas the Rural Development Commission will be providing the funding and working closely with the Small Business Association in identifying those persons who should benefit from this. We have been promoting this for the Small Business Development and we will continue to promote that sector.

Mr. Speaker, I know that my time will soon run out but it would be remiss of me if I did not, on behalf of the people of St. Philip South, acknowledge that one of the things this Government intends to do is to ensure that a sharing mechanism be devised which will allow all Barbadians to benefit from this. Yes, the country has moved forward economically in the last eight years but the economic benefit has been distributed in such a way that one can see it with the naked eye in the constituency of St. Philip South, St. Lucy and in every other constituency.

Sir, one of the things that convinced me I should be involved in elective politics was the type of social programmes this BLP has seen fit to embark on since the Honourable Prime Minister took over the rein of Government. I am extremely happy I took that decision. The constituents of St. Philip South have seen the benefit of enlightened, social progress and we will continue to give our full support to anything else.

Mr. SPEAKER: I think we have heard you by now.

Hon. A. P. WOOD: I am obliged to you, Sir.
12.00 noon

Mr. SPEAKER: The Honourable Member for St. James North.

Hon. Miss H. E. THOMPSON: Mr. Speaker, like all Honourable Members who spoke before me, it would be remiss of me if I did not thank the members of my constituency for their kindness in securing my seat in this Chamber and my opportunity to speak in this debate but, more particularly, to participate in the development of Barbados at this very critical juncture in our history.

It is a fact that Barbados is struggling with regional, local and international challenges at this time, some of which

are unprecedented in the historical development of the world. Issues like globalization, for instance, for a small island developing state will present us simultaneously with myriad challenges and myriad opportunities to redesign our economy to meet the new international marketplace.

Mr. Speaker, the Estimates laid before this Chamber will enjoy the focus of our attention over the course of the next few days and are designed to look and respond to challenges locally, regionally and internationally which the Barbados economy and social environment are confronted with to ensure that Barbadians continue to enjoy and improve the quality of life, and that there is no retrogression of the progress we have seen to date.

Other Members spoke about the increase in national crime, improvement in investor confidence, the growth in the economy resulting partly from a new attitude and the view that Barbados is doing well and will continue to do well.

Mr. Speaker, I want to focus on some other issues. It is true that we are currently enjoying an unprecedented national building boom in Barbados both the commercial and residential sectors. We are at this time enjoying the lowest unemployment ever recorded.

Asides.

Hon. Miss H. E. THOMPSON: It is a fact that employment has moved from 9.3 per cent, the lowest ever on record, to 9.8 per cent but overall, the unemployment figure is lower than it has ever been. The markers of consumer spending that are indicators of the extent to which there is investment, growth and capital spending in the economy are indicating that there is tremendous growth in the economy and, despite the recent constraints and slowdown, the economy remains very liquid.

Sir, 10 years ago Barbados had 43 000 vehicles on the road and by 2000 that figure had grown to 73 000 with 57 000 of that number being motorcars. Between 2000 and 2001, the number of vehicles on the road rose from 73 000 to 96 000. Sir, this is a clear indicator that people have the kind of income which allows them to go out and purchase what is regarded by many as a luxury item.

Mr. Speaker, I was stunned by the statistics which came to my attention when I chaired the Planning and Priorities Committee last Friday and I want to share them with this Honourable Chamber.

In the United States of America, the richest economy in the world in which cars are manufactured, the ratio of cars to persons is 1.8; in the United Kingdom the figure is 3.3; in Ireland it is 5.0; in Japan, another major international

economy where cars are made, the figure is 4.2; and in Barbados, a small economy like ours, the figure is 3.5. It is higher than the figure in Japan or Ireland and it is on par with the United Kingdom.

This is an indicator of the kind of affluence we are seeing in Barbados. In fact, we are in danger of being the victim of our own proper management and success because the international financial institutions are saying that Barbados is so affluent an economy that we have overcome a lot of the basic infrastructural development which Latin America, Africa and other Caribbean countries are struggling to see emerge in their economies.

In Barbados we take for granted a pipe borne water system and that we have 98 per cent literacy, whereas other countries with resources far greater than ours marvel at what we have been able to accomplish. The international institutions are now saying that we do not need and cannot get concessionary funding because we are too well off but they are not taking into account the fact that unless we are able to access certain types of funding and continue to get our hands on developmental financing, the gains we have made could be eroded, that this economy is still vulnerable because of our small size and dependence on the vagaries of the international economy and, given where we are located geographically, while it has not happened for a long time, a hurricane or extreme weather system can turn up at any time and wipe out all the economic gains which we now enjoy.

Sir, the reality is that Barbados is doing relatively well. I know that the Minister of Housing plans to follow me and I had statistics on housing to supplement my argument but I will leave this for him to present.

Sir, we continue to do well, to be favoured by God and the international investors and this is a reflection of what is happening in tourism. Despite the crisis levels precipitated by the events of September 11 last year, the Barbados tourism product is doing the best of all other islands in the Caribbean and at this time we have a 70 per cent occupancy level. Ordinarily at this time we would have had 80 or 90 per cent occupancy so we are down from our normal figures, but many of the Caribbean economies are struggling at 35 and 45 per cent occupancy. We continue to do very well and in tourism, we are the foremost revenue earner in the Caribbean.

Sir, we have been able to fight off the blacklisting of the OECD. The Prime Minister travelled to the meetings with the OECD but now today we are seeing the benefits of it. While other countries remain blacklisted, we have been taken off the OECD blacklist, therefore, allowing our economy and financial services sector to be recognised

internationally as a clean jurisdiction and one of competence for investment by persons who are not of criminal intent.
12.10 p.m.

While we see that there are constraints and a slowdown in the economy, let us not accept the argument of the Democratic Labour Party (DLP) when they say that there was a mismanagement of the economy. The international economy, the economies of the United States, Japan and Europe, the major driving economies of the world, were in slowdown and recession prior to September 11. The slowdown and the recession were exacerbated by the events of September 11.

Sir, we also experienced prior to September 11, as a result of being so dependant on the international economy, a slowdown in our own economy but we continue to hold our own and to do relatively well despite the constraints. This is to be commended especially given the gravity of the situation which we face.

I wish to attempt to locate the role of the Ministry of Physical Development and Environment in our overall national growth and development and to speak from a policy perspective. I expect that when we get to that Head, I will speak to it in more detail. I want to give some broad policy picture of how the Ministry of Physical Development and Environment is located in the growth that this Government hopes to continue to bring to the Barbados economy and the upward social mobility which we hope to continue to give to the people of Barbados.

First of all, the Town and Country Planning Department is critical to the development of Barbados. It is critical because that department acts as a catalyst of and a catalyst for the Government. We have the first and primary oversight of every building and investment application which is dependant on construction that comes into Barbados and is made to the Government.

Sir, every piece of land that is to be cut up, to be subdivided, every major hotel or company that is to be constructed, or any major development project, the applications must first be seen by the Ministry of Physical Development and Environment either at the level of the Town and Country Planning Department or at the level of the Public Investment Unit.

The Town and Country Planning Department has a responsibility to guarantee investment and to allow a number of investment and development applications of projects to be processed in a timely way and to keep the economy going. It also has the responsibility to keep the economic engine turning over to ensure that projects guaranteed continuing growth and employment, continue to

provide opportunities for Barbadians to invest and provide opportunities for growth.

Sir, all of that is part of our role. It is not only the physical oversight but I must have, as Minister, consultation when planning decisions come to my desk for approval or rejections and what implications the developments would have on the long-term physical and economic growth of the country.

It is up to the Town and Country Planning Department to weigh and then determine the use of land in Barbados. We have to set out the national settlement policy. Where we will put residential growth? Where will we put commercial growth? What must be allowed to stay in agriculture? What do we want to remain pastoral and virgin lands? How do we see the future growth of the country in terms of the physical development and any corollary relationship between that physical development and investors' growth?

Sir, let me give you an example. We have a number of applications in the Town and Country Planning Department for lands that are currently designated as agricultural land. I know that the Honourable Member for St. Thomas would have a peculiar interest in this. I speak to lands east of Warrens and the lands that are adjacent to Cane Garden and going further east and then going north to Vacluse.

What I have to decide is, as Minister whose responsibility it is for physical planning in Barbados, would I wish to see an urban centre developed in Barbados beyond Warrens? If that centre were to be developed, what would be the implications for the usage of the land in terms of the current agricultural production, sugar cane and non-cane crops, on the lands which they are currently on? Will there be greater economic benefits to the country overall? Will more jobs be created? Will more revenue come into the economy? Will there be greater investment opportunities for the average Barbadian? Will the country benefit as a whole if I decide that urban centre should be extended further north and east? What are the long-term implications of the decision currently before me? Do I go with the physical development plans which designate this land as agricultural land or do I do, like a Minister once did, to determine when Sandy Lane was an agriculture plantation producing sugar to take Sandy Lane out of agricultural production rather than keeping it in sugar at a time when sugar was king?

Now that sugar is merely a little boy ...

Asides.

Hon. Miss H. E. THOMPSON: That Minister had to make the decision about what would have been the implications of taking one of the primary sugar producing

plantations out of sugar at the time. That Minister, thank goodness, made the decision that greater economic benefit would accrue to Barbados and it would constitute the best economic use of that land if the Sandy Lane Hotel and the residential development, which has taken place, were to be allowed. Therefore, Sir, the rest is history. Sir, there are those kinds of decisions which now come to my desk.

It is also the duty of the Town and Country Planning Department to ensure that whatever decisions that we made, that land is used in a rational way which is consistent with the cultural and social mores of the country and in a way that ensures that Barbadians continue to have access to land; that they are not being excluded from beachfront properties and that they are not marginalised in the country where their navel strings are buried. Sir, that is what I consider to be my social responsibility as the Minister responsible for Planning.

Sir, in terms of the Public Investment Unit, this Unit will act, under my leadership, as a strong custodian and guardian of the public purse. It is the role of the Public Investment Unit to have oversight of all Government's capital projects and where necessary to review private sector projects and funding; that the timing of all projects is properly structured; that there is no wastage of public funds; that public projects are executed with the minimal disruption, dislocation and irritation to the public and that public projects are executed in a way that taxpayers' funds are not squandered.

12.20 p.m.

At the level of Minister of Environment, it is my responsibility to ensure that the policies and programmes which this Ministry initiates will protect, preserve and enhance the country's natural, cultural and built environment. We will ensure that consideration of environmental planning is integrated into all physical planning decisions. This is critical. We see all the time where if we did not have clear, defined rules executed by the Town Planning Department that persons would build in all kinds of *ad hoc* and arbitrary ways, that all coastal accesses would be blocked, that people would build right onto the beach if they could, stopping others from using the beachfront or using the beach. Remember that all beaches are public and we have indicated that all beaches must remain public.

On an earlier occasion, I spoke about beach accretion and we are hoping to bring this before Parliament because lands are accreting so rapidly at some places that property owners are extending their properties onto the accreted land, encroaching on the beaches to which the public has access. It is critical that we protect our coastal and marine resources.

Barbados is an environmentally dependant economy. In Barbados the majority of people live within half a kilometre of the coastline, all our major installations are within this major area. It is critical therefore that we develop strategies for management of our coastline and of our marine resources which will guarantee that Barbados is preserved for the use of future generations. What we are attempting to do in the Ministry is to effect that very delicate balance between exploitation of the resources which will allow for sustained economic development while, at the same time, ensuring that there is not the kind of over-exploitation of the resources which would result in environmental degradation and consequential damage to the very resources we are trying to preserve and undermine our economic growth.

Since our main revenue earner is tourism, it is important that the environment is preserved not only for the benefit of those who are born here and live here but it must be preserved in order to have the best possible tourism product to offer the many people who come and keep our economy running by the coming of visitors and tourists to our country.

We have had major challenges in attempting to control the kind of development which project proposals would seek to put in place. We have had, therefore, to introduce very stringent usage of the environmental impact assessment. Many developers resist using it, but it is a critical tool if we are to determine, especially where the project is large and complex, what is the possible social, economic or environmental fallout from a project proposal. Therefore, if we know ahead what possible fallout there is going to be, we can determine early what mitigating measures can be put in place so that there is no damage to the social, environmental or economic climate.

There are however a number of issues with which I am currently grappling as Minister of Physical Development. There is one in particular which I would wish to share with Members of this Chamber. I know it is an issue that equally would be taking the time and the celebration of the Minister of Agriculture. It is what is the future of sugar in Barbados. This is a critical matter.

For years, several acres in Barbados have been in sugar production. If we can no longer meet our quotas to the European Union, if the revenues from sugar are decreasing all the time and if there is little economic benefit in our continuing to grow sugar and if plantation owners, as they are saying, are deriving so little profit that they do not intend to keep the land in sugar production, what are we going to do with these lands?

How much do we need to keep in non-sugar agriculture? How much land do we need to keep in sugar

production if, in fact, the path we are going to be taking is the production of molasses, the production of sugar for the local market because we get the best price for sugar on the local market and, therefore, it would behove us to produce sugar for the local consumer and for local commercial consumers. If we are going to do that and then keep a certain amount to produce boutique products, molasses, organic sugar, supplies for the manufacture of rum and other spirits, then we need to know how much acreage we need to keep in production now and what are our projections for the growth in these particular boutique products for which we would need to keep land in agricultural production.

When we resolve that issue – that might be a pure agricultural issue – that leaves me as Minister of Physical Development with yet another consideration. That consideration is that if lands are not going to be in sugar production, what are we going to put on them to ensure that Barbados remains a beautiful place? There has been a benefit to Barbados in growing grass, and sugar is a grass. We know there are benefits in terms of stopping soil erosion and the rotation of the sugar crop.

Sugar canes give the country a certain orderly and beautiful look, but if we are not going to have sugar production what are we going to do with those lands? How will we plant them so that Barbados remains beautiful so that the countryside does not just become full of rab lands, bush and disorganised shrubberies that people with nefarious intent can hide themselves in and attack women? These are questions we have to determine. There are those developers who would say let us have golf courses. There are those developers who will say that they have x acres in sugar lands and they want to sell off their land. Given the price of land today, those persons would make tremendous profits, but our duty as a government is broader than meeting the narrow sectoral, proprietary and profit interest of a few. Our responsibility is to determine what is in the widest national interest and how best to use these lands if they come out of sugar production so that the benefits inure to the wide society and not to a few.

I would just wish in closing, Sir, to identify what, I think, are the major issues which Barbados has to tackle for the future and I will do it briefly in the two minutes remaining to me. We have, at the international level, to continue the fight against neo-colonialism. It is my view, that we are seeing the institutions of the First World emerge whose responsibility it is to keep the poor countries of the world poor, to ensure that those countries which are small remain developing or become under-developed.

12.30 p.m.

We are seeing these attempts in the organisations like WTO, which have virtually wiped out the Eastern Caribbean economies with bananas. We saw the OECD attempt to do

it in Barbados with the financial services sector. Our financial services sector was so efficient and profitable that we were, in fact, rivalling with the financial services sectors of places like England and the First World, not in terms of dollar for dollar but per capita.

Sir, with globalisation and without the kinds of boundaries and constraints to businesses, it means that we could have accepted competition to these economic centres. Therefore, these new institutions of neo-colonialism stepped in to ensure that we could not grow any further. It is what the arrangements like Cotonou are designed to do.

We have to ensure that our vulnerability as a small economy is taken into account. We must recognise that in this new world order, there will no longer be protectionism or preferential treatment. We have to prepare the Barbadian economy to meet the challenges and opportunities of globalisation and trade liberalisation. At the regional level, we have to deal with the whole issue of a common market and economy and we have to look at the issue of regional integration again.

We are seeing new relationships emerge and large trading blocs of people coming together for the purposes of trade and business, and not the love of one another. It is all about the profit line and we therefore have to determine with whom we can create the most effective and beneficial relationships to push the economy forward in the future.

Locally, Sir, I think it is important for us to look at the matter of attitude. This was very eloquently dealt with by the Honourable Member for St. James North. We, as a Government, need to deal with the issue of land prices in Barbados because, while we have formed effective solutions for the poor and the lower middle income groups – I think the cost of land for people who are in the middle income and upper middle income can, in fact, constitute a tremendous problem for us.

We have to ensure that there is proper management of capital projects and that we get value for money. I am hearing people say that the QEH's budget has been increased in this financial year by \$8 million or \$9 million. During the four or five years that I held the portfolio of Health, the QEH's budget was increased by perhaps something like \$25 million, but did we get value for money? We have to ensure that when we make the money investment, the management of the services and product on the ground can deliver to the average Barbadian the quality service we intend for them to get by allocation of the resources. The mere allocation of the resources itself will not suffice unless those resources are properly managed.

We have to ensure that the cost of doing business in Barbados is brought down, particularly communications cost.

We have to deal with the issue of transport and the road system because with this vast number of cars, we really need to have an improved road system that can carry the number of vehicles we have in Barbados.

In my view, we have to deal with two final issues. We must recognise that we have an aging population and in 10 to 15 years, they are going to put a severe strain on the economy. Therefore, we must start planning how we are going to meet the needs of that sector and offset the drain from the economy which the care for this group is going to cost us.

Finally, Sir, we have to ensure that we meet the new challenges of today's labour environment. We need new approaches and we need to ensure that we develop multi-skilled task forces who are flexible, because these are the days when there is no longer the kind of security of tenure there used to be in the marketplace.

If we can meet these challenges, Sir, then I am sure that the continued development of Barbados and its upward growth will be guaranteed, because we would have effectively dealt with all the challenges and overcome all the challenges for our sustainable development.

Thank you, Sir.

SUSPENSION

Hon. Miss M. A. MOTTLEY: Mr. Speaker, I beg to move that this Sitting be suspended until 1.45 p.m.

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

The question that the Sitting be suspended until 1.45 p.m. was put and resolved in the affirmative without division and Mr. SPEAKER suspended the Sitting accordingly.
12.35 p.m.

RESUMPTION

Mr. SPEAKER: This Sitting is resumed.

Hon. G. A. CLARKE: Mr. Speaker, I am very supportive of this measure to stimulate the economy and I want to say from the outset, it is my view that the measures that the Prime Minister, the Right Honourable Member for St. Peter, has enunciated and as contained in the Estimates this year, will no doubt, continue to provide a measure of comfort to all Barbadians.

Mr. Speaker, when one looks at the Estimates of Expenditure, one finds that for the year ending on March 31, 2002, the Government will have spent some \$2.1 billion in

revenue and the next year ending March 31, 2003, the expenditure is expected to increase by another \$100 million. The Government continues to increase the expenditure even in recessionary times, due to the leadership that is being provided to this country by the Prime Minister.

Sir, there were similar conditions between the years 1991 and 2000 but this year there seems to be some difference and I want to look at this difference. I will say that it has to do with the management of the economy. Our leader is a democrat who listens, who is courageous and who takes people into his consideration. Mr. Speaker, our driver can drive. There is no doubt that our driver has driven this economy to great heights and all householders in Barbados are confident today that the economy is in good hands. Mr. Speaker, all of us on this Side are very happy to have the Prime Minister, the Right Honourable Member for St. Peter as our driver and our leader.

I daresay that a number of Democratic Labour Party supporters, and including, I believe, the Honourable Member for St. Lucy, are happy that this economy is in safe hands. Therefore, I would want to say that in the year 1989, the reserves fell to \$12 million, high unemployment, structural adjustment programmes, 8 per cent cut...

Mr. D. St. E. KELLMAN: Mr. Speaker, on a point of order. The Honourable Member is misleading the House and I cannot let the records reflect, Sir, that in the year 1989 the foreign reserves were only \$12 million. That is the most misleading statement I have heard in my whole life.

Hon. G. A. CLARKE: I am glad the Honourable Member rose on a point of order because between the years 1989 and 1991, it fell from about \$42 million to a low of \$11 million. I just wanted to find out if the Honourable Member for St. Lucy was aware and he certainly is aware of what is happening.

Aside.

Hon. G. A. CLARKE: Sir, that is not the point. The unemployment rate between the years 1991-1993, went up to about 24 per cent. A structural adjustment programme was also the order of the day. If you look at what is happening today after the September 11, 2001 attacks, you will see that there are many problems in the economy, because many investors are not investing. Today, we still find that our reserves are moving higher, over \$1 billion and climbing.

Mr. Speaker, the employment level has stabilised to some extent to approximately 10 per cent. It was down to 9.3 per cent before and stabilising at 9.8 per cent or 10 per cent. Sir, not only this, but in the height of a world recession, the Government is thinking about giving salary increases. There

are also investment opportunities available and looking at Barbados today, there is no sign of the recession and it all boils down to the way the economy is being handled.
1.50 p.m.

Any right thinking Barbadian living in Barbados or abroad will agree that this economy is being handled with great efficiency. We are proud at this time that our economy is doing well. I want publicly on the Floor of this House to compliment the Prime Minister who, in his quiet way without any publicity, has gone about his business by holding discussions with the unions, keeping the public in his view by letting them know what is happening, and helping the various sectors when it was needed.

The agricultural sector was given a number of stimuli and help last year. Subsidies were given to the agricultural department and funds were injected in tourism. All sectors of the Government were given help from our good driver and we are proud of him.

Mr. Speaker, there are persons on the Other Side who are not in here who would want us to believe that things are bad. I am saying that the confusion in the Democratic Labour Party is not because of the Honourable Members over there but because of persons who are trying to get in. They are talking about borrowing is too high. Mr. Speaker, the difference between Members on the Opposite Side who are not in here and the Members on this Side are that we believe that in good times we should borrow in order to do things to the economy.

We have borrowed a lot of funds in this session but one can see where the funds are being spent. We are spending large sums of money on the airport and the seaport. We are spending large sums of money in Agriculture and in Tourism. We are spending large sums of money in Health and we are spending large sums of money in Home Affairs to reduce crime and violence. This is what we are doing. It is important to note, despite some of those writers who have been trying to promote doom and gloom in the country, that all of the money that was borrowed on this Side had been well spent and we are justly proud on this.

So I want to dismiss those persons who are causing tremendous confusion, not to us the Government but, among the Democratic Labour Party for they must get their act together.

Mr. Speaker, I want to speak about what I see as an important phenomenon in this country and what is happening in our economy. One finds that there is a high degree of liquidity within the banking system today as a result of diminished aggregate demand, with the excess liquidity ratio growing to 11.5 per cent. That is extremely high.

When one looks at demand deposits, time deposits and savings deposits at the end of 1999 through to the end of 2001, one finds that the banking system has more than \$404 million in excess liquidity. Barbadians have saved tremendously. At the end of 1999 there was \$2 769.9 billion in the banking system. By the end of 2001 it was \$3.174 billion. So the banking system has tremendous opportunity to move forward today. We must be cognisant of the fact that people are saving a lot of money in this country. A lot of these funds have been saved by ordinary people who are saving at the credit unions and at the banks so the banks have made tremendous profits over the last year.

I am, therefore, calling on the credit unions, the commercial banks and the insurance companies to invest some of this money in property and in real estate. The banks must formulate programmes to allow people to borrow some of its money. Over the last year or so, Government has decreased the lending rate and through instruments through the Central Bank has reduced the interest rates.

It is important for the banking system to accept the challenge today to do something to help create investment opportunities. People who go to the banks to get a mortgage have to pay a commitment fee and all types of fees before they can get a loan. The banks will prefer to lend money to buy a car and for all types of household items but whenever it comes to real estate they are reluctant to lend and if they do, they do so after much heartache, and that is unfair. For some reason that I do not understand, banks prefer to lend money for short-term purposes rather than for long-term purposes.

2.00 p.m.

Mr. Speaker, it was drawn to my attention that some of these interest rates for the short-term lending goes from as much as 9 per cent, 10 per cent, or even 20 per cent, whereas long-term lending will go about 8 per cent, 9 per cent, or 11 per cent, but there is opportunity for investment in property.

Mr. Speaker, over the last 10 or so years, the Government has acquired tremendous property in this country. We have acquired more than 1 000 acres of land and it is at this time ripe for investment opportunities where we can turn this land into house spots for the people, where we can develop this land to realize the dreams of many individuals.

Mr. Speaker, it takes money to develop the land therefore the banking system should try to formulate a programme to come in with Government through a joint venture programme to help fund this development. Money lying in the bank is not a good investment. I believe the banks should now come in with Government through a partnership arrangement. The banking institutions, whether

it be credit unions or insurance companies, should try to invest this money at home.

Mr. Speaker, when one looks at what is happening today, if one looks at the Town and Country Planning Department, one can see that between 2000 and March 2001, the Town and Country Planning Department has approved 2 592 applications. If, for argument sake, we take that over a five-year period where one was supposed to develop or build a home at \$125,000 per average within a two or three-year period, the banking system is expected to lend more than \$324 million.

Mr. Speaker, at the same time, the Town and Country Planning Department has approved another 1 756 lots so that there are a number of lots approved in Barbados that are ready for development. Therefore, the opportunities are here where the banking system can create an atmosphere for lending. I am told that it will take almost \$400 million to develop these 2 592 lots, both putting this land into a developed stage, constructing road, electricity and water and also providing the mortgages.

Mr. Speaker, the banking system has much more. I am saying that the \$400 million the banks now have in excess liquidity can safely be put into mortgage funding. They must find the opportunity to lend Barbadians money quicker. It takes too long for mortgages to turn around. I am aware they will speak of the legal problems but we will have to find the mechanism to get that straightened out.

Mr. Speaker, there are various opportunities to turn this economy around and the Government has come up with the idea and the mechanism and we have acquired this property. It is now time for us to move forward.

Sir, when one looks at what has been happening in Government, if you take for example, the Barbados Mortgage Finance, of which we have responsibility, I understand they lend about 30 per cent of mortgage funds in Barbados. Within one year, at the end of year 2001, the Barbados Mortgage Finance Company had given over 383 mortgages to a value of \$31 million. It is expected in the next year to lend more than \$30 million to a similar number of persons. Sir, when one looks at what is happening to the other loan institutions, it is expected that a lot of activities should be generated in this country over the next two or three years.

We are also projecting that a further \$10 million will be spent on home repairs only through the National Housing Corporation. Sir, when one looks at what is happening to the credit unions, a number of persons are now investing in properties. I am saying, Sir, that the opportunity is here for us to turn this recession around and provide valuable opportunities for workers.

Mr. Speaker, I too want to speak about the problem that has been confronting us as far as the cost of land is concerned. There are many persons who believe and have been making the assumption that the cost of land is too high. I agree that in some cases, one can make an argument for that, but generally speaking, we at the National Housing Corporation have been selling land at \$6.00 per square foot as a universal selling price. We still continue to sell land at \$2.50 per square foot. We still continue to sell land at 10 cents per square foot in the plantation tenantry programme. Sir, the Government programme has set the pace to keep the cost of land to a minimum. I understand that there are some developers who will want to increase the price and have been increasing the prices way above this \$6.00.

Government will have to find the mechanism to control the price of land. How do we do it? We suggest that if we put a programme in place where, using the demand and supply mechanism, where we will put land on the market the price of land will be reduced. Sir, we have formulated a joint venture programme which, in the next financial year, will put more than 500 house spots on the market. We are coming to this arrangement with some financial institutions, a number of reputable builders and persons who are in the development of land. We have spoken to them and are formulating a programme which, very soon, we will be able to announce that we will start this joint venture programme with the help of the private sector where we anticipate that more than 500 house spots will be put on the market in the next financial year.

It is also important for us to note that when we talk to the private sector entities who will come in with us, that the National Housing Corporation, even though it is going with a private developer, will control the selling price of the land. 2.10 p.m.

We expect the price of land to remain at \$5 or \$6 per square foot over the next year or so. I have been told that if we acquire 1 000 acres and there are 10 house spots per acre, that we will see more than 7 000 house spots in the next five or so years. Government has the land and we now have to have it developed so that persons demanding land will see their opportunities come true. There are a number of persons seeking shelter and we have to provide the opportunity for them to do so. We only now need the developers, financial institutions and the legal fraternity to come hand in hand with Government to work out a programme so that the cost of doing business with real estate will be reduced.

Mr. Speaker, we have an example of this in the Ministry of Housing where the Housing Credit Fund was established by this Government. This Barbados Labour Party has to take credit for this because in 1975 we set up the Housing Credit Fund and the records will show that out of a

seed capital of US \$10 million in 1985 we have lent more than \$147 million to credit unions and banks for low income housing...

Asides.

Hon. G. A. CLARKE: Yes, it was hardly used by the Democratic Labour Party because they did not know how to use it.

The Prime Minister also made the point that the banking system is so liquid today that very soon we will be going to the market for \$50 million to prop up the Barbados Mortgage Finance Company.

The outlook for the Barbados Mortgage Finance Company over the next five years is good because the demand for loans to build houses and do repairs is very high and we must now go to the market. We are not like the Democratic Labour Party who will not go to the market when things are good. Mr. Speaker, nobody lends you money when things are bad with you. We can now go to the market to capitalise on this excess liquidity and we will borrow \$50 million to help generate monies for the Barbados Mortgage Finance Company. We will continue to lend first time homeowners at the rate of 6 per cent as long as they are working for under \$100 000 and if they are working for \$100 000 to \$200 000 the rate will be 7.5 per cent. We will also continue to lend 100 per cent loans. We are asking financial institutions to come in with Government through a joint venture arrangement to help generate activity.

Mr. Speaker, this Government is spending tremendous money on road repairs, house construction and other social programmes. I am heartened by the number of roads and programmes being done in my constituency and other constituencies. The Prime Minister said yesterday that the Glebe in St. George is now being developed as an inner town and I am very happy to hear that. Mr. Speaker, we now have a police station, a new post office, a new community centre and we will be getting new market facilities.

Mr. Speaker, I am also told that there will be a new pavilion at the Glebe for the youngsters in the area. We want to ensure that the Glebe becomes a central area for recreation. There is a need for a hard court, lighting and to develop that central area so that when we come to the beautiful St. George Valley we will see an inner town that was truly developed by the Barbados Labour Party.

Mr. Speaker, when you come to St. George, you will enjoy going through the lush green parts of St. George...

Mr. SPEAKER: Do not forget that you have to pass through my constituency first.

Hon. G. A. CLARKE: Of course, Mr. Speaker, we know the amount of roads and facilities that were done in your constituency. The hands of the Barbados Labour Party are touching every part of this island.

Mr. SPEAKER: Could you conclude?

Hon. G. A. CLARKE: Mr. Speaker, I will conclude by saying that our leader can drive and that he is a good driver.

Thank you, Mr. Speaker.

2.20 p.m.

Mr. T. A. PRESCOD: Mr. Speaker, I am honoured to represent the good people of the Ivy community and Licorish Village where all the controversy surrounding the water zone is focussed. Sir, you do not have the opportunity to speak on the behalf of your people who are victims of a number of charged shotgun journalists. I am also here to speak on behalf of the ordinary voiceless in our constituency as well. These areas are Dean's Village, Station Hill, Belle View and the areas in close proximity that you represent.

I also believe that my voice will express the views of the good people of the Pine Housing Area which the Honourable Member sitting to my left, comrade, and inseparable, represents the people of Carrington Village, Grazettes, Bay Land and the working class people throughout Barbados. I believe that my voice is a genuine voice. I am not speaking because I focus my attention exclusively in the constituency of St. Michael East and that there are only poor people in my constituency. I am speaking in the interest of poor people not only in the western world but in the interest of poor people in the eastern part of this world as well as far as Asia, Africa and all those countries in the African continent. I believe that my contribution is a testimony of my commitment to the principle and not to the preservation of the vote. I want to make that point very clear.

When I joined this dispensation a number of years ago, it derived from a perception that there were a number of virtuous principles that guided the dispensation. These principles, in my view, were applied, not selfishly but universally within the interest of the development of mankind. I felt that this dispensation was extremely clear, and I still believe, and that the whole intention was to rid this rock of abject poverty, relative poverty in comparison to western standard standards.

I believe that this Party had the intention of the poor black entrepreneur with limited capital for investment in mind and that the Government of the day, based on its principles of social justice and an attempt to redress the imbalances in the economy, put the mechanisms in place to allow the majority of people to have not only a social stake in this policy but also an economic stake.

I believe this dispensation, as I examine and evaluate the programmes, and the leadership of this country are clear that the cultural role of the majority of people played a subordinate role to the minority of the people in the society. European cultural values were highly respected and everything that was African was relegated to the bottom of the cultural ladder.

I believe this Government felt these deficiencies needed to be addressed and redressed. I believe we have a responsibility to cultivate correct social environs, a kind of quality that is germane to equality and social justice. On that basis, Sir, I believe that this dispensation is on the right track.

Sir, the philosophy is necessary in any political party, although it wobbles all about and can never achieve any meaningful objective. This is not the case with this Party. It might not have a radical approach to changes nor is it conformist. I would love to see the Party in a reformist mode making the required minor adjustments in a political economy that might not be able to withstand the radical changes that can address all the issues and the principles which I highlighted. The Prime Minister within the limitations of an economy with limited natural resources has limited flexibility, although he understands the global picture.

Sir, the trouble is, some other leaders whose perception or conceptions are fossilised do not understand that they are only operating in a mental concept of what is a global economy, which is exclusively the economy in the western world. When the United States speaks about global economy, they are speaking about economies, not only in the west but in the east. Our trading relationships are still rigidly restricted to the relationships of those of the colonial masters. These are the realities, not intentionally, but probably subconsciously.

Sir, that is why we have not been able over the years to establish any investment relationships with Latin America because the Spanish and the Portuguese control it. We have not established any strong bonds with countries like Suriname and St. Eustatius, which were Dutch, and we have not established any strong relationships with Martinique and Guadeloupe because the colonial divide exists among the Dutch, French and British in the region.

I am still worried why, at this stage, we cannot expand our trading and investment relationship. When we begin to talk about globalisation we must be able to locate ourselves in a strategic position where we can take advantage of relationships outside of the western world as well.

Recently, I heard my colleague indicate that relationships will be established through tourism with the

South African Airlines. Is it not possible for all agents of governance to try to establish new relationships on our behalf? Sir, concepts like these, I believe, demand a world view. Ministers, not only leaders, must have a world view especially when they have the responsibility for specific Ministries that deal with business, trade and tourism.

I am concerned that when I examine the functioning of Ministries, if all the Ministers understand what is the Party's world view or what it is they are trying to achieve. I am not indicting any specific person. I am concerned about that because we need to develop more politically to recognise that within our limited economy, we have to begin to think more about what objectives must guide us and how we should set about to achieve our goal, Sir.

I want to start my contribution on those issues. The Estimates must be guided within these objectives to achieve goals. The persons who constructed them did not recognise that they are thinkers and that a number of factors undermine the views that they express on paper. The reality is, they are guided by a world view, whether it is a world view that is positive or a world view governed by ignorance. Having the concept on paper must be clearly understood by a thinker so that he can understand what is the intention of the Minister or the Government to implement the programmes and to achieve the goals they set about to achieve.

Sir, governance itself is not exclusively in the hands of a minister. Governance is also in the hands of the bureaucracy. I keep saying that on more than one occasion I heard Ministers expressed their disgust that they were unable to achieve the intention of the programme because the persons who are responsible for executing the programmes do not have the same interpretation of the language on the paper.

Sir, that is why I say that understanding your philosophy is important at all different stages of Government. So ultimately, the people can benefit from the exercise.
2.30 p.m.

In the 17th century, Thomas Hobbes talked about the importance of the leviathan. So we understood that you must sacrifice very early part of your freedoms and your interests and place them at the disposal either of an individual in the form of a dictatorship, or at the disposal of a collective body of persons who would be responsible for governance. The State has to judge us.

The best mechanism for determining whether programmes or estimates are effective is the voice of the people. They determine whether the programme has impact or not. We are not supporters of the theories of Hobbes. We

are not supporters of the theory of Karl Marx who denounced absolutely the system of capitalism. We accept capitalism even if we function on the periphery of capitalism itself, recognising that we are in a more complex world and that Karl Marx himself did not even take into consideration the role of the welfare state which is a mechanism that we have in our governance.

Sir, I just want to explain, and I know it may sound farfetched to some but we have our Caribbean thinkers as well. We have had great Caribbean thinkers who understood the under-development process, men like Walter Rodney, Girvan, that looked at it from an economic perspective. We have had people who examined the structure of Government, and the reason for trying to understand the principle that should guide us and what is happening to us is because they were all searching for solutions, including Michael Manley, in the context of change, all searching for solutions to how can we operate in a hostile international environment, an environment which is not friendly, which is absolutely selfish and governed by American hegemony.

The Americans do not control world power based on any genuine consensus, but on coercion, because of its military strength with no respect for international organisations, and they also govern the organisations that now speak to us about reciprocity. Such noble terms! Reciprocity in a small State with limited resources with no industrial base but telling us that we must compete in the world market and the market must be open to all. You, handicapped by your limited resources, Sir, have to compete with the United States of America and Japan. We have to face that.

It is miraculous that any leader in a small economy like Barbados can still sustain the social services. It is miraculous that we can have a balance of payments in this period of recession, so to speak, in the Western world of \$1.5 billion in foreign reserves. Although the reduction in the unemployment level has not been as generous to my people as it ought to be, because of the inequity in which the jobs have been utilised by the Ministers, Sir, at a national level the reports are genuine that we have been able to keep it down to 10 and sometimes to the level of single digits.

Sir, I want to make another point, I am not going to respond to the comrade who makes mockery at the lives of black people who have not been privileged to use water. I am not going to respond to that. Some people do not have the social conscience to know that matters like these ought to be taken seriously. This Government has put in place provisions in these new Estimates for over \$50 million which will come from bonds, from the Barbados Mutual Finance, and it is my understanding that many ordinary, working class persons, black persons... There are many in here who do not like to hear the word "poor" and make

mockery of it. When a man speaks about poverty, for some reason it seems to be palatable but a word that is synonymous with poverty, "poor", he does not understand it and does not want to hear it. It jars the ears. These are men that are recent escapes from the plantation. That is the problem and they do not want to respect these things.

This Party, from its inception with Grantley Adams, committed itself to ridding this country of poverty. The outcome of the Report of the Moyne Commission of the 1930s clearly indicates the focus of the Government of the day in 1951 led by Sir Grantley Herbert Adams, so this poverty attack did not start with any report from the IADB. It is the genesis of the political dispensation to which I belong and which I intend to support.

Aside.

Mr. T. A. PRESCOD: I am the best person to determine which is the better of the two because I have experienced administration in both.

Nine million dollars, Sir, would be going to the Queen Elizabeth Hospital and that is why I say it is so important that ordinary people in the street recognise how important it is to have a dispensation at the eve of the 21st century within the first decade that can keep the social services together because the social services are not only the agencies and departments that fall under the Ministry of Social Transformation. The Ministry of Education and the Hospital are part of the social services. It tells you how we, as a people, recognise the role of the State in ensuring that disadvantaged persons can have an opportunity to enjoy the same standard and quality of life as persons in the affluent class within the system itself.

In Barbados, the reality is the concept of class and race and that is why we have to face realities if we are going to talk about reconciliation. When we talk about affluence, we know where the focus of the affluence lies, which pigmentation, which ethnic body. When you talk about poverty, you know where it lies, with just a little exclusive pocket in St. John that might be a little different; but the majority of people in this society that sweat hard and make the economy what it is, are ridiculed every day. People do things for them and laugh every day.

2.40 p.m.

The people are experiencing social hardship in a country where there is little land and public officers make public policy statements that are not coming from the Government or the Ministers, about the removal of people from their lands and classify them derogatorily, as "squatters". Sir, that is why I say we have to be clear, not only when the structures and ideas are put on paper, but all

administrators must be extremely consistent with the conscience of the Government, and tell the people that land is limited because Barbadians overseas are buying up the land.

They do not understand the idiosyncracies of the development of the people in certain constituencies, or they do not know that before the establishing of communities like the Ivy and the Pine – the communities to which you refer existing off the plantations of the Belle and Lower Estate – but they make the public believe that these people are squatters encroaching on lands. Sir, many traditional families that live in My Lord's Hill, Bridge Road, Station Hill, Hothersal Turning and the Belle Gully – an area that is only known as the Belle, but embraces all of these communities of, probably, 5 000 people, and they make you believe that six or seven individuals erect houses on an area and, therefore, the whole community is perceived as squatters. There are people who live that perception of them every day and we hear officers using those pejorative terms in reference to those people. I am angry about it. I remain angry and I will die fighting this fight.

Sir, even if the constituencies themselves take on a different light in terms of geography, I will die fighting the fight on behalf of those people, because it is a fight to which I have committed myself, which is to defend those voiceless people in my community. It is not anything caroling. It is something I take very seriously.

Sir, the Ministry of Social Transformation is one of the most important units this Government brought into the system of governance, along with the Rural Development Commission, the HIV/AIDS Commission, and some of the other new areas for which the Government has taken responsibility. Sir, that is why I say that the system of governance is more complex now, than the days of the 17th century thinkers, and even in the days of some of our Caribbean thinkers. It is more complex because the United States has been fortunate in ensuring that the era of imperialism does not exist.

Sir, 260 000 people in this country today have to determine if these Estimates will impact on their lives, and that is what we have to think about. The populace must be convinced that this Party, with its prudent and committed leadership, is doing the job they expect them to do. They also have to be convinced that they are ruling with courage and that no subordinate agency, in the form of the bureaucracy, will dictate the Government's programmes or policies. There are some persons who have been vested with authority but do not understand the strength of the commitment of whom they are accountable and they only understand it at the end of the five-year term.

Sir, you are here to represent the people of Barbados and more so, those who cannot represent themselves. Do not get into a state of euphoria when you show that you have the courage to deal with the poor and vulnerable, but you do not have the courage to deal with the people, who are from a certain social echelon in this community, but they show courage, and their chests expand when they deal with certain types of people in Barbados.

Sir, I expect to see men and women of courage.

Aside.

Mr. T. A. PRESCOD: Sir, I believe that our last programme has been tested and the Prime Minister has introduced a new set of adjustments to take the country forward for the year 2002-2003. In these Estimates, the Prime Minister and Right Honourable Member for St. Peter, has increased the actual allocation to the Ministry of Social Transformation from \$74 million to \$76 million. It might sound small but the reality is that you do not have to judge this Ministry by the quantitative sum that it received, but by the qualitative contribution that is made into the transformation of the lives of many.

Many people do not see it, because they do not want to see it, but you just have to go into the communities where poverty exists, and you will see where the Ministry of Social Transformation touched the lives of people. I see people looking out through their front windows, with dignity, who had no front windows before, only solid board at their windows. I have seen people, Sir, feeling comfortable going into the smallest room in the house, with a sense of comfort and pride, where any visitor to the house today or tomorrow can be free to use the washroom without the embarrassment that these people had to go through in the past. Do you understand the psychological scars of poverty?

Sir, the Honourable Member for St. Michael South spoke passionately yesterday, and from his heart, about the experiences of the social changes, and the psychological pride of the ordinary people in his constituency. I remain committed to this and I will reveal this to you now and I will tell you why it is so important to me. My late grandmother died as a consequence of journeying in the dark one night, to assist someone that was sick, with what is commonly described as a "po" to dispose of the contents. She fell and struck her head and died as a consequence of the fall.

Sir, I know how inhumane and criminal it is for anybody to have to live in those circumstances and that is why I call for serious, profound and in-depth consideration when it comes to the people of the Belle – your constituency, Sir, – and My Lord's Hill. You do not rush in and make statements that are idiotic, as though you have a shot gun, and you could become a journalistic terrorist

walking around shooting down ordinary people, who cannot defend themselves. You cannot do it that way. The Government must put a humane approach in place to rescue those people, and must not charge them or indict them for any felonious conduct whatsoever. I am not going to entertain it and it might not be a friendly pronouncement, so do not even think about it.

There are many questions that must be answered as it relates to the Zone 1 problem. The Government purchased land in 1981 in My Lord's Hill with the taxpayers' money. They cannot bid on it today because it is Zone 1 land. The Government, under the Ministry of Transport and Works, purchased a property at the bottom of Flint Hall in the Zone 1 area for the Transport Board. One of the same ministries that expressed their concern about bringing an additional populace, or whatever term best suited, into the same constituency to increase the sewerage, because every human being must defecate. You do not have to do it at any specific time. It happens day or night, so if you are going to put the Transport Board there, there must be an increase of the sewerage in the community.

What kind of nonsensical inconsistency is coming from certain leaders of the State? I am not talking about a house they bought 40 years ago. They bought the house within the last four to five years. The house is closed now, and these are questions that must be answered. The policy must show consistency, Sir, so much for that, and we will probably deal with this a little later as we speak to each other.

2.50 p.m.

Sir, the Prime Minister spoke earlier about the changing of lives and the strengthening of human capital. He recognised that the Ministry of Education, Youth Affairs and Sports has a responsibility to the young people at the post secondary and post tertiary level and to those who have not had access to that level of education. He also recognised that we need to increase the human capital and the capability of the people to respond to the changes that will impact upon them through changes in technology in the global market.

The Prime Minister, the Minister of Social Transformation and the Cabinet have constructed a mechanism to reach out to the boys and the girls "on the block" as they are classified, who have been alienated from mainstream society by giving them an opportunity to explore and exploit the opportunities available to them in the new resource centres across Barbados.

The Minister will probably go into more detail in listing those resource centres and the strategic points at the first phase of the programme. Those people I just mentioned will have an opportunity to go into the resource centres and

be exposed to well qualified instructors or teachers, whichever term is most suitable, who will instill the correct skills because the courses are going to be very broad-based courses because the community centres are not going to be used exclusively for information technology. Other courses that are edifying will also be taught within the centres. Opportunities will be within the same resource centres for young people and those who are not so young to exploit the opportunities vested to them by this Government. We have allocated \$2.5 million to the community centres to purchase computers, to put the infrastructure in place and to provide remuneration for the personnel who will work within those centres.

One cannot want a more egalitarian, more passionate and more compassionate Government than this Barbados Labour Party regime at this point in history in a western hemisphere that is hostile and in a region where we are still trying to establish harmony with our brothers. Within all of that, we are able to set aside a large portion of our revenue and direct it to helping the poor in this society. Therefore, this humane party must be judged based on how it responds to the poor because even Jesus recognised the poor as His focus.

I do not know why people feel that the word "poor" is something they ought to dodge and retreat from when they hear it as though it is an enemy you are talking about. No party that speaks about social democracy can denounce programmes where the State recognises its role to the poor, to the vulnerable and to the marginalised.

Some people do not like to hear me say these words but the reality of this society is that the intellectuals who are snobs in the system described these people as rustics. They believe that the poor is from plebeian stock and that no virtues that ought to be respected exist within the households. They also believe that the districts which produced these people, produced criminals and that nothing good can come out of Nazareth. Therefore, the Minister has to deal with that challenge.

I would hope that the young people and the marginalised people who sometimes are suspicious of politicians, would recognise the good that this Government and the Minister intends to do. I am saying, I said it before and I am going to say it again, and I am not saying because I work in the Ministry of Social Transformation, that no one can do this job better than the present Minister because of his personal experiences. When he talks, he does not talk as an academic. He talks as a man of experience in the specific area of life who is not ashamed to talk about poverty.

Mr. SPEAKER: I think that is a good point but you have to end it now. You have two minutes to wind up.

Mr. T. A. PRESCOD: I am above the clouds so I would have to make a helicopter landing.

Asides.

Mr. T. A. PRESCOD: I believe I have been able to explain the manner in which this Government must be judged because I believe that the focus of this Government on the right people in the society is correct. I believe that as long as the Government is consistent with its commitment to the people of Barbados, a commitment which the founding fathers of this dispensation hold strong, that at the end of the day any right-thinking person would reward the Government.

Sir, I am extremely pleased to identify myself with the programmes of this Government. I am extremely pleased to be led by the outstanding leadership which we have and I look forward to spending a long time here as part and parcel of this political dispensation, the Barbados Labour Party.

I thank you very much.
3.00 p.m.

Mr. D. T. GILL: Mr. Speaker, I rise to make my contribution to this year's Estimates Debate. Sir, this document which was laid in Parliament on Tuesday last, of which we are now debating, is what I repeatedly refer to as the compass and chart of Government's financial and economic journey for the coming year.

On Sunday evening, one of my constituents who had visited my office saw me perusing the document and wondered what it was. When I showed it to him he said, "that has to be the dictionary for Government". Sir, I sat back and thought to myself and said that after all he was not wrong because this Estimate Debate defines numerically what the various Ministries, Departments, Boards, *et cetera*, will have at their disposal and what Government will raise in respect to income and defines so rather clearly.

Sir, as I speak to you, there is no country in the western hemisphere which could begin to think about compiling a document relating to income and expenditure for the coming financial year without taking serious consideration of what unfolded in North America during the month of September last, when war was declared on America and when the jugular of world trade was severed.

Sir, events of even lesser catastrophic magnitude have had a ricocheting and reverberating effect – and I refer to the Enron fiasco which has sent shock waves through the accounting profession, the stock market and the corporate world as a whole. Even in most recent times, the giant conglomerate and transglobal Mertz, a leading

pharmaceutical entity, has dissociated itself publicly from the Andersen Accounting Group.

Sir, the Honourable Prime Minister and Minister of Finance has so structured these Estimates as to restructure and recapitalise those Ministries which would have felt a serious falloff due to these international events. Therefore, Ministries such as: Tourism, International Business and Agriculture, he has been able to put into place, but has not done so at the expense of the other social Ministries and social services. He did not seek to put them on the back burner.

He has dealt with the Ministry which accounts for foreign exchange in come and has dealt simultaneously with those social services which were forgotten and put on the back burner in the early 1990s when a DLP Administration was in charge of the destiny of the country. The Honourable Minister of Finance, as he refers to that group as the human capital, had been able to see it fit to allocate some \$6.5 million next year to the QEH, \$16.3 million to HIV/AIDS Prevention and Control Programme and \$45 million to the EduTech Programme.

Sir, as I said in the early 1990s, under the DLP Administration, when they were faced with recession, the support systems such as the National Assistance Board (NAB), Welfare Department, Children's Homes, Schools, even the Barbados Drug Service; all of them had come in for severe cuts which still have the social structure wobbling after they had emitted office in 1994.

Sir, such is the resilience of our economic strip at the moment that even though the economy started to contract prior to the happening of September – and the Honourable Minister of Finance never denies that; actually he prefaces most of his statements on that. Sir, the resilience of our economic strip has been so great that even though the Honourable Prime Minister was forced to cut down on what I refer to as his run-up late last year, he was still able to maintain a tight line and length and is about to end the financial year with good figures – 9.8 per cent unemployment rate, and to hold down the deficit to 3.8 per cent of GDP and, Sir, predicting to have some good figures at this time next year when I suppose he will attempt to increase his run-up once again – a deficit of 4.7 per cent of GDP.

Mr. Speaker, this means that the right things were being done all along or else the turbulence into which we have found ourselves would have been more deleterious to the economy. Sir, something good had to be happening. In a discussion paper which I read and was produced by an economist, Lawrence Lau, who was speaking on Global Financial Turmoil and Reform and giving a United Nation's

perspective, he said there were certain factors which had led the Asian economy into serious demise in which they found themselves in the mid to late 1990s.

He said that these conditions prevailed and were not corrected, and were ultimately responsible for the demise in which they found themselves. He quoted factors such as falling exchange rates which did not occur with our local dispensation, low rates of GDP growth as being responsible for the demise, which does not obtain in this situation, higher interest rates which did not obtain in this instance, low domestic savings rates, which did not occur in this dispensation. Therefore I am saying, Sir, that whatever was seen responsible for the demise of the Asian economy, the exact opposite has occurred in our dispensation.

Sir, when we came to this Chamber in August of last year with what I refer to as an exciting, innovative and liberal package which saw the Economic Statement and Budgetary Proposals for this period of time, it was designed to cope with new trade agreements, to deal with new aspects of globalisation, liberalised trade and to deal with the new information age.
3.10 p.m.

Sir, that package gave us a certain amount of elbow room so that when we had to make adjustment later on last year this Administration was able to do so without crumbling. In other words, our economic structure is built and designed to respond to expansion and contraction.

Sir, this is no meagre achievement. It is a state of affairs that needs to be repeated and to remind the populace about. It shows good planning and intellect being put into the Government finance and economic engineering architecture.

Sir, although the Honourable Minister of Finance maintained his usual standard of economic and financial prudence, this set of Estimates continues to show even a greater human face than the Estimates of 2001/2002 period. The fragile and vulnerable in our society have not been overlooked even though we set out to re-energise our too biggest foreign exchange spenders, international business and tourism while bearing in mind that the nation's health is at risk. If the nation's health is at risk or impaired, our primary engines of economic growth will be compromised.

Sir, it was predicted by a local gerontologist that there exists the probability of some retirees having to go back to the workplace. It is a fact and a worrying one. Sir, it has a concomitant problem because it is difficult to ask a man to come back to work after he anticipated a retirement.

Sir, the sum of money earmarked for the revamping of the Queen Elizabeth Hospital by way of expansion of the

management structure is welcomed. The increase of \$28 million to \$35 million to the Barbados Drug Service, a \$7 million increase of which some \$6 million is going to supplies, also needs to be lauded.

The full comprehensive treatment of the HIV/AIDS Programme is more than justifiable. I speak from a vantage point where, as the Chairman of the Urban Development Commission and as one invited to sit on the HIV/AIDS Commission, I see whole families literally brought to their knees because of the death of a father, or mother, or both parents, and children being left with no proper structure to reside. At least there is some hope as these sufferers make their way daily to collect their medication to make life as palatable and endurable as possible.

Sir, we must not treat this programme lightly because there are people in the society who would say that this money should be shifted into other areas, but we do not know upon whom the virus will visit itself.

Sir, I refer to a convention held in 2000 in the Solomon Islands where Ministers of Youth Affairs convened a caucus on the HIV/AIDS pandemic.

Sir, the release recommended that the Commonwealth Youth Programme should encourage new research into new ways of preventing the spread of the disease which is fast becoming one of the major obstacles to economic and social development particularly for young people in many Commonwealth countries. The Ministers were urged to release resources to fight the epidemic. Sir, it makes no sense sweeping these things under the carpet because it is a serious problem. Some are in their ivory towers, safely insulated with good jobs, insurance policies and savings but this virus can inflict itself upon them or their children and we know that it will take millions of dollars to treat and maintain the sufferers of this pandemic.

3.20 p.m.

Sir, the Urban Development Commission is doing all in its capability to make the lives of whom we refer to as the poorest as comfortable as possible. I know that we cannot touch the lives of everyone.

Sir, at times I feel sad for my research investigators when they return from field trips, the conditions they are faced with, such as poor sewage, poor drainage or poor shelter. To crown it all, when the small children see a parent about to leave this world in the most debilitating state, it makes the job of the research investigator a very difficult one.

I have been associated with a camp where there were approximately 60 students. Sir, out there were six students

out of the group who lost their parents to the virus. I also know of some young children from a foreign land who came to Barbados. One parent went back home and died of the virus because the parent could not stand being among their children. The other parent followed shortly after and these children were left in the care of an aunt. When the aunt was contacted about what to do with these children, she was also afflicted with the virus. This HIV/AIDS Programme is one we have to tackle head-on and with full steam as we go into the 21st century. This is one of our 21st century problems.

Sir, the Barbados Labour Party is regularly attacked for not doing anything for what is referred to as small black businesses. These Estimates outline quite clearly what will be done for the tourism sector by way of a Tourism Loan Fund. Too often we hear of under capitalisation. This is something I know about because I have first-hand experience.

Sir, you cannot tell a family or an individual what line of investment they should go into. Many Barbadians believe they should pool their money together, as brothers and sisters, or friends, and go into the hospitality business. Many of these businesses have gone belly up and some are wobbling at the knees. This assistance that is coming is more than worthy of note. This new fund will support small hoteliers with joint marketing, promotional and joint purchasing and these conditions should be applauded.

Sir, time and energy have been spent with the international business and tourism. We hear that enough is not being done for agriculture. There seemed to be a triple-pronged approach. These approaches include capitalising and, at the same time, innovative techniques, referred to by the Minister, and niche markets. These three must go together for them to make any meaningful impact.

Sir, before the events of September 11, the Prime Minister in his Financial Statement, Economic and Financial Policies had put a package in place for farmers and those involved in Agriculture. A grant of 30 per cent of the cost for approved organic inputs made from local materials up to a maximum of \$500 per hectare made from compost and pesticide fertiliser. We must repeat these things and let the public know what had been addressed in the Estimates was not done in a vacuum but there is an attachment. There is a common string running through what was addressed in the last Financial Statement and what is addressed in this year's Estimates – a rebate of 40 per cent for the components of a green house, hydroponic systems for a crop or horticultural production, to a maximum of \$30 000, in order to stimulate the investment improvement technology. Sir, if this is not innovation and not new and exciting to deal with the acreage which a farmer will have to contend with, then tell what is.

Asides.

Mr. D. T. GILL: The Agricultural Trust, with a capital base of \$20 million, augurs well for the future of agriculture in the country.

Energy cost seems to be our greatest problem when it comes to manufacturing and agriculture. We must address in no unswerving way the use of our sun energy, wind and where possible wave energy. We must look down the road for new, sustainable and renewable energy sources.

Finally, this Administration has come in for a great public flogging for our highways and roads. I can say this afternoon that I am particularly pleased with the progress our road safety and expansion programme has made, especially that stretch of road that lies within my constituency at Tweedside Road, Government Hill and Welches. I had a peek at the work done last weekend but sometimes I even forget what that area looked like before. It is approximately seven months that the work was going on.

Sir, beyond my constituency, the junction of Culloden Road and Dalkeith, major works have been put in place. Pipelines that were laid for 50 years have been replaced and the roads have been widened, making it much safer. I remember as a little boy going to school where I feared travelling that route.

Asides.

Mr. D. T. GILL: Finally, I must laud the Ministry of Public Works for the accommodation works which have been done to properties alongside the roads which have been widened and made safer. The setting back of the utility lines, the building of guard walls and the paving of entrances have made the whole area appear to be a smooth and continuous one.

Sir, this Administration could not have achieved in such a short space of time were it not for the sharp, far-reaching foresight of an administration captained by one of even greater qualities.

Sir, I am much obliged to you.
3.30 p.m.

Hon. R. St. C. TOPPIN: Mr. Speaker, as this Second Reading begins to wind down, I want to put on record my full support for the message and proposals contained in the Estimates of Revenue and Expenditure as expanded on by the Right Honourable Prime Minister yesterday.

I want to enlist fully the support of all members of the public for what is a good job being done by this Government, and I want to enlist that support by referring back to the

announcements made in the last Economic Statement in August last year when, although clearly on the horizon, and certainly being constantly propagated by the members of the Opposition that the international economy was in the grips of a recession, and that Barbados would have been reeling under that recession, it was still possible to come to this Honourable Chamber in August of last year to give \$6.5 million to assist immediately the Barbados Tourism Authority with an improved and intensified marketing thrust.

It was still possible then to establish a new \$25 million industrial investment and employment fund to act as a source of funds to finance the retooling of industries in the manufacturing sector. It was still possible then to raise both contributory and non-contributory pensions, to raise maternity grants and funeral grants, and to confer a lavish and elaborate set of concessions on the agricultural sector, despite the fact that the country was supposedly in the midst of an international recession. That, Mr. Speaker, was pre-September 11.

I am pleased, therefore, to enlist support today for the policies contained in this document, laid last Monday, on the basis of the fact that although there was September 11, and it is now confirmed that the world economy is in a recession, that this Government has still found it possible to be able to commit to a programme of expenditure in the next financial year of some \$2 300 000 000 to carry out a certain number of programmes and services over the next financial year.

In other words, despite being in the grips of a recession, it is still possible for this Government to find money to spend \$6.5 million to refurbish the Queen Elizabeth Hospital during the next year, \$16.3 million on a national HIV/AIDS prevention and control programme, \$45 million plus another promised \$7 million on an EduTech programme, \$43 million to complete the South Coast Sewerage Project, \$10.3 million to the building of a new forensic laboratory, \$60 million for the University of the West Indies, \$2 million on a community technology project and \$3.1 million on the development of sports and recreational facilities across Barbados.

In addition, the Government is going to ensure that it has the resources to pay civil servants the usual two-yearly increases that they are entitled to. Far from cutting anybody's salary, the commitment is to ensure that the civil servants continue to get their yearly increase in salary and, most importantly, in my opinion, Mr. Speaker, the Government will be spending some \$78 million through the Ministry of Social Transformation to continue the onslaught on poverty which began in this country just after the change of Government in 1994.

Let me just say, Mr. Speaker, that we, in this Honourable Chamber, are all equally interested in the alleviation of poverty, not only those who believe they have the ability to misuse, misunderstand or mispronounce a whole set of big words. Everyone in this Chamber, Mr. Speaker, has an equal appreciation of and an equal desire to see that poverty is eradicated from this particular society, not only those as I said, who sometimes spend most of their time mispronouncing a whole set of big words and when they do pronounce them correctly do not even understand what they mean. Everyone is equally concerned about poverty in this Honourable Chamber.

Therefore, Mr. Speaker, as I said, when this Government can still find that in the throes of an international recession it has at its disposal a sum of money to ensure that it can carry on a massive social programme, then I think the Government is to be commended. If, in fact, there are signs of weakening international circumstances and a Government can still find it possible to do all these things, then if I were to be facetious, I would say perhaps we should even hope that the international situation gets worst so that we continue to do even better, but that would be a totally facetious remark, Mr. Speaker, which, obviously, I would not make.

Mr. Speaker, what I want to do is to spend a few minutes on a couple of matters that may touch on some aspect of my Ministry's programme for the coming financial year. I want to pick up a bit on what is going to happen in relation to the small business sector or the small entrepreneurs. Mr. Speaker, you would have remembered that on many occasions before I have spent some time elaborating on what this Government has done for the small businessman and I repeat today that no other administration has done more to assist small business people than this current Administration.

You will recall, Mr. Speaker, that I have highlighted instances where we initially provided a sum of money to fund a fully functioning secretariat for the Small Business Association. We set up a special unit in the Ministry of Commerce to ensure that in a very professional way we went about looking at the needs of the small business sector to ensure that it got the policy guidance it needed. A number of funds have been established, the Urban Enterprise Fund, the Rural Enterprise Fund, Fund Access and many others to ensure that there are a number of funds from which or to which small business persons could apply from time to time to ensure that they had some funds available to them.

What the Right Honourable Prime Minister announced yesterday takes us now one step further and, as he mentioned, there is going to be the establishment of an Innovation Fund. In fact, Mr. Speaker, I was quite pleased to

have been able two weeks ago to take to Cabinet and secure Cabinet's approval for the establishment of the Innovation Fund. It is being established by way of a trust deed and to be injected into the Fund at the very beginning, will be the sum of \$5 million.

This Fund, basically, embodies the idea of providing technical assistance and equity financing to entrepreneurs who have good ideas, new, fresh ideas but who are in need of funds to help them commercialise those ideas. The Fund will provide technical assistance, technical expertise and equity financing to businesses and individuals who are in the process of innovation as well as businesses which wish to innovate but are unable to do so because they simply do not have the technical and financial resources.

In addition, it is a reality that with the onset of trade liberalisation businesses are going to be forced to re-examine the way in which they are doing business, their operational procedures and production processes to fall in line with the developments, particularly in the technological area. Therefore, there is going to be a need to retrain staff so that they can master any new production, technologies or production processes. Again, the Innovation Fund is designed to ensure that those businesses planning to retrain staff can access the Fund for assistance.

The Fund obviously is going to be geared towards persons with new, fresh, innovative ideas. It is not a fund to deal with the traditional way of thinking. If you have a good idea with potential for high returns then you are going to be a prime candidate for assistance from the Fund.
3.40 p.m.

The Fund will also assist persons to develop and prepare business plans so that they can get any additional financing needed to commercialise the concept or the product fully. Obviously, you want to ensure that as many people as possible benefit from the funds which are made available. Therefore, the concept of innovation is envisaged. Although it has a literal meaning, it will be interpreted as broadly as possible to include as many innovative ideas and activities as possible...

Aside.

Hon. R. St. C. TOPPIN: Areas which would come under favourable consideration would be innovation in the area of marketing, personnel management, product processing innovation and managerial innovation. The Honourable Member for St. James South would be interested to know that no project that has a potentially negative impact on our land or marine environment would be taken on board. We expect that the projects which would stand a very good chance of gaining approval would be projects in relation to environmental management culture,

such as music, the arts, film, energy conservation, waste management and information technology. Those are the areas which we expect would catch the eye and the support of the Innovation Fund more readily than other areas.

Mr. Speaker, businesses in Barbados have to recognise that the traditional way of doing things, has to come to an end. The emphasis now has to be placed on innovation, for the simple reason that, given the wave of competition that is already upon us, the simple reality is that businesses and entrepreneurs have to cease thinking the obvious. They have to start to think beyond the obvious.

Mr. Speaker, I am the first to conclude, being an attorney by profession, that there is a traditional outlook and a traditional way of doing things, but we have to break away from this process if we are to survive in the new climate that is already upon us. Thinking the obvious may guarantee your survival, but thinking beyond the obvious, in my view, will more than likely ensure your success. Therefore, it is now incumbent on businesses to ensure that they break away from the traditional mode of doing business and break into new markets and new areas of innovation.

This brings me to another point, Mr. Speaker, that was raised by the Prime Minister, the Right Honourable Member for St. Peter yesterday, and it has to do with the whole issue of the licensing regime, that was disbanded in Barbados on April 1, 2000 and was reintroduced on November 1, 2001 as part of an emergency economic programme. My Ministry, which has the responsibility for administering the licensing system, is right now in a very uncomfortable state, awaiting directions what to do in relation to the resumption of the issuing of licences.

There was a 90-day recess from November 1, 2001, which has technically ended but we are still having licences on hold. I want to say to all those who would want to hear that my Ministry has responsibility by name, for commerce and consumer affairs and therefore, while there are those who would wish to urge on me that some sector, maybe the small farmers or whatever, stand to lose, if the licensing system is disbanded, in relation to the import of agricultural products, there is also another area to commerce.

Sir, importers are also a significant component of the commercial sector. They are persons who import goods to sell for a living that is their commercial activity. They too, employ people like the local producers. They too, stand to lose and I know of one case already in Barbados of a local importer who sells meats, was assured about the availability of local meats, could not import it, because it was unlicensed. He could not get the licence. There were supposed to be local supplies in sufficient quantities available, but they were not, so he could not sell any meat

and he too, had to lay off five people because he could not sell meat. Those five people represent five families, like the five local producers that would have been urged upon me and those five people became unemployed leaving five families unsupported. The commercial sector in Barbados has many sub-sectors and that is the first thing we must remember.

In addition to that, Mr. Speaker, my Ministry also has responsibility for consumer affairs and my Ministry is taking the issue of consumer affairs so seriously that we have already submitted to the Ministry of the Civil Service, a proposal to restructure the price control division, standards' administrators and the weights and measures inspection.

The truth is that with so few items now under price control, the price control officers, by and large find themselves now assisting the standards' inspectors, who are only two in number, but who have to try to police some 44 mandatory standards. They cannot satisfactorily police the two mandatory standards, in particular, the one dealing with labour, and it is a serious challenge for those two officers.

On the other hand, Sir, you have a price control inspector who has not that much technically under his portfolio so it now resorts to having a system in place for the standards' inspectors and the weights and measures inspectors, so clearly there was a need for restructuring. The intention now is to create a department of Commerce and Consumer Affairs and we are taking consumer affairs very seriously.

Mr. Speaker, representation is also made to me, on behalf of consumers, that they want to have more choice in terms of what they purchase and the source of what they purchase. Also, of concern to consumers, is adequate quality. I am not going to stand here and decry local quality in any way, but I am just saying that my Ministry wears many hats, for example, Commerce and its consumers as well as Consumer Affairs, so there is not a very straight and clear-cut case which side we are supposed to take. This is why I am saying that we are anxiously awaiting a directive on what to do.

Sir, I want to say to the local producers that really and truly, they have to abandon the approach to merely buying time, because it is only a question of time. Whether or not the emergency package is extended, there is going to come a time when you have to revert to your obligation under the World Trade Organisation which requires the abandoning of the licensing system which we already did April 1, 2000.

Mr. Speaker, that situation is obviously going to be reverted to at some stage in the future. Therefore, it is in the best interest of the local entrepreneur and businessman to

understand that his best bet lies in ensuring that he can break away from the traditional mode of doing business, and get into newer and innovative areas of business, so that he cannot only guarantee his survival, but can guarantee his success. Sir, that is the word of advice I would like to give to the local business community at this time.

God knows, Mr. Speaker, that they have had more than enough time to adjust to the reality that has hit us already. I remember there was a debate by the Opposition yesterday whether or not the licensing system should have been put on hold back in 1995 when it was put on hold. This meant that they were aware since 1995 that it was going to happen and it only happened in the year 2000, so they had those five years, if no more, to prepare for what is now upon us. I would urge them, rather than bellyaching, to accept the reality and get on with what I am sure they can very confidently do, this is to ensure that they can innovate and succeed.

My Ministry is so serious about the issue of innovation that early in the coming financial year, maybe in April or May, the National Council of Science and Technology will be hosting a workshop to make businesses aware of the benefits and the importance of innovation, creativity and a new type of entrepreneurship in what is now obviously an increasingly competitive environment.

Mr. Speaker, I want, with your permission, to touch on one last point which has to do with something that will be dealt with in the coming financial year and the significant amendments that are going to be made to the Co-operative Societies Act to help modernise the Credit Union Movement. 3.50 p.m.

Credit unions in Barbados have been experiencing consistent growth since the 1991-92 recession. In fact, available statistics show that the assets of credit unions rose from \$188.5 million in 1992 to \$442.7 million at the end of 2001. Generally, credit unions have seen much improvement in their operations and some have been able to provide up-to-date financial information.

It is a fact that credit unions are now handling a lot of money. Therefore, steps must be taken to ensure that the money which comes by and large from the poorer segment of the community is not frittered away. There are some weaknesses in the law that inhibit the implementation of measures which required directors to make and implement certain mechanisms for guaranteed improvement. The three points I want to focus on in relation to the weaknesses in the Credit Union Movement have to do with the collection of the delinquent loans, the controlling of investment in non-earning assets and the reduction in expenditure in areas that do not directly relate to the provision of services to the members of the credit unions.

Mr. Speaker, there are currently 42 active credit unions in Barbados and almost one-third of them are operating in a manner that would have to be described as less than satisfactory. The problems they experience are managerial, financial and sometimes a bit of both. The managerial problems stemmed from the lack of training for officers who tend to be unaware of the concepts of safety and soundness. These officers are usually volunteers and because they are volunteers they are not trained in any disciplines at all that relates to the management of a business enterprise. Therefore, they refuse to take advice or to follow any directives from the Registrar of Co-operatives.

If one were to look at the area of delinquent loans, one would see that improper collection procedures are in place in relation to those loans. Therefore, the overall delinquency rate in the credit union sector stands at 5.7 per cent although some societies experienced delinquency rates ranging from as low as 10 per cent to as high as 69 per cent. The danger in this is that sometimes the assets of credit unions can be overstated because if one looks at the figures for March 31, 2000, one will notice that it is estimated that the assets of the Movement for that year might have been overstated by as much as \$10.3 million due to loans that were in arrears for more than a year.

Mr. Speaker, I know I am going to have more time to spend on this when I present the amendments to Parliament so I just want to make one last point as it relates to investments in non-earning assets by the credit unions which places an undue financial burden on them. I want to illustrate the point by making reference to what one credit union did last year.

There is a small credit union with assets of less than \$1 million and a membership of less than 500 persons with many of them advanced in age. In total disregard of the advice of the Registrar and other concerned persons, they spent \$490 000 in cash out of that \$1 million on the acquisition of an old building which just ties up valuable capital that the credit union would have had to spend.

Mr. Speaker, there is anxiety to have this particular Second Reading brought to a close, so with those remarks I give my support to the measures before Parliament today.

I am obliged to you, Sir.

Rt. Hon. O. S. ARTHUR: Mr. Speaker, I rise to conclude this debate and to thank and compliment all Honourable Members of this Parliament who have spoken in what has really been a very constructive exercise.

I really believe, Mr. Speaker, that I have a duty to end where I began by indicating and underscoring the need for parliamentary reform. I think it is a very wrong thing that

the budgetary process of Government should only engage this Parliament in this form for as short a period as it does. In the Jamaican Parliament, the budgetary process engages Parliament for three weeks and I think we need to seriously review the Standing Orders to allow for a more comprehensive evaluation of the Estimates of Revenue and Expenditure and a more comprehensive review of the policies and programmes either implied, or made explicit in those Estimates of Expenditure that Parliament is being asked to approve.

There is the need for the Standing Orders Committee to treat to this matter in a specialised way and have people appearing before it and for Members of Parliament to be given the opportunity in greater detail than is presently the case under the existing system, to make sure that their constituents' needs are reflected in the Estimates of Expenditure because people are in here as representatives of the people. The time of the year where the people's needs are most dealt with by Parliament is on this occasion when the Estimates of Government Expenditure are being discussed and approved.

I want to urge that we have parliamentary reform before the end of the next financial year to allow this Estimates Debate to become the core of a budgetary exercise and to become more meaningful in the lives of this Parliament and in the lives of the people whom the Members of this Parliament represent.

We have been in this format for 30 years and Parliament has remained static in relation to its exercise of budgetary control while the society has changed and become more complex. I see this also as a way of making the Minister of Finance less powerful in the context of the budgetary process in Barbados. So I urge this upon Parliament as a necessary development and a necessary reform that is long overdue.

You can be assured that the Minister of Finance and the Office of the Ministry of Finance will give any parliamentary reform in this direction our full and comprehensive support because we are spending too little time dealing with the people's business. The people's business is most obviously affected by the expenditure decision of the Government over the wide gamut of areas covered in the Estimates.

Sir, I say that because there is a clear statement of policy expressed by the Government in this debate and I am pleased that there has been no fundamental opposition nor contradiction of the policy by the Government.

We have come to know recessionary times in this country. It is not the first time and it will not be the last but

we are satisfied that there has been a set of appropriate responses to our recessionary conditions and that we have emerged from the recession with our fundamentals still strong and with a platform from which we can launch a new bout of economic growth in this country.

4.00 p.m.

I believe that particular message has not been contradicted in this debate, nor has there been any comprehensive contradiction on the main focus of Government's policies, nor the directions in which Government intends to allocate expenditures over the course of the fiscal year to come.

Sir, if I had to sum up, I would say that the Budget is intended to be pro-growth in assisting with the restoration of the conditions for growth in this economy. Over the course of the next year, the Government proposes to spend \$2.3 billion more than it spent last year. That addition to its purchasing power will add to its growth. I will do so without putting any undue pressure on our balance of payment because an additional \$100 million in spending power cannot seriously affect our reserves. We have now established a new plateau of foreign reserves at a level of \$1.5 billion and, therefore, we can support this pro-growth Budget, satisfied that it can only induce beneficial effects to the Barbados economy without any serious adverse consequences for our Balance of Payments.

In addition to the stimulus that will come from increased expenditure, I have been at great pains to indicate that an additional fillip will come from other off-budget activities, sponsored by entities under the control of the State. I am not going to repeat them but they are all intended to come on stream this year and should support the need for us to restore the strong growth in the Barbados economy.

There will be additional policies that the Government will pursue during the course of the year, and I have indicated that this will be a year of direct tax reform, both public and corporate, as well as pension reform and I do feel that those should be aimed to support growth in the economy.

Sir, I need to make a larger point. The Government is more interested in the fundamental repositioning of the Barbadian economy over the previous and long-term without doing damage to our need to address the short-term deficiencies in our economic functioning.

As regards that matter, Mr. Speaker, the need for us to continue to focus on the repositioning of this Barbados economy, I do feel the elements are evolving, most are in place. In this year 2002, we propose to accelerate the

process of putting in place that new economic framework to create a new and modern Barbados economy, commensurate with the requirements of a modern economy, to function in a new globalised information age.

Mr. Speaker, I say that because even though we might be paying attention to – and we have to – the immediate matters coming out of recession, the fundamental matter on which this country must focus as a strategic and a deliberate action, is to do those things to reposition our economy to allow us, particularly after the year 2005, to be able to survive, to compete successfully, and to prosper in a new competitive global information age. In addition to the pro-growth aspects of Government policies during the course of this year, we will continue the exercise to put a new economic framework for Barbados in place.

Mr. Speaker, that is on the Government's side but there are some challenges which I have the responsibility to spell out to the wider society arising in many respects from some of the concerns that were mentioned in this debate.

Sir, the Government continues to play its part in stabilising the growth of the economy and in creating a framework for the comprehensive transformation of the Barbados economy. This is an exercise, not just for the State, but for the entire society, for all the social partners and for all the institutions of the civil society. This debate has, in fact, underscored the need for critical action to at least three areas to which I want to speak in synthesis and in summary as to what might be the move of the House.

Firstly, Sir, I want to say that there is no great virtue in our supporting higher levels of domestic savings unless there is also commensurate higher levels of investment. I think Parliament is of the view that the Barbadian society has done a wonderful job in stimulating domestic savings. It is a tremendous credit to the resilience and the resourcefulness of the Barbadian society that in a year that was supposed to be a recessionary year, \$400 million of savings was pinched out by the Barbadian society. It is our responsibility as leaders of this society now to find the best ways of translating these increased domestic savings into high levels of domestic productivity and domestic investment.

Mr. Speaker, that is one of the compelling imperatives of our time. It will be a tragic waste of one of our more important national resources for there to be continuing high levels of domestic savings, high levels of liquidity in the banking system and lower levels of investment in Barbados and, Sir, that has to change.

In the same way the Government has announced major initiatives to support the restructuring of our main industries, investment fund and the agricultural fund, there is need for

an important private sector consultation among the productive sectors and the financial institutions of Barbados to devise them for financial reconstruction on the financial systems of Barbados. A larger proportion of our national savings have, at this juncture, to go to recapitalising our main productive sectors if Barbados is to evolve, particularly, after the year 2005, with a new, modern economic system capable of functioning in a highly competitive environment.

Sir, I am not satisfied that enough is being done in the private sector to mobilise the requisite resources to finance the re-engineering of our production system. To put it simply and in summary, there is a need for us to re-engineer the existing production system. What we have in manufacturing, what we have in agriculture and in tourism, is largely a productive system that was intended for a simpler place and a simpler time. It will not survive in a more complex age and there is the need and the capacity to do it. Barbados is awashed with liquidity and this must be dealt with as a matter of urgent priority. I feel that is a national requirement that must be attended to even as we, ourselves, in this Parliament, discuss how we will spend \$2.3 million of public resources of which we have control.

Secondly, this House agrees that an area of greater social deficiency in Barbados is housing. Our housing standards have not kept pace with what people would want. The Minister of Housing – poor fellow – is bombarded with a demand for housing that he cannot produce, but the reality about Barbados is that Barbados has historically been and will continue to be a property-owning democracy.

In a property-owning democracy, the responsibility for housing solution really is the responsibility of the private individual and where everybody in Barbados has sought to resolve a private solution to their housing needs, I do not think we should so fundamentally alter the dialectics of our development to transform what has historically been the functioning of a property-owning democracy into a State-led situation.

Again, Sir, a larger proportion of our domestic savings must go to meet one of the social problems of the people – housing. There has to be a relaxation in the presumption that the Ministry of Housing and the National Housing Corporation have to meet all of the needs for housing in this country. It has never been so, it will never be so. Clearly there has to be a national consultation and concurrence where the financiers and builders come together and try to use more of our national savings and the excess liquidity to support an enlarged housing programme. It is so obvious, I do not know why it was not acted upon, but sometimes things are too simple.

I support the call for less of our national savings to support the financing of private consumption and more to go towards the financing of capital formation, particularly in the areas of social needs. There is a need for consultation of a high level, between builders and financiers and for everybody to have a programme of greater and enlarged resources for housing.

4.10 p.m.

Mr. Speaker, as regards the new economic framework, the Government has accepted the need for public sector reform. We may be criticised as regard the pace of the reform but we have accepted the need for the reform. We are not going to have a new economic system or a new paradigm in Barbados within which our development takes place unless there is also private sector reform.

Sir, the private sector simply has to change the way in which it does its business. I want to urge that the private sector must bring itself together in the same way it pressures Government to change its business ways. The private sector has to put in place the things that a serious modern private sector in an information age will do to reform itself.

In my experience as Prime Minister of this country, the most disgraceful thing I can remember was that three or four years ago I gave the private sector of this country an incentive where for every \$1 spent in developing capacity to deal with trade negotiations and whatever else, they could claim \$1.50 in tax relief. Sir, we are living in an economy dominated by trade relationship and not one penny in tax relief has been spent. This, in my judgement, reflects the urgent need for the private sector to reform itself in order for us to be satisfied that we will be able to carry out this programme.

Mr. Speaker, I have said enough to indicate to you that the year 2002 will be a year for international business. I have been criticised by the Honourable Member for St. John for having travelled a lot over the last two years. Mr. Speaker, I travelled a lot to defend the country against the OECD and the defence has been successful. The time is upon us for us to reap the dividends from the investment because I saw it as an investment. Barbados has evolved from the OECD initiative and this is the one galvanizing thing this year that has presented an opportunity for us.

There has been reference today in the international Press that throughout the entire OECD initiative to date, that only two countries, Barbados and Monaco, have come out with any credit. The key is not to take the credit but to take the economic dividend. This is the year where there has to be a quantum leap forward in the development of the international business and financial industry of this country.

I had two meetings already following the OECD decision with the private sector and asked them to tell me what they want to get the job done. The reports are at hand and I have asked the Ministry to put it in the form of a programme and plan of action.

I give the House the assurance that I shall meet with the Ministry of International Business to make sure that Barbados is transformed into the high quality international business and financial centre that must underpin our transformation into a developed society. Sir, you will see the efforts this year now that the dark clouds of the OECD have lifted.

Sir, I am not in a fractious mood today and I am not going to trouble the Honourable Member for St. John. In fact, I suspect that the Honourable Member for St. John has enough trouble and he does not need me to trouble him.

Asides.

Rt. Hon. O. S. ARTHUR: He keeps troubling the GEMS but I will begin by putting the matter in a broad, philosophical context.

Mr. Speaker, nothing of any major consequence ever happened in this country unless it has been the subject of the most searching and vitriolic criticism. When we talked about independence, people left Barbados and went to Australia because it was felt that it could not be done. When we were building the original Hilton hotel, there were nay-sayers. When we built the Treasury building there were also many nay-sayers. Grantley Adams was crucified for the fact that he built the Deep Water Harbour.

I was in this House when the ABC Highway was built and people asked why Tom Adams built the highway. Mr. Speaker, it goes on and on.

Asides.

Rt. Hon. O. S. ARTHUR: Then a day comes when you wonder, what all the fuss was about. I have the fullest confidence that the day will come when people will sit back and wonder, what was the fuss about the GEMS.

Mr. Speaker, I say that because the Leader of the Opposition has asked a number of Parliamentary Questions about the GEMS and I have answered everyone. I have brought documents, sometimes 12 pages of information about every aspect of the GEMS and put them on the table of this House.

Mr. Speaker, I have confidence in the Board of the GEMS. There is no board in this country of any private

company that has among its ranks the dignity of the presence of a former Prime Minister and a former Deputy Prime Minister of the two parties of this country. Sir, a board that has that at its core is likely to be a board of some worth. I have confidence in the financial propriety of the persons who constitute the GEMS and I have confidence in the concept.

Anybody who saw the transformation that has taken place at the Savannah Hotel, a small property on the top of the hill now transformed into a property that rationalises its access to the beach, will have no doubt that the GEMS has been a catalyst in uplifting the quality of our tourism facilities on the South Coast of Barbados, commensurate with our concept and vision that there should not be two Barbadoses where tourism is concerned, where there is a well-developed West Coast and a poverty-stricken South Coast.

Sir, anyone who sees what we have at the GEMS would agree that this is the way in which the South Coast of Barbados should be developed. The Honourable Member for St. John, if nothing else, has a highly developed sense of rumour.

Asides.

Rt. Hon. O. S. ARTHUR: He also has a highly developed sense of humour too but he also has a highly developed sense of rumour. He knows the real virtue that innuendo can be put to by Opposition parties. The innuendo that something is wrong without saying what the impropriety is, goes a long way in this country.

Mr. Speaker, if there is a difficulty with the GEMS project, it is because we have allowed the GEMS not to be properly capitalized. The Savannah Hotel, Time-Out at the Gap, and the other properties are good properties but they are carrying too much debt in relation to the equity. We did not come to Parliament and ask for the GEMS to be properly capitalized because, perhaps, we were too defensive about it.

Asides.

Rt. Hon. O. S. ARTHUR: That is the truth. Any business property that carries a lot of debt but little equity in any area, be it tourism or manufacturing, is going to have debt service problems from the start.
4.20 p.m.

It is what we have done in the case of the Barbados National Bank (BNB) and the Caribbean Broadcasting Corporation (CBC). We configured and restructured the balance sheets and that is one of the best means we have put into practice that would otherwise be in a condition where they would not have succeeded. Now is the time to do so while the interest rates are at a rate that would allow for the

refinancing of the debt. The Government will convert this substantial portion of that debt into equity, as we should have done from the start, to give the property a chance to succeed.

There are people who saw what the Government has created and marvelled at the quality of what has been done at the Savannah Hotel. There is another project for development which we will support. This country has to stop blowing hot and cold when they speak in terms of how we allow Barbados' properties to be acquired by foreign entities. There was the possibility that the Eastry House property could have gone into foreign hands but the Government acquired it and put it into the portfolio of the GEMS of Barbados. Mr. Speaker, we are being criticised for doing that.

I think this has challenged us to make up our minds on what it is we are about, who we are, or what we want to do. I want to repeat the point. It was not the initial intention to have the Eastry House property for the GEMS portfolio but that West Coast property was in danger of going into foreign hands and we bought it for the GEMS portfolio, and it will be developed.

We will proceed with the development of the property at Dover. This is the spot that was formerly occupied by the Dover Conference Centre. The Government could not afford two conference centres so we had to close one. We did not want to build a monument like the one the Democratic Labour Party built. We could not afford two conference centres and it would have been easier to borrow funds for the development of lands at Dover.

I want to close on the point that I regard as the major substance by the Opposition, concerning the public debt of Barbados, particularly foreign debt. I have already explained to this House the circumstances under which the foreign debt grew. We did not set out at the beginning of the financial year to increase our foreign debt by indulging in commercial borrowing.

Sir, we did so on good advice, at or around the incident of September 11. The advice was that nobody knew how long the crisis was going to last, how difficult it was going to be, how severe it was going to be to tourism activity, and how severe tourism was going to decline in real activity, and the lost of income. Barbados, like Chile and other countries, was advised by our debt managers to go to the market and borrow by way of an insurance policy.

We borrowed \$300 million and we have not spent a penny of it yet. Our public debt has increased, not because of a policy failure or financial extravagance by the Government, but because we borrowed money due to an emergency that simply could not have been ignored. We

intend to be responsible with regard to the management of our public debt. We now have \$300 million on our books that we did not anticipate we would have at this time.

The Government has recognised that if we borrow \$300 million and we put it into an account and we do not invest it properly, a day is going to come when we will have difficulty in repaying it. It is the intention of the Government to use some of that money to support investments that can expand the foreign exchange earning capacity of this country to give us the assurance that when the date falls for it to be repaid, there would have been an earning capacity that can support the repayment of the loan.

I have also indicated there were purposes for which the Government would have had to borrow in any event, for example, the expansion of the Grantley Adams International Airport. We are not now going to borrow for that expansion but will use part of the funds already borrowed as a substitute. We are going to put a curb on any new debt that we would have had to incur and use some of what we have already borrowed rather than increasing the existing debt.

I want to re-emphasise that there are activities in which the Government would have been involved, with the understanding that we would have been reimbursed by the Inter-American Development Bank (IADB), leading to an increase in the public debt. The completion of the South Coast Sewerage Project is going to cost over \$15 million.

The Government has already spent its money on this project but it is only a matter for us to discuss with the IADB and the entering of a loan to reimburse us for funds already spent. I am saying it is the policy of the Government that where the Government has already spent money out of its resources, there is no point now in increasing the debt to recover what we have already spent. Therefore, projects such as the South Coast Sewerage Project, Greenland and others, where there was the prospect of our borrowing to reimburse the Government for money already spent, we will not now increase the public debt.

Mr. Speaker, the extent of our reserves is of a nature that Barbados does not have to contemplate any commercial borrowing on the market for capital development purposes nor for balance of payment purposes for a considerable period of time. I stress that the central government's foreign reserves are in excess of \$1.460 billion.

In 1992, in the depth of the crisis, our foreign reserves were \$11 million. We now have \$1.460 billion. There is another \$100 million in the banking system that can be called upon. Mr. Speaker, one thing we are not short of in Barbados is the availability of foreign exchange resources for investment purposes, or for the purpose of carrying out other functions of the Government or civil society.

Sir, we can contemplate for a period, and I would say an extended period of time that there will be no need for the Government of Barbados, certainly for the rest of this term and well into the next term of this Government, to have to go to the market for borrowing. Sir, that is the assurance, given the level of reserves we have.

It is for us to agree as a Parliament, from time to time, on the most judicious investment of the funds that we borrow for emergency purposes. I believe I would have captured the spirit of this debate and set out a clear and exciting programme for the next year.

During the course of the next year there will be certain important stresses at times on the Minister of Finance. In recessionary times one needs to be more circumspect in the Ministry of Finance in managing the resources of the country. We have used a very conservative estimate of revenue. I have indicated to the House, and I do not think any Minister has ever done this before, that there will be an order of priority on coming back to this Parliament, in the event that there is need for some tenders.

I deliberately did not provide EduTech with as much resources as required because I did not think, at the beginning of the year, we had the resources. If the revenue holds up better than we think, I will ask Parliament to agree to a substantial Supplementary for EduTech.

The Ministry of Tourism is developing a programme that will ensure us of substantial growth in arrivals and once the Ministry of Finance has all the details of the programme, the possibility is that, in addition to the \$7 million we have allocated for tourism, we will come back to Parliament and supplement tourism in support of tourism arrivals.

I have announced a \$2 million increase for International Business but this is the year where there must be a quantum leap forward in the International Business environment in this country. I cannot yet say all of what it will entail but in the event there is need for an additional supplementary, resources to convert our OECD triumph into serious activity, I will come back to Parliament and ask for additional resources. I do feel that every Honourable Member in this House deserves to have their constituents well looked after.

4.30 p.m.

I give the House the assurance that it will be a year in which we have still to be circumspect and judicious in the way in which we manage the public finances. This has been a good start to what I hope would be a good debate and I wish the House all the best. I want just to finish by saying, as I should, that even if we were living in recessionary times and there might have been a little recession in this country, in economic terms there has been no recession in the spirit

of this Government and I am obliged to you, Sir, and in that spirit I beg to move that this Bill be now read a second time.

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

APPOINTMENT OF TEMPORARY CHAIRMAN OF COMMITTEE

Hon. Miss M. A. MOTTLEY: Mr. Speaker, before I move that this House resolve itself into Committee of Supply, it has been brought to my attention that the Honourable Member for Christ Church East Central, Chairman of Committees, is unable to be with us today. In the circumstances, I would wish at this stage to nominate the Honourable Member for St. Michael South Central.

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

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

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

COMMITTEE OF SUPPLY

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

HEAD 30 – ATTORNEY GENERAL – \$56 040 833

Hon. Miss M. A. MOTTLEY: Mr. Chairman, Sir, it gives me great pleasure to rise in this Committee of Supply to defend the Estimates of Revenue and Expenditure for the Chambers of the Attorney-General and the various departments falling under that Head. I think it is fair to say that this would be the first opportunity that I would have to define and defend comprehensively the programme and policies of this Ministry since having assumed the Office some months ago, and it is clear that the programme of the Office must relate in a holistic way to the overall defined objectives of the Government as stated so eloquently by the Right Honourable Prime Minister in the Second Reading speeches to the Appropriation Bill, both in his initial speech, and in his winding up speech. There is absolutely no doubt that the times in which we live have presented some challenges in terms of what is available to us financially.

There is absolutely no doubt that the era of uncertainty that presented itself with the September 11 attacks has not

really abated, and that the consequences for our region even though we are not in the centre of the troubled area, so to speak, nevertheless are still very much there and run deep in terms of what it imposes upon us administratively, financially and otherwise.

I think it would be fair for me to say to this Committee that as much as almost 50 per cent of my time since assuming this job has been spent dealing with terrorism and money laundering matters, two items which the previous Attorney-General would not have had to face when he first became Attorney-General when this Government became the Government in September, 1994. That statement should give members listening an understanding of the presentation of new challenges that we have continually to be prepared for and that without the expansion substantially of additional human resources, we have had to deal with and prepare Barbados' position both domestically and externally in respect of both of these major issues.

We anticipate that rather than these matters diminishing in respect of our focus that, unfortunately, there will yet be some time when they will remain before us to focus on and be able to expand our programming in respect of them. In some instances, there is genuine domestic need for them but in other instances, it is as a result of our belonging to international organisations whose membership, if we want to keep it, require our participation in these additional types of programmes that relate generally to the security of nations and to the security of individuals.

The times in which we live have led us to the very vexatious question that many countries will have to face as to how the balance should rest between the rights of the State and the rights of individuals and to what extent should we carry the rights of the State as opposed to preserving the fundamental rights and freedoms of individuals, and whether this is done in the name of national security or otherwise.

While all of this is happening, we still have to face the reality that we have a judicial system that requires considerable effort in respect of an attempt to modernise it. Indeed, if we look at the criminal justice system, too many aspects of our criminal justice system truly are dated in a time and era when the demands were substantially different from those that exist today, when people's pursuit of their normal economic and social activity did not lead to the kind of problems or pressures placed on the criminal justice system, where the range of offences were substantially different whether it is from the penal perspective in respect of our arrangements at the Prisons which were essentially built in the 19th century or whether in respect of our resources and capacity within the court system or within the Police Force.

The truth is that much has changed in this society over the last 30 years. The notion of drug offences coming before the courts before 1970 was unheard of. Today, drug offences constitute the largest rising group of offences before the law courts in Barbados.

4.40 p.m.

The extent of burglaries and robberies has increased commensurate with the increased wealth and ownership of assets in the society. While in the year 2000 we saw reduction in these offences, I am happy to report the reality is that they are still substantially more than they would have been in the 1960s and 1970s.

Sir, we had to determine – in addition to responding to the international needs as they relate to terrorism and security threats, in addition to responding to the new requirements that the Money Laundering Prevention and Control legislation, the Proceeds of Crime Act and all similar pieces of legislation and administrative requirements flowing therefrom have put on us – that we have a changed Barbados with a changed pattern of behaviour.

Yesterday, the Prime Minister spoke at length about the non-traditional security threats that this country faces in the form of the illicit drug culture, in the form of crime and violence generally, and in the form of the HIV/AIDS virus, and I would wish to add to that, in the form of reckless behaviour on the roads which leads to the lost of lives that we have seen across this society year after year and, indeed, the consequential increases, I believe, in the cost of insurance and reinsurance for motor vehicles.

Sir, our task is not easy. It requires us to understand these new needs in the context of limited resources, recognising that they are also equally competing demands for Government's monies and recognising that the issues that constitute these non-traditional threats to our security very often are inspired by individual behavioural choices of our citizens.

Sir, the truth is, that while we must put mechanisms in place to deal with the consequences of their behaviour, the most appropriate response is to be able to prevent that behaviour in the first place, by helping to change individuals' mind sets, attitudes and values, such that they understand the consequences of their behaviour and their actions when they participate in the use of illicit drugs. Similarly, when they behave in a reckless manner on the road, when they participate in other forms of illegal activity and when they facilitate money laundering, *et cetera*.

Sir, building on the work of my predecessor, my Ministry has tried to continue a process which sees us trying to meet the immediate needs at hand, while developing a

research capacity that allows us to better understand how the structure of what we have in place can meet the needs of what is on the ground, in terms of law enforcement and the judicial system.

Sir, at the same time, we are cognizant of the fact that the last major revision of our magisterial system was in 1956. Whether you are looking at Barbados in terms of population, in terms of the demographics, in terms of the population density of various areas, or by whatever measurement, 1956 is not 2002. Therefore, there has to be considerable effort in being able to recognise, whether in truth and in fact, the structure of our magisterial districts, as well as the jurisdiction of the courts which was not revised since 1956, however, in fact meets the demands of the activities within this country today that comes before it on a daily basis.

At the same time, the Supreme Court of Judicature would have been established in the 1950s also, and we have also to look at the High Court system to determine whether in truth and in fact, that too is meeting the demands.

Once again, the Prime Minister would have indicated, very clearly, that this country will be focussing a lot more effort, during the course of this year, on being able to attract higher levels of international business, that we already have a level that sees 40 per cent of our corporation taxes coming from companies involved in the sale of international financial services, and that in circumstances where you are seeking to attract and widen the base for business, then, one of the things that any investor would be interested in is the quality of your judicial system, the level of transparency within your judicial system and, indeed, Mr. Chairman, the speed with which a person can have a matter resolved within the judicial system.

Unfortunately, we have had a number of complaints over the years that we have simply been taking too long to be able to see matters put on for hearing, as well as to receive decision. I trust, Mr. Chairman, that this is a matter that we can assist in resolving by the extent to which we employ a variety of administrative and technological solutions, such that we can increase the productivity within the system.

Let me go back to explain what I mean. There has been limited computerisation within the court system. A decision was taken some years ago to computerise the records, the vital statistics in the Registry and that was completed in terms of marriage certificates, birth certificates, death certificates, *et cetera*, so that you can go and apply for it and it is given to you.

The second phase of that was the computerisation of the Probate Section. Indeed, Mr. Chairman, what is

available to persons now will ensure a greater savings in time in respect to accessing copies of wills, *et cetera*, having a complete data base available on-line and, essentially, improving the efficiency of the Registry in dealing with persons who have concerns in the Probate Section.

Sir, we have not yet gone to the stage of an effective computerised case management system and we have not yet gone to the stage, Mr. Chairman, where persons can file documents electronically, which in today's age, should be exactly where we should be, given the fact that you can do that with almost any other private sector institution that is serious about e-commerce and e-technology.

It therefore means that the judicial system has, rapidly, to change systems that existed for decades, to accommodate greater levels of productivity within the system such that the issues of delays within the judicial system, will not be a drag on Barbados' competitiveness as an international financial services sector. It is the intention of this ministry, over the next two years, to ensure that we can embark upon this process.

Part of this is provided for in the IADB project, part of it has to be provided for outside, but the starting point is that certainly, in addition to the court system, the Chambers of the Attorney-General must be computerised.

One of the things that struck me, Mr. Chairman, was that there was no single place where I could find all of the matters in which the Crown was involved, whether in terms of cases already filed or whether in terms of matters in which liability was being alleged, but no case had yet been filed. Therefore, if you do not know what you have, it is very difficult to prioritise how you deal with your case load.

Therefore, one of the first things I have tried to do is put all of that in one place, such that we can start to take serious decisions about being able to manage the case load, to deal with the issues in which there are genuinely instances where the Government is liable, without having to delay litigants further, but also to fight those matters in which people are really trying to allege liability and which we do not agree that there is a case to be admitted.

By the same token, Mr. Chairman, that requires the acquisition of not only hardware, software and the networking, it requires training. Therefore, the issue of training in the context of this year, both in terms of the professionals, the lawyers, as well as the support staff, both in the Chambers as well as among those employed at the Registry, is going to be absolutely critical if we are to utilise these new technological solutions to the maximum.
4.50 p.m.

Sir, as I said earlier, it is not only technological solutions that we need to bring to bear, but the administrative and rules-based solutions as well. We have new draft rules of the Supreme Court in our possession now which are intended to allow for a more efficient process of case management in respect of the High Court.

We have established a Rules Committee which is now meeting under the chairmanship of the Chief Justice. They will be meeting every Saturday morning for the next couple of months to go through the draft rules to ensure their appropriateness so that when they recommend it to us, we can then take the necessary steps in order to have those rules finalised. That would require a substantial amount of training, not just for those officers within the employ of the Crown or for the judges but indeed for the entire private Bar. We want to ensure that we do not make the same mistakes which Trinidad and Tobago made in respect of their introduction of the new rules of the Supreme Court.

Equally, we recognise that there is an important role in there for some decisions to be made as it relates to some Government issues because there is a role for a Master in Chambers who would effectively be able to shift through a lot of the matters before they reach the High Court to ensure that those matters on which there is a true determination of facts and law would be the ones to reach the High Court and, therefore, would reduce some of the clogging that currently exists in the system.

Sir, once we can start the work on the new judicial complex and have it completed quickly, it would allow us to increase the number of judges. I readily admit that we need to look at increasing the number of judges at both the High Court and the Court of Appeal because the volume of cases being filed in the Registry in Barbados is substantially higher than it was 10 or 20 years ago. We also have to ensure that we do not starve the system by not having a sufficient number of persons to hear these matters in an appropriate time frame. I must stress that this will also mean that we will have to review the hours of work.

While I have heard that persons will need time to write judgements in the afternoon and all of that, I really must confess, Mr. Chairman, that I genuinely believe that all courts in Barbados should sit for a full day. Down in the islands and in other jurisdictions, they sit for a full day. When I did my tutelage in London, we had to work with courts sitting a full day. What happens is that you will take your lunch and come back and sit for the rest of the day. This is a matter that is going to require dialogue and a settlement of these issues.

Mr. Chairman, there is a matter which I have raised with both the former Chief Justice and the present Chief Justice that has to do with the extent of how we manage the

timing of vacation in the system. While I appreciate, Mr. Chairman, that matters pertaining to the management of judges do not necessarily fall within my portfolio, I use this opportunity to express my opinion only and to simply say that I do not believe that we should have a system where persons can take vacation at any time such that it requires us to appoint acting judges.

I believe we should move to a situation where we take a specified block of time within the year and other than the two judges who would be on call for that period of time, that all judges should take their vacation during that period of time as is happening in other jurisdictions including Trinidad and Tobago. I believe if we can do that as well as expand the hours of work, even while I recognise the need for additional judges, that we would be able to expand the productivity of the court system considerably.

I trust these are matters on which we can proceed if we have the appropriate dialogue and the appropriate agreement with the appropriate authority, but I will say nothing more on that issue right now.

Mr. Chairman, those supporting entities for the courts have to be considered also. In the year 2002 Barbados should not have to be relying on somebody's memory or somebody having to go to check a book to see if a fine has been paid or not. There is too much access to technology and too many computers out there for that to still be happening. From the time a magistrate or a court issues a sentence, that information should be put on the computer so that persons who are capable of accessing that information will be able to know whether a person has breached the order of the court by failing to pay the fine.

I hope in the course of the next year that we can put two things in place. The first one is to have a clear computerised system of accounting such that fines can be recorded when the orders are given by the court and when the fines are paid that it can be recorded also and if it has not been paid, then the appropriate instruction would go to the persons who have to enforce the other aspect of the order.

Secondly, I hope to put an arrangement in place for the mailing of maintenance cheques to persons rather than making persons incur expenditure by leaving home to come down to town to get them in the first place, not knowing if it is there, and then if it is not there, to come back two and three times for the same cheque while standing up in the hot sun waiting until it can be prepared and taking time away from work and invariably sometimes not being paid for the time that they take away from work.

I am saying that the technology is available and we have simply to reorganise our functions to ensure that those two basic objectives are met. If I achieve nothing else in the

Registry the next year, Mr. Chairman, those are the two things that must be done. Women and men in this country who apply for maintenance should be able, unless there is a problem that requires their attendance at the courts, to receive the cheques at home just as they receive pension cheques. This is not beyond our capacity.

Mr. Chairman, all orders of the court that relate to fines and/or confinement should be recorded so that these matters can be expedited and I hope that these Estimates would allow us to move in that direction. By the same token, Mr. Chairman, there must be the establishment of a comprehensive criminal justice information system. Resources do not allow us to start and complete it all in this financial year but they do allow us to start it and to go a long way toward the sharing of the information. From the time a person is arrested and charged, there should be information that can be shared from the point of arrest back to the end of the conviction or the deployment of the sentence. There should be a common platform on which all of these entities, the police, the courts and the prisons, can speak to ensure that there is the greatest productivity in dealing with these matters.
5.00 p.m.

One of the things that astounded me as well was that there was no information as to the rate of recidivism that could have been presented to me in respect of persons going back up to Glendairy, having been there already. We have now put a system in place where, hopefully, this information can be collected and within six months, we should be in a position to genuinely know what is the rate of recidivism. That is important because there is the perception that it is all young people who are going there all the time but invariably the numbers may not be as high as we might otherwise think.

The truth is that anybody who is speaking today on the matter really is speaking on the basis of speculation because the data has not been put in a format such that we can understand truly what is the rate of recidivism. What we do have is, of course, data on who went to prison and when they went. It has not been collated. It is in some big books. Colonel Nurse, as I know, has put some system in place since January where we can have this information computerised and, as I said, I hope that within six months I will be able to speak more authoritatively on the basis of what truly is the rate of recidivism in Barbados, but we need to know. We also need to know from the point of view – and when we come to the Ministry of Home Affairs, we will talk more about our rehabilitation programme and working with the same.

In respect of the Magistrates' Courts, I would have indicated in here recently that it is the intention of this Ministry to establish a permanent Coroner's Court with

islandwide jurisdiction. The truth is that the number of cases to be heard is somewhere near 300 cases. It is at an unacceptable level. We believe there is enough work, even when the backlog is taken off, that persons could work on a regular basis dealing with all inquests. What most people in Barbados do not know is that anytime a death occurs and there is uncertainty as to the reason for that death, then there must be a coroner's inquest and very often, it holds up the settlement of that estate and other matters to the family because it does not allow them to bring closure to the issues.

I trust that the Ministry of Housing which has been, for the last five weeks, dealing with accommodation for the Coroner's Court, will soon put us in a position that we can have that court established in the soonest possible time. The post for the Magistrate is available. We will have funds in this year's Estimates and will be able to hire the ancillary staff to run the court. It is just a question of settling on the location which we believe should be in Bridgetown, given the fact that this Coroner will have island-wide jurisdiction.

Mr. CHAIRMAN: The Honourable Member has two minutes more.

Hon. Miss M. A. MOTTLEY: I see that there is certain precision to new eyes, Sir.

Sir, maybe I should come back and deal with the police because there is a lot to be said on them specifically. In addition to the lawyers and the law courts, in the context of the Caribbean Single Market and Economy (CSME) the Prime Minister indicated yesterday that one of the things we have now to perfect is the export of services and in the context of the CSME, there really has to be a call to all persons selling services – and I am speaking now with specific reference to lawyers and ancillary legal services – to recognise that there has to be some level of exporting of these services on a more comprehensive and cohesive basis. There are a few number of lawyers going down to the Islands to do an odd case here and there, some have a few more than others, but I do not know of any law firm in Barbados that has set up itself with specific reference to be able to generate substantial business outside of Barbados in respect of CSME to take advantage of those things.

Sir, what implications it has for my Office and Ministry is that we need to review the Legal Profession Act. I have indicated that I have asked Mr. Leslie Haynes to act as Chairman of that Committee, largely because the Bar has also started to do some work on it, and he would have started to do work on behalf of the Bar. The Committee will be formalised shortly and I hope that in early April I can meet with them, giving them some time in which to report back because there are a number of issues that are going to require review.

Once again, there is the question of the existence of a single Disciplinary Committee at a time when we now have in excess of 400 lawyers on the Roll. Is that, in fact, meeting the needs of the times, or is that a requirement that is simply there in form, but has now found to be wanting given the increased litigious nature of the Barbadian society and the extent to which people are prepared to file complaints against lawyers when they feel that their services are not being dealt with?

Sir, on the issue of continuous Assizes, the Honourable Chief Justice, on his first day in addressing the Court has indicated that we would be in a position this year to see the establishment of a continuous criminal High Court, ensuring that we cannot have backlogs of cases simply because the Assizes only meet 4 times a year. There is nothing about Barbados' organization today, or its economic and social activity that requires us to keep a system of Assizes.

The truth is that with crime having increased at the extent to which it has, one has to recognize that the most effective deterrent to criminal activity is the fact that you will simply prosecute someone in respect of the crime they have committed. If people feel they will commit a crime and do not get prosecuted for four or five years, then they will do it with impunity, but if they realise that between the point of arrest and the point of sentence, not more than nine months to a year might elapse, these persons will think twice – not that they should not be doing it in the first place, but they will think twice just as you are causing me to think twice and I will sit and come again, Mr. Chairman.

Mr. D. J. H. THOMPSON: Thank you, Mr. Chairman. I am going to speak in general terms because I know that the Minister wants to complete the presentation. I also know that my good friend from St. Michael West was deprived of the opportunity earlier and we want to hear him today.

First of all, let me say to the Minister that I hope even though she is still in the honeymoon period in this Ministry, her tenure there will not be characterised as a regime of talk, as might have been the characterisation of it previously. I hope that the issues and suggestions, as well as the announcement of policies by the Minister will be transformed into actual results at the end of the day because for the past eight years, we have spent a lot of time talking around a lot of the issues that are important, particularly under this Head of the Attorney-General.

We talked about increasing efficiency in the court, Her Majesty Prisons, the Royal Barbados Police Force, in fact, all of these things. I do not think there has ever been an Estimates debate since 1994 in which we did not debate this particular Head and in which we were not under a deluge of more talk about the status of the so-called reforms that were

being announced on a regular basis. Therefore, I am placing the most characterable construction, not only on the honeymoon but I hope that the Honourable Member will be able to see the results.

Sir, just in the past few weeks, we had a debate in here where we spoke of methods by which we could improve the administration of justice in the Magistrates Courts. At that time I made four recommendations to which the Minister said she would have addressed during the Estimates debates.

One of them related to the appointment of prosecutors to deal with Magistrates Courts matters, one related to the more efficient centralisation of the Magistrates Courts without removing the magisterial district and one related to the creation of a special court. I have noticed in this particular presentation the Minister spoke about a Coroner's Court which will deal across jurisdictions with the coroner's matters. I had even recommended a court to deal with bails and other kinds of applications which would not then clog up the other courts creating problems.
5.10 p.m.

Mr. Chairman, you could not pass by Boarded Hall Police Station this morning. Obviously, it must have been a call day so that was a wasted day in the life of a magistrate who had cases set down and lawyers would have been there only to receive a date.

We have to find more impressive and efficient ways of dispensing with matters such as these in our system. This is the computer age and we should find an easier way of disseminating information across the legal fraternity saving cost both to the people who run businesses that relate to the administration of justice, as well as to Government, or else we would be wasting time in this House.

At the end of the Honourable Member's presentation she spoke about law firms in Barbados not looking outwards. This is quite true and I have lamented it for a long time. Therefore, the Government should be looking at setting up a committee to revise the rules. Sir, it is not about Barbadians looking to export services because that is only one side of the equation that is going to be relevant since we have always had in Barbados a few firms that had a regional genesis, and even though the character of the firm was not regional, the point is that we should view the rest of the Caribbean as a potential market for legal services as well as persons from Jamaica and Guyana are entitled to view Barbados as a market for their legal services.

There is every likelihood that the legal profession in Barbados is going to be subject to significant competition from attorneys from other jurisdictions who would be entitled under the Caribbean Single Market and Economy to

bring specialised or basic skills to compete with Barbadian lawyers on a daily basis. Therefore, you have to find a way domestically to accommodate that and, therefore, that committee needs to consider how they are going to deal with rules applicable to practitioners called to the Bar here whose firms are located elsewhere in the region but who may have active practice here in Barbados as one of the features of the Caribbean Single Market and Economy.

Mr. Speaker, this brings me to the Caribbean Court of Justice. I notice that \$145 000 has been provided in this year's Estimates as start-up cost. I notice that a similar amount was provided last year as well as the year before. I would like to know from the Minister what we are paying for at this time relative to the Caribbean Court of Justice and what is the status of the creation of the Caribbean Court of Justice.

I understood the Honourable Member for St. Peter in his previous presentation to say that it was impossible to have the Caribbean Single Market and Economy come on stream without a court of original jurisdiction to deal with matters under the Protocols for the CARICOM Treaty. Therefore, this means that there has to be a finite period within which this court is going to have to be operational. We need to know whether it is likely that other countries in the Caribbean will be putting up the resources to support the court and whether arrangements are being made to staff the court and get the physical infrastructure put in place.

Another initiative which Parliament supported during the course of this year was amendment to the Money Laundering legislation in Barbados. As much as we support the amendments on this Side, concerns were raised about the manner in which the amendments would affect normal transactions in Barbados.

I have noticed some disparity in the way in which the financial institutions in Barbados are handling these transactions. Some banks in Barbados are requiring you, even when you are dealing with a cheque from another financial institution, to fill out a declaration. Sir, I am not talking about cash transactions. I am talking about transactions involving cheques between lawyers from financial institutions to other lawyers, but other banks are not requiring this.

I want to know if the Money Laundering Authority has been established and whether the objective of this Money Laundering Authority was to create a situation in which there has to be a declaration for every cheque being deposited. I assume that was not the intention when the legislation was passed even though we pointed out that the kinds of transactions that take place in Barbados that an upper limit of \$10 000 was far too small. It has added a

whole new tier of cost to the banking system, to practitioners, to business people who deal with large transactions where there is an evidence of a paper trail and there is no necessity for those kinds of impositions to be placed on the way people do business.

I am not saying that we should relax our rules to facilitate illegal activities. I do not support that at all, but I know that other countries which have offshore sectors have put in place Money Laundering legislation with rules that do not require that level of reporting. The question is: does it make you a less competitive or attractive jurisdiction when you place those impositions on people doing business especially when they are entirely unnecessary?

Under the National Task Force on Crime Prevention, I have noticed a big jump in the allocation most of which comes under the item of Plant, Equipment and Furniture. The Minister should explain to the House what is happening here.

5.20 p.m.

There was a big jump in the allocation to about \$300 000, most of which come under Plant, Equipment and Furniture. I think that the Minister should explain to the House what is happening there.

I also notice under the IADB Justice Improvement Project, that the programme statement says that the purpose of this project is to assist the Government in its efforts to modernise the justice sector through improving court administration and processes, enhancing access to justice, and reducing economic and social costs associated with criminal behaviour. That is a large mouthful by any standards. Therefore, I would like to find out from the Minister what is happening this year with this project? What specific activities are being undertaken and what areas of Government activity will benefit from the \$1.5 million that has been provided in these Estimates?

There is also provision being made for the Police Complaints Authority of approximately \$200 000. I know that we passed the relevant legislation recently but I would like the Minister to indicate what is proposed relative to the operation of the Police Complaints Authority? For example, where will it be located and what its features will be? Because there is no explanatory note, certainly not in my copy, to support the \$175 000 that has been provided for the Police Complaints Authority.

Sir, as I said earlier, I hope that the Minister will also respond to the concerns that were raised previously to which the Honourable Member said that she made a note relative to the operation of the Magistrates' Courts in Barbados and what qualitative improvements are being considered by the Ministry.

Hon. Miss M. A. MOTTLEY: Sir, let me say to the Honourable Member for St. John, through you, Mr. Chairman, that I welcome his announcement that I am still on a honeymoon and, therefore, look forward to that honeymoon not reaching the stage of divorce soon. I can give him the assurance that his own memory should provide him with the answer whether I should be talking and no action, or whether action should be the order of the day. Sir, from the time I entered this Honourable Chamber in 1994, my first major action was associated with the Honourable Member for St. John and the kola syrup scandal.

Asides.

Hon. Miss M. A. MOTTLEY: Mr. Chairman, there is not really much to divide on what has been said. There is one major point of difference between what the Honourable Leader of the Opposition has said and what I have indicated, that is, on the issue whether there should be centralised Magistrates' Courts or not.

The Leader of the Opposition feels that even if we keep separate magisterial districts, that there should all be located in the City. As I indicated, I genuinely feel that the physical presence of a magistrate in a district is important towards setting the tone and tenure of behaviour in that district. I also feel that it is important for the magistrate to understand the character of the district, the characters of the district as well and to be able to make judgements of facts based on local knowledge.

I have indicated that this is not a matter on which I would seek to impose my personal views. We will do some level of wide consultation on it. We recognise that there may be some financial savings in terms of placing them in one location, but the question is, what do you give up in terms of removing them from the presence of District "E" in terms of St. Peter, and St. Lucy, or what you lose in terms of removing them from St. Philip in District "C".

I have said in this Honourable House before that there is need for a review and audit of all police stations and the locations of those police stations as well as the physical facilities. If we were to build a police station from scratch today in St. Philip, it would not be on District "C" Hill. It would have to be located at Six X Roads, St. Philip. There has to be a systematic review and audit, not just of the quality of the physical facilities but also of the location of the police stations.

The Hastings Police Station has to be removed from that location. Mr. Chairman, we really need a police station in the vicinity of Harts Gap/St. Matthias area in respect of that police presence there. The Prime Minister would have announced that we are building a new police station at

Tamarind Hall, St. Joseph later this year and we should probably start construction in the second half of the financial year. The plans have already been completed.

With respect to the audit queries that the Prime Minister referred to, and the Leader of the Opposition has not yet referred to, I understand, having enquired, that these are the same audit queries from the year 2000 and that the responses were sent to the Auditor-General. Sir, whether the Auditor-General saw the responses or not, I do not know. The responses will be laid in this House because they do, apparently, lay appropriate accusations. In some instances it is not Tamarind Hall project that the Auditor-General should be referring to because those designers never worked on the Tamarind Hall project.

Sir, in another instance there was a case where the contract was less than \$5 000 which, as you know, the Financial Rules do not require certain activity on. I think we need a separate debate to deal with comments of the Auditor-General. I look forward to being able to give a comprehensive response on that.

Sir, on the issue of bail applications and remands, this is a matter we can discuss. There may be some merit in this because part of the problem in the court is the level of people coming in and out of the court all the time. It may be appropriate that we can reach a stage where we can set times for the hearing of cases. I do not know what is so difficult about being able to say that a case would start at 9.00 o'clock but you will have another person in reserve in the event that case falls through. We have to schedule cases to get greater levels of productivity from the lawyers, court, prison officers and the witnesses.

I hope that during the reorganisation of the work of the Magistrates' Courts that we can develop a call-system so that all persons do not have to come to court at 9.00 o'clock and waste time. This system can also apply in the Assizes or the High Court where you can have a better scheduling of times.

Mr. Chairman, all the lawyers are virtually located within a square mile of the courts. Therefore, it should not be difficult in a country the size of Barbados to be able to effect the system which reduces the wastage of time lost that the court system sees at the moment.

In respect of the Caribbean Court of Justice, let me say that I have, this year, had the opportunity to meet with the Preparatory Committee of the Caribbean Court of Justice as Chairman of that Committee, having taken over from the previous Attorney-General. The Committee is currently working to settle the process of funding for the court. The other major drafting of the documents and rules have been

completed and the order of work in respect of getting to the inauguration has also been completed.
5.30 p.m.

We have now to settle the issue of the funding of the court. This court is required, if we are going to have an appropriate dispute mechanism for the Single Market and Economy in its original jurisdiction, but there are also a number of countries that have indicated that they would wish to have it as their final appellate court. Not all countries want it as their final appellate, but most do. The truth is that we have, over the next few months, to settle the issue of the funding of the court with finality such that the appropriate financial instruments can be drafted and, if necessary, trust instruments can also be completed and have this matter signed off by Heads of Government on the basis of recommendations both from the preparatory committee of the CCJ as well as the appropriate Ministries of Finance of the various territories.

The sum of money that is in the Estimates is, in fact, to continue the preparatory work. As you would be aware, there are a number of public education sessions throughout the region. The way in which we are charged is based on a formula so that it is not an exact amount that is linked directly to how much activity takes place within Barbados itself but it is on the basis of a CARICOM formula worked out.

In fact, I believe it is intended that the preparatory Committee should be having some seminars and workshops in Grenada and St. Vincent next week in respect of the court but there are some countries that would still require referenda in order to establish the Court as a court in their jurisdiction and we anticipate that will not happen before the settlement of the funding arrangement. That really is the issue at hand now.

In respect of the issue of money laundering, let me say what the banks have been doing in Barbados. Only last week, on two separate occasions, I had reason to speak to this issue. I must be frank with this Chamber, Mr. Chairman. Sometimes we go too far west in trying to go east. The truth is that the legislation does not require banks to do anything other than file on suspicious activity. Suspicious activity means that you basically have to know your customers and know them when something alerts you. It means also that you have guidelines which have been prepared to help the banks "operationalise" these new systems.

I do believe that there is a level of blind enforcement in respect of the arrangements such that it is going to act as a disincentive in doing good, traditional, normal and legal business in this economy. Only last week in the committee which we established to prepare us for the mutual evaluation, I brought it to the attention of both the Central

Bank representative as well as the representative of the private banking community. Then on Wednesday night when I did a lecture on money laundering at UWI, I raised the matter again.

The truth is that people have to use commonsense in applying any rules. There are stories of banks in town issuing a certified banker's cheque upstairs in one department, persons going downstairs to open a new account with a cheque from the same bank, at the same bank, and the bank telling them to fill out forms to let them know where is the source of the funds when they know that they had the funds in their account for years, that they were changing it only because the person had died and yet they came downstairs to ask the person to fill out the same thing. Now, that cannot be the intent of the legislation.

Therefore, what we are asking people to do is to exercise their discretion. We are not interested in knowing people's business in terms of normal and legitimate activity. That is not the interest of the State. What we are interested in is being able to pick up suspicious activity and large amounts of funds moving through an account that would not otherwise carry that level of activity without there being a justifiable legal reason for those funds moving through that account.

I, therefore, believe that we are going to have to have more workshops and seminars to work through the teething problems of the implementation of it and the implications are becoming more and more dire because I do not know how many Honourable Members have really familiarised themselves with the terms of the USA Patriot Act. The truth is that the levels of regulation and supervision within our economy are becoming more and more subject to outside review and that the determination and judgments made either by independent inter-governmental bodies such as FATF, or OECD, or FSF, or the United States Treasury itself may lead to negative actions being taken against normal, legitimate business activity on the part of the financial sector in this country and other territories across the world.

They are trying to reach offshore shell corporations. They are trying to reach those jurisdictions they feel have not put sufficient supervisory and regulatory powers in place to be able to conduct appropriate due diligence and enhanced due diligence. In certain circumstances, they will prohibit or will require enhanced due diligence, or they will prohibit activities allowing their banks to be correspondent banks for foreign financial institutions, and they are carrying the level of supervision even further because they recognise that in some instances those foreign banks already act as correspondent banks themselves to other banks. Very often, they have not been following the full chain and we have to become very deliberate and diligent, not only in our supervisory and regulatory capacity.

At the same time, we have also to be proactive in lobbying the extent to which Barbados has always been and wants to maintain a reputation as a clean jurisdiction and a jurisdiction in which there is substantive business being carried out generally within the international financial services sector, but as a jurisdiction that is not going to go overboard to prevent legitimate business from being carried out in the name of the application of the letter of the Law.

I hope that we can strike this balance that keeps the integrity of our jurisdiction, the integrity of our supervisory and regulatory systems, but at the same time recognising that there cannot be a blind application of the Law such that it prevents persons from doing legitimate business without having to incur extreme costs.

In respect of the National Task Force on Crime Prevention, there is a substantial increase. I have not been able to come to the police yet, but in respect of law enforcement and research capacity, the major initiative of the Ministry this year is the establishment of the anti-robbery campaign and the continuation of the anti-burglary campaign. The anti-robbery campaign is both a campaign designed for law enforcement and for prevention reasons and essentially our research has shown that 80 per cent of the robberies in Barbados take place from the Cheapside area to the River Road Bus Stand, but looking both at Fairchild Street and Constitution Road as you come off Broad Street as well as between Lower Bay Street and Oistins on that South Coast trip, including the loop with St. Lawrence Gap and some of the other gaps in Dover and Maxwell.

Eighty per cent of the robberies committed in this country are committed in those two areas: Bridgetown and Cheapside, the two bus stands essentially, as well as Lower Bay Street to Oistins with the loop of St. Lawrence Gap and some of those other side roads, Maxwell, Dover, Hart's Gap and St. Matthias, all the ones close to the coast not far off the coast road.

What we have designed is a programme that will see us doing a number of things, some of which I do not want to speak about, Mr. Chairman, as you would appreciate but what I can say to you is that we would be buying and installing in Bridgetown, first of all, close circuit television which will allow us to be able to pick up activity and the Royal Barbados Police Force along with the Task Force on Crime Prevention will be manning the monitoring of the cameras.

In addition to that, we will be increasing the level of patrols both on foot and in cars in those areas, because robbery is the one offence in Barbados where there are more victims who are non-Barbadians than there are Barbadians

who suffer from it. In other words, it is the one offence that affects tourists as opposed to Barbadians.
5.40 p.m.

Sir, whether it is a Barbadian or a tourist we do not want any of that here and part of the problem is that we have a low detection rate on robberies, because invariably, when you are robbed, you are usually taken by surprise, so you cannot usually give the best ID evidence. Therefore, we believe that by both obvious cameras, as well as hidden cameras, we can pick up more of the activity in the general areas, such that it would aid the police in bringing a closure to their investigation.

Equally, we have an anti-burglary campaign. That is the one which affects more Barbadian households, although, I must say for the record, Mr. Chairman, that both robbery and burglary came down last year. In the year 2001, in the Bridgetown Division, there were only 215 cases, as opposed to 275 cases a year before, of serious bodily harm. In respect of robbery, there were 312 cases last year, instead of 428 the year before. In respect of burglary of residences, there were 1 920 cases, as opposed to 2 159 the year before, a reduction of more than 10 per cent. In respect of burglary of buildings, there were 646 cases, as opposed to 685 cases.

I only want to say, Mr. Chairman, that it hurts me greatly that two or three years ago, the Prime Minister stood in here and introduced a system of fiscal incentives for businesses to be able to better protect themselves, as well as residences. The ultimate protection is really for the individual to take the precautionary measures. Our research is showing that very often, 80 per cent of burglary of dwelling houses occur during the day between 6 o'clock in the morning and 5 o'clock in the evening.

Invariably, it is poor security features or poor design of the house that facilitated the offence, but more importantly, when the offence occurred during the time that somebody was at home, it was complacency on the part of that person who was home, that led the person to be able to get into the house. Sir, all we are saying is that we have a larger number of people who believe that they can go in people's houses and take away things from them.

The society has traditionally been accustomed to being very lapsed about security. We, as individuals, now have to recognise that the police are responsible for your not being robbed or burgled. They can be responsible for helping you to catch the person, but you have to take certain basic steps to protect and secure yourself. None of us are going to go home and leave windows opened and doors unlocked at night while you are sleeping and do not expect people to come in.

Mr. CHAIRMAN: It is now 5.50 p.m. and we have to be moving on.

Hon. Miss M. A. MOTTLEY: Yes, Sir.

What we will do, Sir, is to ensure that we take personal responsibility for our own security and safety. I only want to say, Sir, that the anti-burglary project is being piloted in Grazettes and Bush Hall but I have every confidence to believe that once we finish the pilot, we can come into areas like Carrington Village, Harts Gap and Hindsbury Road, and even parts of the South Coast and West Coast that have been troubled by burglaries and robberies.

Mr. CHAIRMAN: I know you are waxed and warm. I would be grateful if you could get to my constituency.

Hon. Miss M. A. MOTTLEY: I am coming to Carrington's Village very soon with it, Sir. Sir, when I come back, I want to talk about drug trafficking, in particular.

Hon. R. D. MARSHALL: Mr. Chairman, I would like to make an intervention in this Head, as it relates to the Royal Barbados Police Force and the Magistrates' Courts. I would say, Sir, that the Royal Barbados Police Force does a good job. Regarding the members of the Force, I can also say that I know good of many and harm of none.

When I was a little boy, people would say that in order to be a policeman, all you had to do "was to have a big foot, plenty bronze and no brain". Today, Sir, that is something of the past and I can say to you, that the Royal Barbados Police Force has talent, well-educated men and women who care about the members of the community. As I said, I know they are doing a good job with an interest in upholding law and order.

The Ministry of Public Works and Transport is the Ministry responsible for the roads and the traffic of Barbados and quite often, we have to work with the members of the Police Force in certain areas. When we were looking at the introduction of the seat belt legislation, we had many meetings with the gazetted officers of the Police Force. We also have to work with them when we have to look at matters relating to the Rally Club of Barbados when they have complaints and we are looking at solutions of these problems. I can say that there is always some relationship with the Ministry of Public Works and Transport and the members of the Royal Barbados Police Force.

When we come here and pass legislation in both Houses, we pass laws and these laws then, Sir, have to be interpreted by the courts of the land. The policemen play an important role at court, because when laws are broken, and people responsible for the breaking of these laws are

charged, these charges are laid by the police and then the courts have to make the decision of whether a person is guilty as charged, or that person is innocent. It is also the court that makes the determination on how the punishment is dispensed.

The Royal Barbados Police Force is responsible for enforcement of the laws while the Ministry of Public Works and Transport has the responsibility for the upkeep of roads and sidewalks, as I said already, and also parking.
5.50 p.m.

Quite often we are seeing a number of people parking large heavy vehicles on the sidewalks and very often these vehicles damage the grills on the sidewalks which expose people to danger. Very often we get claims coming to the Ministry of Public Works and Transport by the general public for injuries they received when they slip and fall into these broken grills on the sidewalks. For the last couple of weeks, the Ministry of Public Works and Transport has been repairing these broken culverts and grills. Right now on the Spring Garden Highway approaching the lights by the Holbourne Circle we are repairing about 15 grills in that area and this is a cost to Government in two ways. Firstly, we have to find the money to repair these grills and, secondly, people are making claims against the Government and when these claims are investigated and the Ministry is liable, the Government has to compensate these people.

The police should enforce the law and stop these people from parking on the sidewalks and in other areas where they should not be parking. At present there is ongoing dialogue between the Royal Barbados Police Force and the Ministry of Public Works and Transport as it pertains to parking, and the issue of the sanitation trucks going into Swan Street to remove the garbage from the business places.

The other thing I want to touch on relates to the public service vehicles. It is a known fact that the drivers of these public service vehicles strive on breaking the laws, and it is heartbreaking to hear when they are taken before the courts on charges that they have 50 or 60 traffic convictions. It is also heartbreaking to know that these persons can go before the law courts and still be able to be out on the road driving a public service vehicle.

The other thing I want to mention is that some time ago money was voted for the employment of special constables to work in the bus terminals to control the same public service vehicles and commuters using those vehicles but it seems that these special constables are slowly disappearing from the role they were employed to perform and I would like the police to pay some attention to it.

Mr. Chairman, I know there are complaints from the police to the Ministry of Public Works and Transport as it relates to ordinary people who are reported for traffic offences. These persons are asked to take their licences and insurances to a police station but the policeman who reported the person is usually not at the same station when the particulars are produced and, therefore, is not in a position to say whether the person who ultimately produces the licence is really the driver of the vehicle. These are things the police are concerned about and the Ministry is working on it. We have to look at it and introduce some of the measures that obtain in other parts of the world. In Trinidad and Tobago it is law that when you are driving in your vehicle you must carry your insurance and your driver's licence with you at all times and it is an offence not to travel with these documents.

Mr. CHAIRMAN: You have two minutes more.

Hon. R. D. MARSHALL: I want to say to the police that we are cooperating with them to make it easier for them to do their job.

Mr. Chairman, this is my first intervention but I will come back as we get further into the Heads.
6.00 p.m.

Mr. D. St. E. KELLMAN: Mr. Chairman, I could not miss the opportunity of speaking after the Minister of Public Works and I am very sorry that the Member for St. Michael North East is not in position at this particular point in time. Sir, I would like to know from the Honourable Minister the amount of money that is repaid to the Police Force on a yearly basis through the Public Works Ministry because if one looks on page 146, Section 211 – Maintenance of Police Vehicles – one will recognise that Head has increased by 27.6 per cent and it is not any fault of the Police Force. The truth is, because of the bad roads that the Honourable Member who just sat, who said that he had discussions with the police, has now caused this particular Head to increase by 27.6 per cent, which means that because the Police Force as it stands responds with quick responses and because of the conditions of the roads, one will recognise that the repair bill is now very high. Sir, I am hoping that the Ministry of Public Works would understand the particular problem and the expectations. If they do not understand the expectations of the public of Barbados, they understand that the Police Force must be able to travel on proper roads so that they can execute their duties.

Sir, I would hope that in recognising this, that on the next occasion the Minister of Public Works is in discussion with the Attorney-General...

Hon. Sir Henry FORDE: On a point of order, Sir. I am hoping that the Honourable Minister will help me.

Although I have been in this Honourable House for some time, I find it a little difficult to follow through some of the things.

The Honourable Member said at page 146 of the Estimates, under Subhead 211, that there is an increase. There has been an increase but he has put it down solely to the fact that there has been an increase in the maintenance of vehicles because of the roads but this item includes: provision for maintaining office equipment and furniture, meeting the cost of service agreement, provision to meet the cost of the motor insurance relating to police vehicles, maintain motor vehicles, purchase gasoline, lubricants, oils, stags, batteries in motor vehicles.

I wish that the Honourable Member would give the Committee the basis of his submission and how much money he knows has been voted for, what particular purpose and whether the other items are not included.

Mr. D. St. E. KELLMAN: Mr. Speaker, I am grateful for the Honourable Member for Christ Church West. He is quite aware that prior to this, we have had many Supplementaries for large repair bills and as far as I can remember one happened to be at the repair station at Warrens, belonging to Barbados Shipping and Trading where, at one stage, the former Attorney-General said the reason why the vehicles were there was because we did not budget the money for the high levels of expenses and that the vehicles could not be released by the particular repair station because he first had to come for a Supplementary.

The Honourable Member for Christ Church West fully remembers that, and seeing that he was fully aware of that, knew that I would remember, that is why he made the point so that I can strengthen my particular point against the Minister of Public Works.

Sir, I am also hoping he would understand that the large claims now coming to the Public Works Ministry are not only coming from the public of Barbados but also the Government Departments have a right to submit their claims and reclaim some of that money so that particular Head would not be so large. We should be seeing a counter charge, where the police should be allowed to send the repair bill to the Public Works Ministry and this increase would not be reflected.

Sir, the Honourable Member for Christ Church West is also aware that this Head also includes gasoline and diesel and that those particular items have decreased in cost. If there was not a decrease in cost, then this Head would have been much higher and therefore the argument by the Honourable Member does not stand up.

Sir, I am also saying to the Attorney-General, that we are having a serious drug problem in Barbados, and it seems to be in those areas where we have a large mass of water in particular areas. As you know, St. Lucy happens to be that particular area and I am saying, as I said to a previous Attorney-General in here when he said that because of the low level of crime in St. Lucy there was no need for the Crab Hill Police Station, I had mentioned to him at that point in time that there is a need for the police station at Crab Hill for the simple reason; even though the crime level relating to normal crime was not high but because of the number of landings that it was very important to keep a police station to the north of Barbados.

Sir, I will even expand on this particular point now. We are having a serious problem in the north of Barbados where District 'E' Police Station is not suitable to house anybody. I am saying that there is also a big shortage of land in the St. Peter area for the relocation of that Police Station. The allocation to the repair station in Speightstown is not fair to the Police Force. Instead of relocating the District "E" Police Station into Speightstown, which will create traffic problems in terms of responses to service, it might be better to look at amalgamating the District "E" Police Station and the Crab Hill Station at Nestfield.

In this House we have been told that a Fire Station is coming for that particular area. I am saying that all of those services could easily be relocated to the complex that used to house the Atlantic Manufacturing Plant. I do not want Government to ignore this point as they do and for the simple reason, Sir, the location is right. Nestfield is one district away from St. Peter and there cannot be any claim that citing the new station when amalgamating both, will be too far from the previous location. Therefore, I hope that the Attorney-General will recognise that the infrastructure and the parking area, whatever is needed is there at Nestfield and there will be no need to use valuable resources in building that other plant when there is one already in St. Lucy.

Not only that, Sir, I am also suggesting that a special task force be set up within that particular vicinity to deal specifically with the drug problem in the north because it is becoming alarming and I am not happy about it. I have already said in this Parliament that I honestly believe that we cannot continue to look at the drug problem as one about money, we have to look at the drug problem as people with outside interests who are looking to take over the interest of Barbadians. Sir, this is a very serious charge, not one that should be glossed over. The type of capital that is needed to finance the drug trade cannot be found among the ordinary citizens of Barbados. I am saying that when one looks at the behaviour pattern of certain people — we were told at a meeting in the Bahamas, the Speaker was there, the Clerk of the House was there, that what we find as foreign to us is

habitual to other people. We must understand that. It might be seen as a negative but others see it as a positive. I am saying that we have to watch that and if we are going to seriously tackle it, we have to understand what is going on.

Also, I want to say to the newspapers of Barbados that whenever they publish a picture with a drug landing and put a street value on it, that has a very negative effect on the young people of Barbados. Sir, if you doubt me, watch any day that there is a front page picture. I am not knocking the Press. I am only giving them information because they might not have the opportunity to observe it. Whenever that picture is seen, one can see a particular reaction from young people that I do not like, even though they cannot take up the newspaper and use what they are seeing, but still it has an effect on them. In other words, one gets the impression that they are having a craving for what they are seeing in the newspaper and therefore one can imagine what will happen to those people when they get the real thing.

Mr. CHAIRMAN: The Honourable Member has one minute more.

Mr. D. St. E. KELLMAN: I am also saying that because of the behavioural reaction coming from those young people, we must protect those young people from themselves. Also I am a bit worried of putting a value to drugs because another impression is being sent to them that it is better to get involved in this thing than to do normal work. I am saying that there is nothing wrong, for sometimes it has to be shown, but watch how a street value is being put to it because it is interfering with the minds of the young people. Sir, I am surprised that my 15 minutes seem to be half the time of the Attorney-General's.

I thank you, Sir.
6.10 p.m.

Rev. J. J. S. ATHERLEY: Mr. Chairman, I would like to limit my contribution at this time to the matter of legislation contemplated by the Government as part of its holistic policy of law and order in Barbados. I think it is a very narrow position that attempts to deal with this phenomenon of crime and violence as opposed to seeing in broader terms the issue of law and order. While the Opposition makes a hue and cry about crime and violence, I understand that this Government has been very clearly focussed on law and order.

The traditional approach in Barbados has been to look at national development in terms of the gross domestic product, the human index measurement and the management of balance of payment and not to prominently position the matter of law and order as an issue of great significance within the context of that national development.

Sir, since I have become a member of the Government working with the former Attorney-General and with the incumbent Attorney-General, I have seen a situation where a position has been taken that law and order must constitute one of the prominent issues we should deal with if we attempt to have policies intended to engender national development in this country and to see that national development is sustained and not threatened by criminal elements.

Within that context, this Government has been the author of significant pieces of legislation which have passed through this Chamber and we have been able to find support from the Other Side with reference to much of that legislation. This Government has now made it possible that magistrates can have wider discretion with respect to sentencing. The alternative sentencing programme, which embraces community service order and several other initiatives, is a result of that policy posture.

Indeed, the one which is before us now, the amendment to the Family Law Act has found support on the Other Side of this House.

I am seeking to suggest that our posture on this Side with reference to creating a legislative environment in which our national development is sustained is not one which is reactionary and it is certainly not an *ad hoc* one. It has been proactive in some very important areas.

On the other side of compassion on this coin is the fact that Government, also through introduction of legislation through this Chamber, has made it possible for firming up at the level of the High Court with respect to sentencing for certain criminal activities in this country. This legislation has to do with crime in its very raw sense, but this Government has also been the author of legislation in a very important sector, the international financial and business sector.

In his Second Reading presentation of the Estimates, the Honourable Minister of Finance alluded to the fact that 40 per cent of our revenue is derived from the international financial services sector. It is, therefore, important that we have in place the kind of legislative framework that facilitates business in that sector. We have been authors of legislation intended to facilitate the success of that sector as well as we have been authors of the legislation intended to prevent undesirable practices within that sector for the protection of that sector.

This is very important in a liberalized environment and context. Barbados can proudly boast of having a very good human resource pool. One of our better resources has always been our people to the extent that our people are educated and skilled in various regards. This is one of the

boasts we have been able to honestly and proudly make. To the extent that we are seeking to succeed in an economic environment in which service is very crucial, it is incumbent on us that we ensure that there is adequacy with respect to our human resource pool.

We can also boast of having the institutional capacity developed over the years to ensure that we have the kind of platform in which a deliberate effort is made in that direction to promote the development of international financial services and where international business can be properly positioned.

We have to add to that human resource pool and institutional capacity the kind of legislative framework which would both facilitate that type of business and prevent undesirable practices in that area of our economy.

This Government and the Ministry of the Attorney-General should be applauded because they have been principals in ensuring that the legislation has been made available for the debate and passage through this Parliament. The Government and the Ministry of the Attorney-General are to be complimented for this type of foresight.

The anti-money laundering amendment passed in this House in this context is significant as well. It is important because of its association with the drug trade which has been alluded to by the Honourable Member for St. Lucy because it helps to fuel the trade. It helps to form the arms which are used upon the pursuit of that illicit trade. It is, therefore, important that we have this kind of legislation and the institution in place to counter the scourge of money laundering. It should never be underestimated by either this Parliament or people the tremendous threat which is posed to us by the presence of billions of dollars of dirty money which sails, floats or flies through the Caribbean in these times.

The potential for undermining governance as we know it, the potential in terms of developing a democratic culture, the potential for corruption of officials at the level of the public sector or, God forbid, even at the level of the political directorate, is a reality we must face. It is a reality which we do not want to subject ourselves and this legislation cannot be underestimated.

6.20 p.m.

We want to ensure the continued good health of our financial institutions. A small vulnerable open economy like Barbados will always be a market for investment. We must always seek to improve our chances of attracting that investment in a climate of serious competition from our neighbours and those farther afield.

We have to ensure the health of our institutions whether is in the traditional commercial banking sector or the postal service. We have to ensure that institutions dealing with finances and mandatory instruments are preserved.

The Honourable Attorney-General alluded to amendments to the Constitution to facilitate our participation in setting up the Caribbean Court of Justice. I think that in this regard we have the support of the Other Side. I think we recognise that the development of such an institution is crucial to the furtherance of our development. Sir, through this Government we have been in the forefront in this direction. It is important for the creation and proper functioning of a single economic space.

I think we understand the importance of a single economic space in today's world. Yet, it seems to me that there is some reluctance outside of Barbados towards moving speedily in setting up this important institution.

I believe we should be unapologetic in terms of a position taken by means of abandoning any mechanisms which frustrate the wishes of our sovereign people with respect to the pursuit of the execution of justice. I do not think that we need to back away, in the face of any criticism, that a Caribbean Court of Justice is a hanging court. We need to be unapologetic in terms of abandoning any colonial institution that prevents us from furthering our objectives as a people, even with respect to the pursuit and the objective of having justice meted out as being fit by our people.

Sir, that is certainly my position and I think it is the position which is held on this Side.

I want to speak with reference to legislation as it relates to the Government Industrial School. I am of the view that the legislation is outdated. We cannot continue to have our young people at the formative years of their lives being institutionalised for mandatory periods of at least three years and expect that when they leave this institution they would not have developed a dependency on the circumstances of institutional living. When they leave this institution and go back into the society, which have not properly provided for them in terms of support, there is nothing to stabilise them. We have seen over time, the dependency upon institutional living would mandate that it will not be long before they gravitate towards the adult institution at Glendairy Prison. Sir, that type of legislation, in my view, has to be changed.

I salute the efforts to move towards a situation where we can have wire tapping. The big fish in the illegal trade must be caught. We do not have any more room for the small fish at Glendairy Prison and space needs to be created

so that the big fish needs to be caught. The playing field must be levelled for the enforcement of law and order as we move to get those people behind the illegal trade.

I support the move for legislation to establish protocol for forensic investigations. This must be the way of the future because we cannot rely very much longer for prosecution's investigations which are based on eyewitness evidence. Sir, eyewitness evidence is not likely to be forthcoming in a climate where people are afraid they would be put to harm as seen in cases in some of our neighbouring countries. Therefore, we need to go this route. The money spent on forensics in these Estimates is money well spent to move to develop legislation that helps to develop the protocols in such an environment.

Mr. Chairman, there has been a balanced approach as we seek to protect the rights of individuals and legislation which permits interviews of a suspected person in the custody of police in a climate where there have been accusations of the violation of an individual's rights. I believe the establishment of a Police Complaints Authority is intended to protect the rights of people.

The submission we heard from the Other Side is symbolic of what seems to be the case that there is a narrow view of law and order. It is seen as crime and violence. It is seen in a holistic approach as law and order which is the principle plan of national development.

Hon. R. N. GREENIDGE: Mr. Chairman, I am going to begin in a very unorthodox manner under the Head of the Attorney-General. I want to begin by commending the Honourable Attorney-General on her attainment of Silk. I want to commend her on having reached the status of Queen's Council. I think that it is a tremendous achievement.

Asides.

Hon. R. N. GREENIDGE: Sir, she has literally smashed all the records on her way to wearing silk, now being the youngest person ever to achieve this as well as the person who would have spent the less years at the Bar before receiving this honour.

During her presentation the Honourable Attorney-General reflected on the quality of our judicial system. She included in that brief resume the question of our judges. I want to say a few words on this particular matter.

Recently I was speaking to one of the persons I consider in Barbados to have one of the best legal brains. The question of his ever becoming a judge came up and I was surprised to hear some of the reasons for not wanting to become a judge. They are some persons who believe that the

work is monotonous, unlike the stimulating variety of cases which they would have the opportunity to present at the Bar. They think that being a judge tends to take you away from your friends, that would be friends at the Bar and friends elsewhere.

6.30 p.m.

In light of the fact that the Honourable Attorney-General spoke about the need to expand the number of judges, both at the High Court and the Court of Appeal level, I want to say that we have to continue to make the position of the judge as attractive as possible. I do not mean just simply in terms of salaries. I mean also in terms of the working conditions for the judges so that we can attract high quality candidates.

We cannot afford, Mr. Chairman, to have our best lawyers with excellent judicial potential being disillusioned and disinterested because I still believe that a judgeship should be the pinnacle of a lawyer's career. Being a judge should be an honour. It is almost like a teacher saying that he wants to remain as an assistant teacher and never become a principal. There are some teachers who actually take this attitude, which is sad.

I have to say I am very convinced that the independence of our judiciary is still very much alive in Barbados and that it continues to be free from political or any other pressure, and that our system is transparent. I think judging from what happens in our courts that the decisions given by our judges are quite reasoned and that the quality of the judgments given by them remains quite good and high.

Mr. Chairman, my only criticism of our judges is that they can and should do a bit more. Whether in retirement or whether they are still active, I think they can do more to enlighten our Barbadian youth about the court system. I think they should write a bit more when they retire perhaps. By now, I think we should have books in our schools on the way our law courts work. I personally feel we should have some books in our schools saying this is the way the court system operates, and I do not think we can have any better persons to do that than our judges, whether active or retired.

Mr. Chairman, pupils should learn from very early things like how to dress to go to court. They should learn the difference between a guilty plea and a not-guilty plea. They should know what an appeal is and how it is done, what is cross-examination. All of that we could have in books in our schools.

I believe that too many of our young people have no clue about our court system. The plain truth is that you cannot respect a system, you cannot respect a court about which you know absolutely nothing about. That is the

them even run up against things like contempt of court because of the ignorance of the court system and they do not know that what is happening in the court is what should happen and therefore they think they are being singled out and being pressurised not knowing that this is the way the court operates.

Mr. Chairman, such ignorance gives rise to suspicion that the system is stacked against them and to the notion that the system is not transparent. I believe that if you had these books, it would even create a general interest in the law, but it is sad that so many of them at the end of their tenure just say that is it and never actually give us anything but, perhaps, some day we will see such a publication.

I must also say that what I envisage is the need now for more judicial training for the judges so that they can carry out their role better as judges. I think it is a strength and not a weakness that most of our judges are what we can call all-rounders. There is no specialisation as such saying, "I am the family law man". Most judges are broad and therefore they can deal with a criminal matter, do assizes, do family law, civil work, whatever is put before them. I think that that is a strength and I have to say that today in this day and age a judge is called upon when doing family law, for instance, to think like a social worker and almost like a child psychologist.

I think that in order to come to grips with a lot of these family law problems we would need to train our judges so that they can have this broad-based look at what is going on in this particular area. To date, I do not remember hearing about a seminar that involves the judges and the social workers or any of the other agencies, but I think that is something which we would have to look at and I believe that even when the Judicial Centre that we are contemplating is constructed, that some provision should be made in that Centre for having some judicial training college as an adjunct to it so that we can do the type of training for our judges.

Mr. Chairman, perhaps things have started to happen because I remember passing by a certain building over the weekend and I saw cars of a certain hue there and I asked a question only to be told that the judges were having a meeting. Perhaps, things are beginning to happen.

Aside.

Hon. R. N. GREENIDGE: I have just been informed by the Attorney-General that there is some money under the IDB project for judicial training so I would hope that these things come to reality.
6.40 p.m.

Sir, we are living in this very complex world and new and more technical cases are coming up every day. We have cases involving the Internet, and money laundering and so continued training is now an absolute necessity.

In closing, Mr. Chairman, I would want to say that I am all for a strong court system. I am all for a strong judiciary but most of all, I am for a competent, well-trained judiciary, doing its work with as few obstacles as possible.

I am obliged to you, Mr. Chairman.

Hon. Miss M. A. MOTTLEY: Mr. Chairman, I just want to complete my presentation because there really is a lot of information to put before the House, and I expect that it will give members more information for them to debate and ask questions. I am just expanding the presentation.

Mr. Chairman, on the matter of the question of the legislation that is required, in order to enhance the capacity of the police and the detection, there are two major areas which we hope to focus on in the upcoming year. The Honourable Member for St. Michael West would have referred to what is commonly known as wire tapping legislation but I would prefer to refer to it as electronic interception legislation, because this would allow us, on application of an order from a judge in Chambers, to be able to do certain surveillance that will assist the police in their capacity to be able to investigate the commission of certain crimes and offences.

Let me say that it is not the intention of this Government to be able to have that power exercised whimsically, when the legislation comes, but only on the production of a sufficient evidentiary basis to a judge in Chambers would that legislation contemplate such an order being authorised. The reality is, in addition to the normal offences we face, that more and more because of the security concerns and issues relating to terrorism, that more and more of the international requirements in relation to a programme and package of policies to be put in place for sufficient and effective surveillance, does require some legislative authority for electronic surveillance.

Equally, Mr. Chairman, I would wish to bring before the House the fact that the new forensic centre is anticipated that during the course of this financial year, that building will be completely finished and furnished. The cost of construction and furnishing are approximately \$20 million. It is anticipated that we are going to have to put a framework in place for forensic legislation, and my Ministry will be preparing shortly instructions for the Chief Parliamentary Council to draft that legislation.

I say that one of the things we have to come to grips with is how we can increase the detection rate beyond those

cases in which there are "I see" witnesses. The only way you can do that is having the appropriate forensic mechanisms in place, as well as the appropriate training for officers, as well as beefing up the training on all schemes of crime investigation. Sir, not everyone in the Police Force may be a trained forensic person, but they have at least to know how not to tamper with a scene, so as to ensure the integrity of the evidence, which has then to be scientifically tested. I believe that the establishment and opening of that new forensic centre will enure, not only to the benefit of Barbados but, indeed, to the entire Eastern Caribbean.

Mr. Chairman, I want very quickly to touch on the question of the Privy Council's decision which was handed down. I only just received an advanced copy of it today. The *Queen vs. Peter Hughes*, which is a Privy Council decision, in respect of an appeal from the Eastern Caribbean Court of Appeal jurisdiction of St. Lucia and the judgment was delivered by Lord Roger of Earsbury.

Suffice it to say, Sir, that the decision comes as no surprise. We have had, over the last six or seven years, decision after decision, that seeks to put the exercise and use of the death penalty outside of the realm of the executive of all Caribbean jurisdictions. I do not know what plainer or clearer message we need to receive from the Judicial Committee of the Privy Council, as to their feelings on the issue of the death penalty.

Mr. Chairman, the decision was that a mandatory imposition of a death penalty for murder is unconstitutional. The decision is not binding on Barbados but it is binding on most of the OECS territories and on Belize. There was a decision which they passed down called "*Reyes and the Queen*" also this year. In Belize, they had a savings clause which expired five years after independence. Therefore, they had nothing else to save them.

In St. Lucia, they had the savings clause, but the court distinguished everything, in spite of the existence of the savings clause, and argued that the savings clause related to the death penalty. It saved the death penalty, but when you remove the authority to determine whether a case merited the death penalty or not from the judge, that it was an arbitrary exercise of power which would not have been saved, the savings clause could not help it.

The reality is that Barbados will not be affected but having said that, we are going to have at some point to review more and more, as we have done in terms of looking at rules for the exercise of the prerogative of mercy, that there must be an adherence to the principles of natural justice on almost every stage that a determination is going to be made in respect of an accused. The death penalty here has been used in every instance when a person has been

convicted of murder. They are saying that you must have some form of hearing, or representations being made such that the judge has a discretion to determine whether or not the death penalty is merited in that situation.

As I said, Mr. Chairman, this is but one more example of the Privy Council's rejection of the death penalty, as a legal and valid punishment of the English-speaking Caribbean territories. It is the right of the English-speaking Caribbean jurisdictions in my view, to determine what are the appropriate penalties for offences within their jurisdictions. We will continue to have people from outside commenting as long as we leave them with the legitimate status to comment.

As long as the Judicial Committee of the Privy Council is the final Court of Appeal for our territories, then they have every right to comment, in spite of the fact that they have no appreciation for how Caribbean people feel, or what they feel strongly about, and this is a perfect case that we should use the advice of the late Prime Minister the Right Excellent Errol Barrow, that we must determine whether we are not, in fact, loitering on colonial premises too long. I do not know now we can have any respect and pride as individual independent countries and citizens, and not be prepared to provide for our own final Court of Appeal.

I hope that Court of Appeal can be a Caribbean Court of Justice. I feel that if it never comes about, that we must be prepared to de-link from the Judicial Committee of the Privy Council.

Aside.

Hon. Miss M. A. MOTTLEY: I do not believe we should have two elements of the arms of Government residing outside of the jurisdiction. The Government is made up of the executive, of the legislature and the judiciary.

We, in the Caribbean have allowed for the 35 years in Barbados, after Independence, for two heads of our arms of Government to continue to reside outside of the jurisdiction. Then, we call ourselves proud, independent and sovereign people. If you are not prepared to pay for institutions of Government then, you should not be independent and we have, therefore, to find the resources to provide for the proper resolution, if not, we will sit down here and receive by fax, year after year, judgments that bear no relationship to what Caribbean people feel, or how they feel about how matters should be resolved within the jurisdiction.

Mr. Chairman, in closing, I also want to say that the reality also is, that we have sat by, for six or seven years and allowed nothing to happen, largely because of this slew of

judgments. Every time you settle into what you think is a working situation, a new judgement comes down, and all of the gold posts change again.

Aside.

Hon. Miss M. A. MOTTLEY: Of course, it is a deliberate policy. I believe the time has come for us to take decisive action. The Leader of the Opposition said he hopes that I would not just be talking as an Attorney-General. I can assure him that I will take action on this matter and I trust and look forward to the Opposition's support on any matter that would remove the linking of the Judicial Committee of the Privy Council from our system.

Obviously, the necessary consultations have to take place. We do not act whimsically in this matter. There will be consultations with the Bench. There will be consultations with the Bar. There will consultations with all appropriate stakeholders, but I am expressing simply the desire and the feeling of what I believe to be the ordinary person out there, most of whom do not have an opportunity to appeal to the Privy Council, because they do not have the resources to be able to access that level of appellate jurisdiction. Therefore, for them, in effect, the final Court of Appeal is the Barbados Court of Appeal here in Coleridge Street.
6.50 p.m.

I want to say, as the Honourable Member for St. Philip North pointed out, that we are very lucky to have a strong and independent judiciary in Barbados and long may that last.

Mr. CHAIRMAN: The Honourable Member has run into overtime and we will like to bring this Debate to a close this evening.

Hon. Miss M. A. MOTTLEY: I just want to make one last point tonight and that is that there is serious concerns on the issue of traffic cases in this country. I have spoken to the Royal Barbados Police Force and I believe they are trying their best, but we want a consistency of effort as it relates to traffic cases. In the year 2001 there were 21 699 traffic cases increasing from 16 803 cases the year before which is almost a 25 per cent increase in traffic cases.

Asides.

Hon. Miss M. A. MOTTLEY: Last year, there were 7 540 accidents and in the year 2000 there were 6 898 accidents which is an increase of 642 accidents.

In the year 2001, we saw burglaries go down by 11 per cent. We saw robberies go down by 37 per cent. We saw serious bodily harm offences go down by 22 per cent. We

saw offences with firearms go down by 40 per cent, which is good work, but then we see traffic offences increasing by almost 25 per cent.

Barbadians have to be more disciplined on the roads and the police has to exhibit zero-tolerance in respect of traffic offences and I will endorse any action which sees the police – I see they have their hotline but I want to see it result now in that level of assiduousness and consistency of effort so that we do not only do it for three months but that it will be a continuous effort.

Within two months we will be bringing arrangements that would allow a broader range of traffic offences than currently exist to be available for ticketing, so that persons do not have to go to court for all of those offences that they go to court for now and waste the time that they do when invariably they want to plea guilty and pay the fine. Therefore, we will be broadening the range of offences for ticketing having received submissions from the Ministry of Public Works and Transport.

In 1994, this Parliament passed a new Evidence Act and the whole of that Act with the exception of one major section which requires the audio and/or video taping of statements and confessions went into effect. To date, that section remains un-operational but as of April of this year, Mr. Chairman, the Royal Barbados Police Force will be in a position to ensure that all statements and oral confessions for serious offences will be taped or video recorded. We have made provision for this at Central Police Station and at the Oistins Police Station. We are making provisions for it at District "B" and, hopefully at Holetown as opposed to every station for now in this first phase.

This is necessary to boost the credibility of the Police Force because there is a belief that every time somebody makes a statement, it is beaten out of them but the truth is that very often people make voluntary statements but they then come at a later stage and allege that somebody had beaten them and forced a statement out of them or made an inducement to them.

In fairness, I must say that the police have been allowing attorneys-at-law to be present in all murder investigations since 1994 because just before this Administration came into Government, the last four or five murder offences for which people, as my clients, were arrested, I was present at all of the interviews. So this is just an opportunity now to broaden the range of offences for which statements would be recorded. I believe this will enhance the credibility of the Royal Barbados Police Force with the public and remove some of the feeling that it is an "us against them" and that these things are fabricated.

I look forward to being able to preside over the promulgation of that section of the Evidence Act such as would make it mandatory for the Police to operate in that way. There is a lot more...

Mr. CHAIRMAN: I look forward to hearing from you tomorrow.

Hon. Miss M. A. MOTTLEY: We will come back tomorrow and deal with these issues because the truth is we have only just started.

On the motion of Hon. Miss M. A. MOTTLEY, seconded by Hon. R. N. GREENIDGE, Mr. CHAIRMAN reported progress to His Honour the SPEAKER and asked for leave to sit again and Mr. SPEAKER resumed the Chair and reported accordingly.

SUSPENSION OF SITTING

Hon. Miss M. A. MOTTLEY: Mr. Speaker, I beg to move that this Sitting be suspended until 10.00 a.m. tomorrow.

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

The question that the Sitting do now suspend until 10.00 a.m. on Wednesday, March 13, 2002 was put and resolved in the affirmative without division and Mr. SPEAKER suspended the Sitting accordingly. 7.00 p.m.

RESUMPTION

Mr. DEPUTY SPEAKER: This House is resumed. Yesterday when the House was suspended, the House was in Committee of Supply and to that it will now revert with Mr. CHAIRMAN, Mr. D. CARTER in the Chair.

COMMITTEE OF SUPPLY

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

Hon. R. R. FARLEY: Mr. Chairman, I rise to make a contribution to this important debate. I am going to refer to Head 30 sub-programme dealing with legal services. I noted in the presentation of the Honourable Attorney General the energy and drive committed during the course of the year to undertaking a number of fundamental reforms. Speaking from the perspective of someone who has been involved in business and who is now charged with the responsibility of creating a new business environment. I would like to lend my fullest support to those reforms.

In fact, the rule of law and the process of change is something which must be understood and appreciated by all of those involved. Our legal system, whether from the perspective of making laws, the administration of justice or crime prevention and detection, cannot be out of sync with the general direction of the rest of the society.

Sir, in many cases they need the law to lead the way. I want to say that we need, if we are to achieve the objectives which have been identified by the Right Honourable Prime Minister, that the repositioning of Barbados to take advantage of the new competitive global environment, this Head and the programmes for which funding has been provided under this Head assumes fundamental importance.

The activities under these Heads form one of the fundamental underpinnings of our democratic systems of Government. The issue of laws, responsibilities, conferring benefits and proving that framework for business is important.

I want to speak specifically on a few items under this Head. First of all there is the matter of Law reform. I want to salute the office of the Chief Parliamentary Counsel in that regard but we must go further and faster. It is important for us to develop new laws as well as to modernise the existing laws; whether it is in the area of the Constitution; international law to the various trade agreements and other opportunities and obligations with us; in the areas of criminal law, administration, civil and, more particularly for, commercial law.

I know that over the past eight years the office of the Chief Parliamentary Counsel has drafted approximately 226 Statutes and 1 100 Statutory Instruments. I will still have to make the complaint that in the area of reform of commercial legislation that has still lagged behind the actual rate of change in the commercial world. We need to ensure that proper priority and whatever resources are required are put at the disposal of that office so that we do not miss opportunities, particularly in the area of international business. Sir, it is no secret that we have missed some opportunities because of the slow process of reform of our legislation. I am pleased to know that in the last year or so that pace has picked up. It is important to apply this reality and to determine that we are going to do something about it.

Sir, much of the Government's activities, in terms of administering its various departments, is to a large extent on the advice and the facilitation of the Solicitor General's department, provided for under sub programme 245. This is one of the areas where I am pleased to hear the Attorney General speak of the reforms and the proposed use of technology to provide new case management tools which would get us away from this unfortunate situation. There are

several matters in which Government has to have legal solutions or for departments to have advice which take too long. Sometimes a simple matter such as the conclusion of contracts, whether the contracts are for employment or the procurement of goods and services, find themselves caught up in the process of delay.

I am satisfied that these reforms as proposed by the Honourable Attorney General in this year's Estimates will go a long way towards improving the efficiency and effectiveness of this particular department. Thereby, both the public and private sectors will reap dividends from this measure. I note that the Government, as a recognition of this, has provided additional staff and they should be praised for doing so.

We need to do new things. We need, for example in the matter of settlement of commercial disputes, and it is inevitable, Sir, as long as you have parties contracting to do business, from time to time there will be disputes. Unfortunately, the moving of cases through the court system is long and torturous. In many developed countries alternatives have been developed. We in Barbados need to move in the greatest haste to have an alternative dispute resolution system put in place, which would facilitate commercial and other forms of disputes being put on a course of resolution which does not depend exclusively on the courts.

It has been found in other countries that disputes have been resolved in a more timely manner and in a more cost-effective manner. I would want to recommend to the Honourable Attorney General that this be adopted.

I want in my initial contribution to deal with one or two other aspects of this programme. Much has been said about money laundering and indeed I applaud the efforts of the Honourable Attorney General by way of the solutions which have been advanced in the establishment of the Financial Intelligence Unit among others. I certainly welcome the clarification which has been put as to the clear intent of the Government.

The intent of the Government is to ensure that we have systems for testing illegal activity, for preventing it where that is possible and for punishment where that is not. It is not the intention of the Government to frustrate decent law-abiding citizens in the exercise of their duty.

I, like the Attorney General, agree that it requires more than law. It requires sound judgement.
10.10 a.m.

Sir, I would want to part company with those zealots who, enamored by the power of the law, and further fortified by an anti-business culture and sentiment, immediately see

all business persons as crooks, whether they be local or international, but specially the international ones, and who believe that it is their responsibility to frustrate every activity to conduct business.

That kind of approach has no place in the arrangements which Government administers and, therefore, the accreditation which has been provided which indicates that the jump-off point is suspicious activity, not just activity, so that the folly which is being perpetrated on decent citizens purportedly in the name of this legislation really must come to an end. It cannot be reasonable that something as straightforward as a cheque from an attorney paying for a piece of land – people buy land and sell land every day. You go to your bank if you have sold a piece of land and you have a cheque for that. The banks are requiring that you have to declare the source of these funds and, not only that, you have to indicate down to the lot number and perhaps they might want the square footage and what you have planted on it and for what purpose it was.

Sir, in various parts of the world and, certainly, Government's intention is clear that suspicious activity is what triggers the reporting and subsequent investigation. Were we to try to monitor and investigate each and every financial transaction by over 20 000 companies by the 270 000 individuals that we have living in this country, where will we end it? Perhaps we are getting caught up in the philosophy which has informed things like the USA Patriot Act. Their fundamental view is that everybody overseas is a crook. That is what has informed that legislation.

The legislation sets up higher standards for financial transactions originating overseas and being done with US banks and other institutions than it does for US citizens operating at home, and that is fundamentally wrong, Sir. For example, the stated purpose of this new legislation and from which has evolved the long title, was a united and strengthened America by providing appropriate tools required to intercept and obstruct terrorism, hence, the USA Patriot Act of 2001. Sir, the provisions of this legislation is so far-reaching that each and every financial institution operating around the world must be aware of it.

In Barbados, Sir, not only Scotia Bank, but the Barbados National Bank, the Mutual Bank, Caribbean Commercial Bank, not only those, Sir, but the credit unions and others have to be aware of this legislation. What does it do, Sir? Even foreign finance institutions with no physical presence in the United States would be affected.

The United States Secretary of the Treasury is now empowered to impose sanctions and take other far-reaching actions with what are called corresponding banks, for example, Chase Manhattan or any other bank which usually has relations with banks in the Caribbean so that in the

United States this new legislation has made the paperwork and the reporting and the investigation so onerous that many United States based banks are considering severing their corresponding banking relations with banks in the Caribbean. In fact, Sir, the propaganda that has gone abroad which purports to claim that the Caribbean is the foremost centre for money laundering in the world has done much harm in that regard. Sir, I will return to this later but I want to close on this.

The legislation also specifically identifies for special treatment foreign political figures and public officials of any kind, not by their suspicious activity but by way of mere existence. This US legislation, for example, says that financial institutions must conduct enhanced scrutiny on any private banking account of senior foreign political figures, their family members and close associates, to detect and report any transactions.

In terms of the extra-territorial nature of the legislation, it basically identifies that if you happen to be the father or the son of a foreign political figure from any of the 170 or so members of the United Nations family, by definition you are now to be suspected by this US legislation, advanced in the name of money laundering.

The essential caution is that while we continue to be leaders in the fight against money laundering we must ensure that we do not in our zeal create a situation in which it is so impossible to conduct basic everyday legitimate business activity that the ultimate ambition of the members of the OECD is achieved, that is, to drive business that is offshore onshore.

As you know, Sir, they have within their onshore frameworks offshore clones. Vermont in the United States, Delaware in the United States are competitors of Barbados and we have to be aware, Sir, that the ultimate ambition is for the business to be taken back home and we, therefore, need to uphold the principles, continue the good fight against money laundering, but do so from a practical perspective which recognises that we also need to balance and ensure that we are able to continue to have an economy which is viable. I thank you, Mr. Chairman.

Mr. D. J. H. THOMPSON: Mr. Chairman, Sir, I listened attentively to the response of the Honourable Member for St. Michael North East yesterday to most of the matters that I raised if not all, but in her final presentation to the House she took us into another realm. I do not blame the Honourable Member for St. Michael North East and, as I said already, we will permit her a honeymoon although she says she does not want it.

Hon. Miss M. A. MOTTLEY: On a point of order, Mr. Chairman, I never said I did not want a honeymoon but

the one that is being offered to me from the member for St. John is one that I feel I may have to keep a third eye on every time.

Mr. D. J. H. THOMPSON: Well, let's try it and see.

I have no sympathy whatsoever, none at all, not an ounce of sympathy for people who are railing against the stance of the Privy Council. I say that for this reason, not because of the substance of the decisions that the Privy Council is taking. The men who sit in the Privy Council, except for a few honorary positions, are accountable to the people of Britain not to Barbados. Therefore, it would be well nigh nonsensical for us to expect the law in Britain to have moved almost two decades ago if not more from the death penalty to be applying laws from jurisdictions elsewhere that support or give effect to mandatory death penalties. It is just inconceivable.

I agree with the Honourable Member for St. Michael North East to the extent that it is putting them, not us, as persons who are accountable to the taxpayers of the United Kingdom, accountable to public opinion in the United Kingdom *et cetera*. You are putting them in a totally untenable position to be enforcing laws which their own society does not accept.
10.20 a.m.

Aside.

Mr. D. J. H. THOMPSON: Precisely.

The Government had its say on constitutional reform and there are constitutional amendments before us. The Government argued that they want to do this thing in a holistic, rather than a piece-meal manner. I am not sold on the holistic change because I believe there are small changes, and we had one recently, that can be made from time to time.

I am not arguing, in this particular debate, about the efficacy of the death penalty because I have my personal views. They are not the views of my constituents but I practice at the bar in criminal court and I have my views about it but here, as a delegate of the people who elected me, I will express my personal views but I am going to accept that I should do nothing to change the law, such as would offend against their views in relation to the matter.

Sir, as a Parliamentarian, a Member of Parliament and the leader of a political party, I have never taken any steps, nor have I ever been required to exercise a judgment on a matter of the death penalty. I know that if I was a Privy Council judge, I would have great difficulty coming to a decision about the death penalty, in relation to countries that still use the Privy Council, even though they do not want us to use it, that do not pay any of the bills of the Privy Council

or none of the salaries of the members. They have no say in the appointment of the persons who sit on the Privy Council. They do not write the editorials in the newspapers: *The Times*, *The Telegraph*, *The Observer*, *Tabloids*, and at the same time, I would have great difficulty as I was saying, in coming to a decision that would fly in the face of my own domestic law.

Let us think about it. That would be like asking you, Mr. Chairman, to permit Parliamentarians from Trinidad – and I am just using that hypothetically – to come in here to debate, take up the mace, dance on the tables and do as they like, simply because that is what their Standing Orders permit, and you should sit in silence, when your own moral standpoint and values tell you, this is not the kind of conduct that you think is acceptable. It is difficult. I am not saying that we have to move away from the Privy Council, simply for the purposes of ensuring that the death penalty, in particular, needs to be dealt with but I have seen the Privy Council's approach to civil matters. I have seen the Privy Council's approach to all of the jurisdictions which use its services and do not pay for them, which is distinct from the manner in which they reason judgments, in respect of the people who pay their salaries – for want of a better expression – and there is a distinct difference.

The swiftness with which...

Aside.

Mr. D. J. H. THOMPSON: I once appeared before the Privy Council and saw the Senior Counsel's arguments being dismissed even before he was able to put them. There were five grounds of appeal and four of them were dispensed of immediately. Then, the counsellor said, "We won't be in here very long today." I said, "What does that mean?" He said, "We've lost." Sir, this was even before he had argued the fifth ground. Then, even on that ground, of which I thought they were unique areas of law that were to be explored relative to the compulsory acquisition of land, and its effect on a purchase notice and things like that, the Privy Council, basically, acted as if it was a first instance matter, dealt exclusively with the facts, and dismissed the appeal.

I do not think that any energy, or major effort was put into it and I do not think that I would have expected any more. Frankly, there are not a large number of civil cases from Barbados that go before the Privy Council, Sir, but the point is, we have laws in Barbados, there has been no move to repeal them and we would expect all of the courts, which have to administer Barbadian laws to administer the law as it is. They are not to legislate. We are the legislators and therefore they should abide by the laws as we make them.

Sir, as I say to the Honourable Member for St. Michael North East, for eight years the previous office holder has

made the same complaint about the Privy Council. He wrote voluminously in the *Caribbean Law Bulletin*, I think it was, about the impact and the direction and said that this is the obvious conclusion to which the Privy Council will eventually come.

Aside.

Mr. D. J. H. THOMPSON: ... yet, his colleagues have failed to deal effectively with this matter, such that we are still complaining about decisions from the Privy Council, which in the context of their social and political and economic environment and the context of the people to whom they are accountable, are perfectly acceptable but may not be acceptable to Barbadians. We need to detach ourselves from them.

The second concern I have, and I suppose there are those who would take the view that, you know in these debates you always have to hear from one of the so-called bleeding hearts. I do not characterise myself as such, because I believe there should be tough...

Aside.

Mr. D. J. H. THOMPSON: ...I do not want to say zero tolerance to crime.

I think there should be zero tolerance to the behaviour that leads towards crime, because some of the things that we accept in Barbados as normal aspects of everyday life are what is leading to the high incidence of crime in our country.

Sir, on the question of wire tapping, I still have concerns. I know the Honourable Member for St. Michael North East has indicated that there will be a procedure which will be put in place to deal with the manner in which people can be isolated for wire tapping in particular instances. I believe that every facility should be afforded the Royal Barbados Police Force to deal with drug barons and such others, in Barbados.

Drugs is a business and it is treated very often by us, particularly when we are dealing with marijuana, in an almost cavalier way. Despite all the talk, I think we are not coming to grips with social attitudes towards marijuana. We are acting as if everybody out there in the society feels the same way about marijuana, even though in our own hearts, having been exposed to usage of it, like alcohol in University, and tolerated it...

Aside.

Mr. D. J. H. THOMPSON: I did not say, used it. I know that there are many of us who would have been to parties at university and who go to football matches in Barbados.

Aside.

Mr. D. J. H. THOMPSON: You cannot find out everyone. As soon as it turns dark, they light up and people generally accept it as they would be going into the pavilion and buying a beer or buying a bottle of brandy.

Yet, we would expect that the Royal Barbados Police Force would be able to clamp down and rid the Barbadian society and apply zero tolerance practices as well, to the use of marijuana in our society, when we ourselves, very often by our own conduct, do not demonstrate that we have a zero tolerance attitude towards marijuana. Sir, nobody wants to come to grips about that and, in fact, there are some people who believe that once you talk about it, the mere fact of talking about attitudes to marijuana, that you are opening up a debate so that the laws can be softened.

It is not really a question about that, but a question of looking at the social and cultural attitudes towards it and trying to determine whether the vast majority of people in this country really believe that marijuana is a drug and that is the first question that we have to ask. Sir, if they do not believe that it is harmful, and that its use is helpful, if you go into the schools and talk to secondary students, who ask you why are alcohol and cigarettes permitted and not the use of marijuana, and how it helps them to study and all kinds of arguments that they advance, which they obviously have heard from other sources, and many of them have internalised. They believe it strongly and there are those attitudes that I think we need to address, which is, the question of people's vulnerability to marijuana and any other form of addiction, including overeating or addiction to sex or to any other kind of pleasure or vice, depending on how you look at it, based on your moral outlook, and deal with those attitudes.

10.30 a.m.

We have always argued for a more holistic approach in dealing with the problem of drug abuse, with family life and communities in Barbados. We do not cross swords with the authority on those issues and there is no major divide except on the emphasis to the extent to which the causes of crime, as the sound bytes of the Tony Blair Government has reduced it to, are being tackled. That is the key issue. The causes of crime do not get tackled by the Attorney General or the police force, who, in essence, come in at the end after the crime has been committed where they then have to deal with the criminal.

Prior to that, there is a whole set of important influences and factors and the State has a duty... We do not have to succumb to the nonsense talked by people who believe that the State has to withdraw itself from all the issues relative to morals and values and that the State must not apply a judgment to family life. The State is entitled to

say that this is an approach to family life, to personal conduct and to community life that is desirable and this is what we would like to see but everybody will not attain it.

Nobody is being asked to be strait-jacketed into social behaviour that will make the society so bland and so straitlaced that we will all have a miserable existence and a Victorian outlook. We are not calling for that. We are saying that the State has a responsibility to the total development of the individual, of families and of the communities to say what conduct is desirable and what is acceptable.

Despite our respective individual religious beliefs there is some common ground on that in this Parliament and we must not divide where there is that common ground. It is when we move beyond that common ground, we can then say, look, I do not think that is something that I can support you on but I will go this far with you and collectively we can talk about the approach to personal conduct, the building of communities and discipline in the society that Barbadians think is desirable.

This country is small enough to have an impact if we take those decisions and if we as individuals try to live by them and promote them to the best of our ability.

Hon. Miss M. A. MOTTLEY: Mr. Chairman, I am not going to use the full time allotted to me. However, I want to engage the House's attention on the basis of the very reasoned and comprehensive statements put forward by the Honourable Leader of the Opposition. In all seriousness, I am grateful for the tone he has set this morning because, as I have been saying for sometime now, neither the police nor the Attorney General can fight crime alone. We have to deal with crime at the source and we have to begin to understand what those factors are that cause crime and in understanding that then, we have to be able to put programmes in place that would allow us to be able to prevent the commission of crime.

I heard the Prime Minister speak in the opening of his second reading speech, about non-traditional threats. As Minister of Culture, I have been speaking for several years about the fact that there are certain types of personal behaviour, such as drugs, AIDS, criminal behaviour and reckless behaviour on the road, that are a function of people's attitudes and values that are causing Government to spend more and more money every year. If people were to change their values and consequently their behaviour, it would be amazing to see how much money Government would save on an annual basis.

I really would wish that somebody would do a study to show how Government's expenditure has increased phenomenally over the last 20 years as a result of this type of personal behaviour which results in negative

consequences for the entire society. It is only now that people are beginning to understand that these negative consequences are having a negative impact on the economy that they are now standing up and taking notice.

I also want to thank the Leader of the Opposition for his comments *viz-a-viz* the issue of drugs. I really believe that there has to be a comprehensive survey as to the values and opinions of persons as it relates to illegal drugs. I am hoping that the Press does not misinterpret what the Honourable Leader of the Opposition said or what I am saying because nobody in here is condoning the use of illegal drugs. What we are saying is that when a society reaches a point where a law is obeyed more in the breach than in the letter of the law we will have a problem that impacts on the rule of law and as long as we have a problem that impacts on the rule of law we will have a problem that impacts on the cohesiveness and the capacity of the society to respect all forms of authority not just the rule of law.

I visit Jamaica three to five times a year and I have seen that the problem in the Jamaican society is that there is not only no respect for the rule of law but there is no respect for any form of authority and they have hell now trying to bring thousands of people back into the mainstream who have so divorced themselves from mainstream activity that it is almost impossible to govern that society.

I believe, as the Honourable Leader of the Opposition said, that Barbados is small enough that we can enter into constructive dialogue. This is not a political matter nor partisan matter. This is about the rescuing of this society, our way of life and our values.

When we have a situation where the average young person 'on the block' tells you that they do not see anything wrong with something that is clearly against the laws of the land, we have a responsibility to stop and do some investigations and engage in constructive dialogue. Whatever that may lead to in the end... I am not going to prejudge the outcome because there are people who feel that it is wrong but there are also too many people who feel that there is nothing wrong with it. So the society has a duty to conduct a level of investigation and dialogue such that we can have better empirical evidence as to what is the true feeling out there.

There are those who would wish to use this as a political football but I am not going to be part of it because at the end of the day the only ones who would suffer is the Barbadian society. There is nobody who said that Bees smoke or Bees commit crime or Dees smoke or Dees commit crime, the same with AIDS, and I am not going to be part of it. We have to be mature enough to recognise those issues on which there can be no divide.

On the matter of the Judicial Committee of the Privy Council, I was very clear in my comments, I do not think that the *Nation's* report this morning, Mr. Chairman, was as accurate as the *Advocate's* was but my position is that the Leader of the Opposition will not have an opportunity to say to me that for the last eight years nothing has been done. I feel very strongly and this may be because I was born the year before Independence and, therefore, have no loyalties to any institution that I feel is not integral to the running or functioning of this society and which does not understand how this society thinks.

I agree with the Leader of the Opposition that it is ludicrous for us to expect judges who do not understand this society and who function in a society which has long abandoned the death penalty to think and behave otherwise.
10.40 a.m.

We cannot be blaming them. It falls on our courts to take action and I trust and hope that the settlement of the financing mechanism for the Caribbean Court of Justice can be settled in short order this year so that we can proceed with that but I can give this House one commitment and that is that I am going to engage in consultation on the delinking of Barbados from the Judicial Committee of the Privy Council, irrespective of the Caribbean Court. I do not believe that we can continue to have an arm of Government outside of our jurisdiction and then complain that it does not act in sync with what we believe to be our cultural mores.

Sir, I want to deal with what I perceive to be the biggest threat in terms of law and order besides drugs in this society. Drugs, I believe, in terms of sentencing with respect to the rule of law, in terms of the immediate threat, I believe all efforts must be used to stamp out the use of firearms, particularly the use of firearms in public places. Sir, the impact of using a firearm in a public place, even if you shoot no one, is to create a sense of panic and fear in the society that you have hell to recapture because people will then believe that they cannot go about their legitimate business free of fear. Sir, the one message that this society must stand united on and say, is that if you are so mad as to use a firearm in a public place without lawful authority, then you must be prepared to spend some serious time in prison.

Sir, I must tell you that we are trying to determine whether this is dealt with by leaving the discretion with the court or whether the legislature, meaning us, should take a position on mandatory sentence for the use of a firearm in a public place as opposed to other things. Sir, the disproportionate consequences are there; you are not just hurting the person on whom the firearm is aimed, you are destroying the social fabric of the entire society and we must be prepared to say no.

Sir, I am happy that last year we were able to report a 40 per cent reduction in the use of firearms but I am saddened that this morning in the midst of this debate, we have been greeted with news of two men fighting it out like if they are in the Wild West, and one of them being dead. This nonsense must stop.

We also have to take strong and decisive action. The Royal Barbados Police Force knows my views. I cannot give them operational instructions but they are sure that every time they hear me speak privately or publicly I say to them that there must be an all out effort to be able to determine the sources of how these firearms are getting into Barbados and to be able to take decisive action against those who are responsible for their importation. It is true that in very many instances, they do come in with drug shipments. They also come in on their own too and we must be prepared to not only the Airport and Seaport...I believe that the Airport and Seaport can tighten up security even more than they have it now, in respect of the clearance of goods and cargo to be able to put an all out stamp on the importation of firearms.

Sir, I have also recognized that having a number of bays along our coasts make us vulnerable to illegal landings outside of the official ports of the island. I would wish to enlist the support of all right thinking Barbadians to be able to pass information to the Royal Barbados Police Force on the use of all illegal firearms in this country. If there is one thing I would wish to come out of this debate, Mr. Chairman, and I am asking both the Leader of the Opposition and the Member for St. Lucy on this publicly is that we appeal to all Barbadians that all information relating to firearms must be passed to the Royal Barbados Police Force so that they can take appropriate action. I can only but hope that anybody going before the court for using a firearm in a public place is treated in the most severe fashion because they have committed a crime, not only to the person at whom they shot but also against this society.

Mr. Chairman, I am going to sit at this point but I will come back on some interesting statistics from the Crime Justice Bulletin No. 3, in relation to crime against visitors.

Hon. Sir HENRY FORDE: Mr. Chairman, I am very pleased to see that those Members of this House who have been born under the last 40 years, including the Honourable Member for St. John and the Honourable Member for St. Michael North East, are able to speak with the deep feeling that they have exhibited here today in relation to completing the Independence of Barbados and returning to Caribbean countries their full sovereignty.

They have spoken of it specifically in relation to the ultimate Court of Appeal which should adjudicate disputes or differences of our citizens one against the other and between the State and the citizen. In this way, they are following the tradition of the BLP. This is not a new issue.

We argued very strenuously in London as the Honourable Member for Christ Church South will recall, that there should be a provision in our Constitution which would make it easy for Barbados to share a Court of Appeal with any part of the Commonwealth. Sir, in section 86 of the existing Constitution there is a provision to that effect. It has not been activated to date but with the break up of the West Indies Federation, those of us who were then under 40 years, as well as people like Sir Grantley Adams, recognised that the Federal Supreme Court was an institution that had performed excellently and whatever was the political outcome of the association of the English speaking Caribbean territories that is one institution that we should have kept.
10.50 a.m.

The Caribbean judiciary has an outstanding record in the level of judgement which they have pronounced. Whenever our judgements have gone on appeal to the Privy Council, inevitably in 95 per cent of the cases we have been upheld. This is a tremendous record. The difficulty with the Caribbean is that there are still people among us who have no confidence in themselves and in the innate ability of their own people to manage all aspects of their affairs.

Sir, I argued at the time of the independence debate that each territory in the Caribbean was capable of becoming independent. I argued further that there should do it in the context of unity, which we are still fighting for, because it would give us the strength to face the world and be better organised but it is still being argued now by the younger generation and we are forty years late.

Before I put that case, Sir Grantley Adams also put the same case. How long will our people remain in bondage due to lack of appreciation of their own innate ability to manage their affairs?

Sir, I am not surprised that we have this great difficulty now of the Privy Council. I had the good fortune to go to university with some of the people who sit on the Privy Council. Sir, they are brilliant men but I always tested myself against them by a saying which my adopted mother inculcated in me "I am as good as you are". The record is there to prove it in Cambridge and it goes for many of our other citizens. Why do we doubt ourselves? I cannot understand the hesitation of some of the Caribbean countries to move on to having an ultimate Court of Appeal to look after our own affairs.

Sir, I had the distinction of chairing the Commission on the review of our Constitution and after listening to the people our recommendation is clear. We must either get on with the Caribbean Court of Justice or, if that is not feasible within reasonable time, we must have the ultimate Court of Appeal here in the Caribbean. This was the position I held before I entered politics. Sir Hugh Wooding, the

distinguished jurist who sat on the Privy Council, also made such a recommendation. We are going around and around but the ultimate decision must rest with us having confidence in ourselves.

I regret very much that it has taken us this length of time and to say that the reason is because judges are unsure as to whether they will be paid is to trivialise the matter. If the Caribbean countries are really serious, one way to solve the matter would be perhaps to use a percentage of the customs duty and designate that in each of our Constitutions as being paid into a judicial fund. There are many ways to approach and deal with the matter.

I wish Honourable Members well and hope they will achieve what my generation and those before us failed to achieve in dealing with the issue of the Privy Council. I also hope they will achieve success in dealing with the issue of who will be the ultimate Head of State of our country.

Mr. Chairman, it is amazing that people who want the death penalty enforced and feel strongly about it, are not prepared to recognise that the English Privy Council is dead set on making sure that if the legislators of the Caribbean do not legislate for the abolition of capital punishment, the Privy Council will legislate by virtue of judicial decisions because judges do legislate, Sir.

Those of us who are schooled in law know that there is a time that judges change the law by the method of their decisions. Yet there are people who want to keep the Privy Council, they want to keep the Queen, they want to keep capital punishment but if capital punishment is being abolished by Her Majesty's Privy Council, they are happy with that, Sir. We are really a people of contradictions in many respects. Unless we have confidence in ourselves, we will find ourselves not achieving the best objectives that we can.

Sir, it happens as well with law and order. I enjoy the call-in programmes and I think it is very necessary to have programmes such as these so that our people can express their views and that freedom of expression prevails.

One of things that has struck me significantly in the last couple of years is that this country, like a lot of the Caribbean countries, is getting to the stage that they do not believe that people have a responsibility to some extent for their own security and that people have a responsibility to obey the law. Sir, they also have a right to change the law if the law is harsh. They must agitate for that change when it is necessary but they must respect the law.

We have encouraged people in this society to disrespect the law by subterfuge whether by a sick out, sending in wrong claims to the National Insurance Scheme, whether by

the ZR men stopping wherever they want, riding a bicycle without a light, all these actions together eventually undermine respect for law and order. By degrees they grow and the problem becomes bigger and bigger. If there is one thing I would encourage to take on board as part of reforming the judicial system, the criminal system and the system of justice is teaching people what the law is and influencing them by educational programmes how to respect the law.

Sir, I represented a constituency for 30 years now and I have seen changes in parts of that constituency. The Honourable Member mentioned Harts Gap and Dayrells Road more than once in her speech and I have seen those areas change over time. Obviously, we have been yielding to the impact of tourism particularly in those areas.

Asides.

Hon. Sir HENRY FORDE: The Honourable Member is asking if I will continue to represent the people of Christ Church West. The dear people of Christ Church West know me quite well and they know how I feel.

I have seen those areas change and I have seen influences in those areas that I cannot condone and I speak out strongly on them whenever I can. Sir, you will recall that I had to go on the radio some months ago on the position in Bonnetts where the police, quite rightly, in exercise of their proper duty, removed tree houses, not only from Bonnetts but from other areas as well. The position is that tree houses are being used today for spying on the police when the police are trying to prevent drugs being sold in the area. Any responsible Member of Parliament or responsible member of the society with that information would have to do the proper thing and back the police. Sir, there are some people who believe that politics is about yielding quickly to every little swing that you may detect in a community.

11.00 a.m.

Asides.

Hon. Sir HENRY FORDE: Sir, I am not condoning the selling of drugs in Bonnetts, Harts Gap, St. Matthias or anywhere else in this country because it is destroying our young people and it has been destroying our society. I condemn it strongly and if my constituents feel they have to do it, then I condemn them strongly in that regard, Sir.

Sir, if they want to vote for me after I have made my position clear it is a matter for them but all is well with my soul. Eventually that is where you have to account for your actions. We cannot have our society destroyed by every whim and fancy seen on CNN and foreign countries and believe that it is good for the small society. If the

United States of America loses 400 000 people to drugs that is a mere whiff in the United States but if we lose 40 000 young people to drugs or to AIDS, it smashes this society forever and sets us back.

Sir, those of us in public life have to speak strongly on it and that is why I give the police 100 per cent support. I am very glad to hear the Honourable Member say that both parties have a holistic approach to this matter and there is no major divide between us. I, therefore, hope that he will reconsider his decision, which he made on October 10, 2000, and rejoin the Parliamentary Committee on Crime. It is important that those of us who have the honour and the privilege to represent people send the right signal to them. It does not mean that we must not listen to them but we sometimes have to lead.

I believe that the Hastings Police Station is one of the most decrepit police stations that we have in this country. I do not know how many people take the opportunity to go there. It is very difficult for policemen to undertake their duty there. Nothing has happened to that station for the last 20 or 30 years and it needs to be removed. We should also from time to time relocate our police stations in the areas that they can be most effective. I am glad to have the assurance from the Honourable Attorney General that the Government is looking at rebuilding a new police station in the area where it matters, in Dayrells Road or St. Matthias and using mobile police stations as well for policing the south coast stretch from Bay Street to Silver Sands.

I believe that we have to move to mobile stations. There is one that is doing an excellent job in Dover. I want to thank the Commissioner of Police for this. They did an excellent job in Bonnetts when they had the madness of people driving through Bonnetts and shooting people.

Sir, they are people who want to get into politics who would keep quiet on that. I am not going to do that because it was wrong. Anytime I see that happening in my constituency, I am going to ask the police to come up there, put up a station and deal with the persons involved and any information that comes to me, I will pass it on to the police.

I am appealing to my colleagues in public, those who are and those who are aspiring to be in, to take the high road in this society. Unless we take the high road we will not leave a legacy, we would have destroyed the legacy that we inherited.

I speak very strongly on these issues because there are fundamental to me. I am not saying that there are not people within my family and some of my friends who break the law but I can only say to them not to do it, the same way that I would say it to the country as a whole, Sir.

I hope that the Minister will go a little further and do not allow this project to wait until GEMS buy the land on which Hastings Police Station stands. I think that we will have to move ahead because I do not know when GEMS is going to be ready.

Hon. Miss M. A. MOTTLEY: On a point of order. Mr. Chairman, I am not too sure whether the Honourable Member for Christ Church West is volunteering funds from the National Insurance Scheme to assist with the Hastings Police Station.

Hon. Sir HENRY FORDE: Sir, the Honourable Member knows that we can only use the funds in accordance with the Act.

It is very important that we move ahead rapidly with the project because this is the source of a good deal of tourism. I look forward to engaging her a little later in this debate on ways and means of dealing with the financial aspects of the problem.

Thank you.

Hon. H. F. LASHLEY: Mr. Chairman, I am happy for this opportunity to be able to contribute today in a small way. I would like to use this opportunity to offer my sincerest congratulations to the Honourable Attorney General for her recent ascendancy to the throne of legal power in Barbados. Mr. Chairman, I am hoping that someday I will be able to sit in the community of Pinelands and Wildey in a game and say to my comrades that I have sat with an Attorney General who sought to reform the legal process in Barbados.

I want to look at this debate from a sociological perspective. I know that this Honourable Chamber is filled with lawyers and at times the debate has been intermingled with a bit of social references but more so, the debate has taken a legalistic framework. As a social practitioner, I would like to give this debate a social slant.

I believe that crime prevention is everyone's business and not a business reserved only for the Barbados Police Force. Sir, note that I left out the word Royal. I do not believe that name Royal Barbados Police Force should still be with us in the year 2002 at this stage of our Independence. I believe that the word 'Royal' should be removed and the name should be The Barbados Police Force so that we could create our own identity with this prestigious institution.

I also want to take this opportunity to praise the Police Force, particularly its Public Relations Department for their proactive approach in solving crime in Barbados. I believe that we have to deal with the causes of crime rather than dealing with the after effects.

11.10 a.m.

Certainly, Sir, one of the most wonderful innovations in the Barbados Police Force is their police outpost station that is doing a nice job in the neighbourhoods in Barbados like Gall Hill in Christ Church. I also believe that the programmes that they initiate within the community are helping to deal in a serious way with the problems that are emanating from the community.

Sir, I want this Honourable Chamber to understand that poverty has an association with crime and crime also has an association with poverty, but this should not be used as an excuse by individuals to commit crime because many of us in this Honourable Chamber were raised in very poor and humble surroundings and we never used our poverty as an excuse to commit acts of violence or any kind of crime.

Sir, when we have also examined the issue of crime we have to examine the issue of morality within the society, particularly at the schools in Barbados at the primary school level. We cannot change at this point the current satellite invasion, especially from North America and Europe, that is a serious contributor to the criminal element in this country.

We have to teach our children a sense of identity. Our children in Barbados right now are suffering from an identity crisis and it is all of us who have created this crisis. As it now stands, Sir, our children have adopted the European and North American style of identity. We have really to inculcate a whole new sense of identity as to who we are and more so where we came from as the late Peter Tosh would say in his song: No matter where you come from, as long as you are a black man, you are an African. That is my view, having the Caribbean person with a sense of identity with his African roots. Sir, I was recently in Trinidad and the violence in schools in Trinidad has escalated to the point that they are complaining that it is basically now unmanageable. I am hoping that this situation does not develop in Barbados.

Sir, when we talk about crime and solutions in Barbados we talk about beefing up security, but I want us, in looking at solutions, to beef up community activities. All of us here have to get more involved in this whole business of fighting crime. There must be a new sense of heightened activity in communities around this island.

We have to adopt programmes like Operation Put Back where we can identify role models within the community. We have to support Community Development Division's programmes of Walls of Fame. We have to establish in Barbados conflict resolution centres so that our youth can understand and deal with the problems that develop not only in their homes but also in their immediate environment.

Sir, there is an interesting picture that is shown on television, a live programme, called Judge Hatcherty from North America. It is probably one of the best programmes that I have seen because in Barbados when we talk about

alternative sentencing it seems that the only system of alternative sentencing that we have in Barbados is that of doing community work. There are so many other alternatives in terms of sentencing that we could tap. Sir, we could utilise so many areas. We have the Barbados Defence Force, we have other model community organisations that we could get people actively involved in doing other things. When you send a person to do community service the most you do is put them to clean a gully or debush without tying the skills that they might have and harness them so that they could develop later on.

Sir, we talk about crime and about shootings and killings in Barbados but something dramatic is happening in Barbados that we are not really noticing. Yesterday the Honourable Attorney General presented statistics in this Honourable Chamber and noted quite clearly that the various categories of crime have diminished or dropped dramatically in certain areas except, of course, the area of domestic violence. With the introduction of the lights on the hard courts around Barbados and the intense community activity, what we are seeing is a lot of young men, the so-called young men on the block, sitting down enjoying the games, getting involved, but a strange thing is happening. What you are finding now is that the young girls are on the block, because we keep referring to the young boys on the block without identifying the fact that we have young girls on the block too. The fact is that these same young girls are the ones who are creating the problems at the night tournaments around Barbados, not the men. The men are actively involved in sports and the men themselves are organising and participating while the girls on the other hand are fighting over the same fellows.

Sir, I want to introduce to this Honourable Chamber a programme that I call 'From the Block to Work'. It is not an introduction in theory but it is an introduction in practice because when I come to this Chamber I do not theorise. I come with practical programmes and I use examples where these things are happening so that any member in this Honourable Chamber when they get on their feet can challenge me and I will carry them and show them exhibit A and B and C.

Sir, the Pinelands Creative Workshop has launched a successful 'Block to Work' programme, where they took 35 young men and women who were very prone to criminal activity and put them back to work to earn money for themselves, their dependents and families. Sir, would you believe that out of this 35 only one has gone back to prison? Sir, I would want to see this type of programme replicated throughout Barbados. These people work every day with cutlasses, hoes and forks without one single incident on the workplace among these people.

I want to call upon the private sector in this country to put some of their profits back into the community, because

they make sizeable profits as the Honourable Member for St. Lucy would tell you because I have heard him speak in this Chamber about the private sector and the profits that they make over a period of time. I am not just talking about sponsorship of a football team or a football competition or a netball team but I am talking about adopting a community.

There are some firms that do not put one single red cent into organised communities, Sir, and I am calling on them to stop practising this cycle of selfishness. The Government of Barbados has put \$9 million into a provident fund. Do you really think it is fair for the Government of this country to deal with the whole condition of poverty on its own? Why cannot the business sector match the Government of Barbados dollar for dollar? Sir, if they put \$9 million collectively we will have \$18 million to go to the provident fund and when I talk about the eradication of poverty it would be a dream that all of us could witness in our own life time because we base it on the UNDP assessment of \$5 000 per annum per family.

Sir, this cycle of selfishness must stop while at the same time we have to implore the youth on the block, all the youths in the ghettos and in the communities across Barbados to put down their guns. Let us live in a totally peaceful community, have a peaceful co-existence in communities across Barbados.

In order for our youth to put down their guns they must also have hope that they have a stake in this country.
11.20 a.m.

We have to be our brothers' keepers. I see a lot of wonderful people here from the institutions across Barbados and we have to adopt a child. If each of us adopts one of our struggling brothers in our communities, Sir, rather than just giving them hand outs and pittance, you will see a transformation effect in this society.

Sir, I believe that we have come a long way in this country, and I really believe that all us working together, could transform this entire country. I believe that many of the youths are very creative, innovative and are always willing to help. The problem is how many of us go back into the community to assist our youths. How many of us really sit down and talk to them and try to understand what they are going through. How many of us plan programmes for them out of genuine and sincere minds, rather than purely only for political expediency. How many of us really make the sacrifice and allow the youths to come and knock at the door, looking for advice from us. Sometimes, we might have to fork out some money out of our pockets, but how many of us really take them and nurture them and lead them along the right path or inculcate good spiritual and moral values into them. How many of us teach our youths about their African spirituality and explain to them where they might have come

from, and that their broad noses and thick lips are something to be proud of, Sir, rather than having to look Caucasian.

Sir, I am still dealing with crime and violence because I am still dealing with the causes. We have to really reexamine our educational system. We have a lot of compensatory education across the communities. We have to redefine in Barbados the role of the Community Development Department. We have to empower the communities across Barbados and give the necessary tools and weapons to the community practitioners to restabilise the communities. We have to form partnerships, not only with the community, but with the Royal Barbados Police Force. We have to form partnerships with the private sector. We have to get the NGOs, the CBOs and all of civil society involved in this fight.

We also have to involve the churches from the moral aspects. We have to reintroduce religious knowledge in all sectors across the schools in Barbados, and we have to adopt a 'get back to the basics principle' that has been imbedded into us. Sir, when I say from a sociological perspective, I try to look at all the social norms that have created problems. Some of us in this country like to deal with the fetes where we could send in the police and they come in like the cowboy, dodging and the men in the communities running, and people laughing in the windows, like they are seeing a good midnight movie.

Mr. CHAIRMAN: Honourable Member, you have 60 seconds to conclude. You can come back for another 15 minutes.

Hon. H. F. LASHLEY: Sir, I believe that every Honourable Member in this Chamber has a significant role to play to redefine the social landscape in this country. We cannot pay lip service any longer. We cannot any longer stand up and boast, like we are film stars, Sir, but we really have to do practical and tangible things so that our youth in the communities in Barbados have the sense of self and realisation that they are also part of this wonderful country of ours. It does not make sense to kill that brother and carry out that robbery.

Thank you.

Mr. D. St. E. KELLMAN: Mr. Chairman, I rise to speak on this particular Head and while looking through my Estimates, I recognise that on page 125, the National Council on Substance Abuse will be given \$1.4 million this year. Even though I applaud the work they are doing, there are certain approaches that I do not like.

For example, Sir, at this time, I want to proffer this point and I hope that it would not be taken out of context because we, as politicians, sometimes do not look at the

logic but we look at other things. In a society like Barbados where the majority of older folks came up smoking and drinking, all of a sudden in this society, because the old people accustomed smoking and drinking, we are now telling young people that they should see cigarettes and alcohol like drugs.

I want to tell this society that it is a very dangerous connection to make, because the truth is, I have grown up as a shop boy, and for many years, I have seen many a cane cutter leaving the fields and come to rum shops and drink a whole night, go back in the fields the next day, and you could not tell that they drank one single drop of liquor the previous night. Those people who are on the hard drugs, even before they leave certain areas, you can tell that they are on hard drugs.

Sir, I am saying if we are going to offer solutions, offer them without necessarily making comparisons. I know of no man who smokes a normal cigarette that would take up a cutlass and attack anybody or a gun and shoot anybody. If the National Council on Substance Abuse wants to make comparisons, you are setting a dangerous trend, because you cannot compare apples with cheese.

Sir, yesterday I called on this Parliament to recognise that the constituency of St. Lucy does not have a serious crime problem, but it has a problem as it relates to drugs, not that the people in St. Lucy are directly involved. It is true that some are involved and I would not deny it, because the truth is that sometimes I wonder who is in control now. I am saying that if we do not recognise the particular problem that is now being created in St. Lucy, that constituency that we referred to as the constituency with a lower level of crime than the normal constituencies, will soon be in a very dangerous position. As the parliamentary representative for that constituency, I will have to blame the Government and the authorities if they do not listen to sensible advice.

Mr. Chairman, since 1994, I took it upon myself to negotiate with the Arawak Cement Plant about the possibility of locating one of the coast guard boats down at the Cement Plant because I was always worried about the time factor to get a boat from Bridgetown to the north point. It was taking too long, and we wanted quick reaction. Sir, to date nothing has been done about that and it worries me because I know, and I have heard on many occasions, of drug drops that were intended for one location and ended up in my constituency. Sir, as parliamentary representative, I cannot be happy with a situation like that, which is also creating fear in certain districts of any constituency and I am saying that action has to be taken on this particular matter.

I am also saying that there are people who have to recognise that there is a blend between certain types of

music, drugs and fire arms. Those who believe that smoking a normal cigarette and smoking marijuana or any other drug is the same, they are fooling themselves. A man smoking a normal cigarette does not carry an illegal gun and that point has to be made. When we, in this Parliament, want to change things, we must be prepared to look at the statistics. The best statistics that we can look at, Sir, is what happened to Barbados, prior to the 1980s, and what is happening to Barbados after the 1980s.

Prior to the 1980s all we had to worry about would have been the cigarette and alcohol. Sir, no one can dispute that the escalation of crime has increased because of drugs and guns and to my mind, the two walk hand-in-hand or together. I would tell you this, Sir, if you look at the statistics coming out of the Police Force, you would prove me right on this particular matter. I am saying, Sir, that every Barbadian must understand that the problem, as it relates to Trinidad and Guyana, cannot happen to Barbados but there is a different approach being used, in Barbados, to destabilise Barbados and we have to understand that it has to be drugs and guns. The youngest person, whether at primary school or secondary school, can look at you today and tell you, man you are not backing nothing, we are heavier than you and, Sir, do you think that is easy.
11.30 a.m.

That is not easy, Sir. Politicians must be prepared to stand up and understand what is going on within their constituencies. I am saying that the day we give up the right to control our constituencies for a few votes, we should leave Parliament and go on about our business. We have to understand that we cannot afford to condone that particular habit.

Mr. Chairman, I have always taken a pretty tough stand on this particular issue because I am not going to trade votes for anything like that. The day I do that, I will walk away from Parliament because I am not going to help any young man or young lady to destroy their lives just because I want to be a politician because when that occurs we will be destroying Barbados to give it to somebody else. I am telling you, Sir, that there are people out there who are waiting for Barbadians like you and me to destroy ourselves through drugs, alcohol and AIDS so that they can take over. All those who do not want to believe that, they do not have to.

Sir, I am not putting a strong case for alcohol and cigarettes because from early in life I understood the opportunity cost of alcohol and cigarettes because there are some people who would prefer to drink alcohol or smoke a cigarette before they buy food. I know that well and I made a decision early in my life not to touch them. I am not saying that there is anything wrong with alcohol, Sir, because I have never seen a rum drinker doing anything wrong other than passing water in the wrong place.

Asides.

Mr. D. St. E. KELLMAN: That is the truth, but if you check the other culture you will see a type of behaviour that frightens you.

I am also saying, Sir, that we have to be our brothers' keepers because there are people who are prepared to make young people do anything to enrich themselves and would make them believe that the use of drugs is right when they know that it is wrong and we must correct that perception.

That is why I am saying that we must start seeing our policemen as professionals and we must not continue to limit them to working eight hours per day although sometimes they go over that when they are working on certain cases. Sir, we must give them the capacity to use their time outside of the normal working hours to help solve the crime in this country. Even though I have said that, I do not believe that they have a right to go and work for any and everybody without consulting with their superiors first because sometimes their superiors will have intelligence that they may need to know so that they would not go and work for the wrong people.

After training people, Sir, and putting them in a job and they develop certain skills it is wrong to limit and frustrate them by telling them that when they leave work they must go home and sit down or play sports and waste their talent. This country is too small for that. We have a situation where the police are in need of higher pay, the Government cannot pay them the higher pay but yet they are limiting them from using their resources. I am saying that this cannot be fair to a policeman, a nurse or to any civil servant.

The problem in this country is that we only see certain people as professionals and want to limit the ability for people to earn when they are from a particular level and how they are perceived but when you are a different person, the whole world is yours. This is foolishness and if it does not stop we are going to have an unbalanced and uncaring society. Everybody must be allowed to operate at their maximum capacity without any limitations because the 'too few' feel that they must be the ones to get everything and the masses should suffer.

I am saying if we are to turn around the problems within this society there must be equal opportunity for all, whether you are selling chicken and chips, coconuts, steak, lobster or shrimp or you are in the legal fraternity. I am saying that Barbadians must start seeing Barbados as a place where they can share in the cake and that the limitations that have been placed on the masses of the people in Barbados especially the civil servants through statutes or otherwise should be changed.

There is talk about ridding ourselves of the Judicial Committee of the Privy Council but before we can rid ourselves of that institution we will have to get rid of all those anti-workers' law on our statute books. We cannot rid ourselves of one thing and on the other hand want to keep others. If we want change, we must have change but it should not be cosmetic. We must not have change for a few only while the masses must be subjected to laws that have been on our statute books for over 300 years which do not work in their interest and suppresses them, making sure that they do not have a decent standard of living.

I have always said in this Parliament not to expect me to quote from anything outside of the Caribbean region any time I have to quote anything because I believe that we must find home grown solutions for everything. There are great people within the Caribbean who have made statements in relation to whatever we want to say that we can quote from.

We do not want the Judicial Committee of the Privy Council but every time we get up to make a substantial statement, we always quote from somewhere else. That is double standard. When we want to eat, we want to eat everything foreign and we do not want to help the farmers and the fisherman. What are we doing, Mr. Chairman? Are we really honest with ourselves about what we want to do? The day we recognise that we are setting double standards and get back on board, we will get much further.

I am also saying that I support the police on what they are doing as it relates to the public service vehicles (PSVs) but I must say that the same way that I have a particular time to get to an appointment in Bridgetown that the public service vehicle drivers have an appointment with the people in their vehicles and it is not fair – I want people to listen to this very carefully because I know everybody will start thinking negatively now – that the road system as it stands should be at such a bottleneck that the driver of a motor car has a privilege over the person who is paying bus fare. That is a very vital point because the person in the car can divert when there is heavy traffic but the PSVs have to stay in line although they are taking the same workers to the same workplaces.

I am saying that the Ministry of Public Works and Transport should make sure that something is done to stop the bottleneck on our roads because it is not the fault of the PSVs. We need to look at this from the social side as well because many people in this country are suffering because they cannot get to work on time even though they leave home early.

Asides.

Mr. D. St. E. KELLMAN: Do not tell me that they do not leave home early. There are people living in Pie Corner,

St. Lucy who are at the bus stop from as early as 5 o'clock and 6 o'clock on mornings who do not get a bus until they see the school bus and then they have to squeeze in it. This is a problem which must be solved by the Ministry of Public Works and Transport.

If we have the situation where every single road leading into Bridgetown is in turmoil, what would you expect? Mr. Chairman, I am saying that the drivers of PSVs are wrong to do what they are doing but we have to look and see what is causing the problem and find a solution for it.
11.40 a.m.

Mr. Chairman, they have to understand that they cannot necessarily react because they want to react in a particular way but they must put their complaint to the necessary authority in order for it to be corrected.

Mr. CHAIRMAN: I will ask the Honourable Member to wind up his speech.

Mr. D. St. E. KELLMAN: Sir, everybody in Barbados will tell you that the biggest headache affecting anybody now is traveling on our roads, especially as it leads into Bridgetown. Not only is it a problem in terms of driving but it is now becoming a health problem. I am not surprised that there are many people coming down with diabetes, heart problems and stress in this country because of the stress created on those roads.

Hon. R. C. EASTMOND: Mr. Chairman, I am attracted to page 147, Head No. 13, Item: 244 – Object Classification 316 and also to page 146 Head No. 244, subprogramme 256. However, Mr. Chairman, I feel impelled to make some observation of the comments from the Members for St. John and Christ Church West who addressed some of the remarks at the question of the continuation of the Judicial Committee of the Privy Council, as the highest court of this, our sovereign land.

Mr. Chairman, the Honourable Member for Christ Church West said that the Privy Council has been known to engage in law-making legislation. I am going to re-enforce that point. It is a point that the Honourable Member for St. John was making, even though he was not so explicit.

In England, the people who sit in the Privy Council also sit in the House of Lords. In the last 5 years, they had challenges that confronted English law. Sir, there was a traditional old time law in England that a person between ages 10 and 14 could only be guilty of a crime if a person of that age formed a mischievous discretion. If that person was able to appreciate what he or she was doing was wrong, that person was then said to have the appropriate *mens rea* but when a number of youngsters between ages 10 and 14 repeatedly got involved in heinous and sexual crimes the

Law Lords said that it was not up to them to change the law but it was up to Parliament to do so. The Law Lords did not engage themselves in any judicial law-making. Parliament then responded by passing the Crime and Disorder Act, 1998, thus making children between 10 and 14 just as criminally liable as adults. Sir, the point is that those Law Lords refused to legislate the old law that applied to children between 10 and 14.

Sir, there was another incident where the Honourable Member for Christ Church West will remember Lord Cooke, in 1603, laying down the classic common law definition of murder. Mr. Chairman, this issue of a person wounding another and the victim having to die within a year and a day for the crime to be murder also was under review in England. Sir, both Parliament and the Law Lords had to look at the question of, does one still accept that in the year 1998 a person who is inflicted with a mortal wound must die within a year and a day for the culprit to be charged for murder? The Law Lords avoided abolishing the common law and left it to Parliament to do judicial law-making and left it to Parliament who then passed the Law Reform Abolition of a Year and One Day Act. Parliament responded in a situation where judges refused to make law where they should because if law is pure common law, then judges at the highest level, can resolve common law.

Sir, in *Candler v Crane Christmas, 1952*, there was a dissenting judgment indicating that a person can be criminally liable for negligence if the person caused loss in a situation where the person was in a special relationship with the plaintiff to whom the loss was caused.

In *Headley Byrne v Hetler & Partners, 1964*, the Law Lords further developed the common law; they changed it and agreed with the dissenting judge in *Candler v Crane Christmas and Headley Byrne* is likened to be the law relating to economic loss caused by misstatement.

They did not change the very law that they could change in England but they are engaging in judicial law-making for the Caribbean which should have been the responsibility of a Parliament of the Caribbean to say whether or not the death penalty should be abolished. Therefore our sovereignty has suffered another serious broadside. This week, I am told in the context of a decision affecting the OECN, the Law Lords have again spoken in such firm tone that there is no question now that the death penalty the OECN has abolished and since those sit in judgment, if there was an appeal in Barbados today, it is abolished in Barbados too, without the Parliamentary process occurring and in a situation where we must say that this is a strong affront to our sovereignty.

The Honourable Member for St. John did not say this but in the context of the Caribbean, even where a country

is a developing country, the litigant is usually a poor person; one who gets not the worst form of justice but a little of it; always measured by the cost of appeal. A lot of poor people in the Caribbean do not appeal cases simply because of the cost involved. It is unthinkable, Mr. Chairman, that the typical poor person in Barbados who wants to pursue an appeal to the Judicial Committee of the Privy Council will be unable to do so.

There is a case, the case the Honourable Member for St. John knows and certainly the Honourable Member for St. Michael West, long standing at the Bar, with a natural ability to enjoy Parliamentary longevity will remember these cases.

In the *Thomas v Attorney General, 1973*, where Lord Diplock delivered himself a classic judgment, where the question as to the status of public officers came up; where they used the old fashion rule in England that public servants were dismissed at pleasure. A man called Endell Thomas prosecuted the case right up to the Judicial Committee of the Privy Council which eventually laid down that civil servants are not dismissed at pleasure and that we Ministers are not the ones that have employed them, that the Service Commission has a true legal role. Mr. Chairman, 20 years after that case, *Thomas* had not paid the cost. It took a man that went to the Privy Council 20 years plus, to meet the cost and I am therefore saying in no uncertain terms Mr. Chairman, that any court which is supposed to allow rights to be vindicated, that is so far distanced and removed as to cause litigants to incur oppression at astronomical costs, must be a court beyond the range of the people. Are we going to have within our jurisprudence, Mr. Chairman, our highest court being entirely inaccessible to our people simply because they cannot raise thousands of pounds sterling to go to the Privy Council.

Sir, based on how the Privy Council behaves – and the Honourable Member for St. John was right – in *Gladwin Ophelia King v Attorney General, 1993* which went before the Privy Council, they came out and told the parties, our minds are made up. They did not call on the respondent to reply. They said, “look, the Attorney General of Barbados has automatically won this case.” They heard the facts of *Gladwin Ophelia King* but they said there is no need for the lawyers representing the Attorney General to reply. So even in civil cases in addition to the prohibitive cost we do not know precisely what mood this court, which is not indigenous to us and which, as has been said, is a practitioner of alien values, will ever do.

Mr. Chairman, the Honourable Member for St. Michael North East has made an observation today relating to the management of crime. She said that she was impressed with the means designed to tackle the problem at source. The Honourable Member for St. Michael South East said basically the same thing. There are at least three communities in Barbados which are quite restless 35 to 40 years ago,

which changed their ways when the occupants of the community started identifying more with the communities mores and their values.

In the United States of America, during the 1960s and 1970s Harlem was a slum *par excellence*; all of the stresses of the inner city culture had struck Harlem and it seems to me, without being an expert in these matters, that they devised a number of community projects, going to the source where people then got involved in community life and were able to see that their community had standards, values and norms and relate to them.

Yesterday I mentioned the word anomie – lawlessness – where people relate to norms and where the norms are sufficiently strong, then there is the chance that people will respect the norms and abide by them. The Honourable Member for St. Michael South East has said quite clearly that he laments the fact that alien influences are not just hypnotizing our people but bewitching some of them. If we could use culture and let our people know the power of culture, especially our indigenous culture – there is a mystique about Barbados’ folklore. Some of our youngsters when we try to talk to them, sometimes tell us not to talk to them about the old time days. Sir, there is an element linking what I have just said to what I will say now; the Royal Barbados Police Force has assigned two Police Constables to the district in which I live. The Constables were astute enough to contact me before their assignment began. These two Police Officers got involved in the community; for instance, one of the officers recognized that an old lady had been hit by penury and without asking anybody that Officer took upon herself to access assistance for that old lady. The Officers got involved in the community in a friendly way. They went to the local tavern. In fact, I took them to the local tavern, not for personal purposes, but where they had chicken and fish to eat and they were very proud to be involved in policing.

Mr. Chairman, you would notice that there is a 25 per cent increase in the amount of funding available to the Regional Police Training School. If you look at the figures at page 147, 25 per cent more financing will be provided to that great institution which trains policemen. In an era where the criminal has become very sophisticated, in an era where the criminal is very wise and very crafty, police forces must be sure that they train, retrain and further train their people to be able always to be twelve steps ahead of the criminal. I therefore welcome Government’s conscious decision to increase the level of funding for the Regional Police Training School because it will go towards further strengthening the police force. Training is essential in an era where the challenges facing policemen are greater than before.

I have spent some time reflecting on the position of the policemen and even though I said once in here that any

move towards revising the status of policemen must be taken in the context of a general overall regrading of the Public Service generally, having reflected on the role and training of the policemen, I came up with some views which I believe have to do with the real world experience. There are elements in this community that are so disrespectful of authority that the moment they see a person as a policeman who symbolises authority, they may take their disrespect beyond a thought or a temptation. There are police officers in Barbados with families where some of their families may very well have been constantly under repeated threats from those elements out there who, in their resentment against authority – and some of them feel that when they get punished in prison and come out, they have to come back out for revenge. The job of the policeman is very, very stressful. The policeman of 40 or 45 years ago, where there was no threat called the drug trade, no guns to the amount of what we have here, would have had a difficult challenge not compared to anything policemen nowadays have to contend with. The police officer today is confronted by threats, has to be always aware of the fact that when he is going on the beat, he may be threatened or met with violence, even when he has done nothing at all to encourage it and clearly we have to do our utmost to strengthen the resources of policemen.

In my village there really is not that much extreme measure of deviance, there are just one or two persons in the village who may not even be classically criminal. Some of these guys need some degree of psychological help and I trust that during this debate we can identify and locate the role of counselling as part of the process towards rehabilitation.

Mr. CHAIRMAN: Honourable Member, you can have another 15 minutes to speak about the police officers. Take leave now and return later.

Hon. R. C. EASTMOND: Mr. Chairman, there is an increase of 25 per cent for the Regional Police Training School but then at page 146, you will notice that last year the allocation was \$53 901 820 while this year it is \$56 406 325; more resources given in the certain expectation that they be deployed properly and ultimately will redound to the benefit of the Force and then of course to the society. I thank you very much, Mr. Chairman.
12.00 noon

Hon. Miss H. E. THOMPSON: Mr. Chairman, there are several elements of the themes covered by my colleague, the Honourable Member for St. James North, on which I wish to focus.

I will start at the point where he ended about the issue of remuneration for the Royal Barbados Police Force and to look at their terms and conditions. I endorse the call for us to look at the peculiar position of the police officer who is

working in a society that has changed dramatically, where there is a culture of crime today and look at this outside of a general regrading of terms and conditions for public servants. Sir, there are kinds of petty criminal activity that people no longer regard as crime and it is ignored, like going to work stealing pens and pencils to give to children and nobody regards that as stealing.

The Honourable Member for St. James North was saying that there is a group of people who believe themselves to be socially and economically marginalised and not having access to the wider benefit of the community.

Therefore, they wish to attack all of the symbols of social authority as exemplified by the police. The reality is that those persons previously identified as figures of authority and worthy of respect in the community are no longer respected. The teacher, the priest, the politician, the doctor, the lawyer and police officer, the kind of respect automatically attached to these persons does not now attach. We are seeing a whole breakdown of social behaviour which we need to examine very seriously.

While it is true that there is a high index of social development, wherever the economy seems to do well except in Islamic countries there is also a corresponding increase in crime and social deviance.

What are the root causes and how do we address them? It has become very fashionable in the United States of America to give all the sympathy to the criminal. To say that their mothers did not breast feed them enough, there was no man living in the house so they had no father figure, they were beaten with belts and so on. They attribute these factors as cause for any deviant behaviour that we see exemplified in their lives later on.

In Barbados we know what it is like growing up in communities where not only the parent chastised you but other people in the village will reprimand you when you did wrong. It is not part of our culture to find this social excuse for people who engage in deviant behaviour. At the same time, we need to make some determination of what it is that is causing young men and women on the streets in Barbados today to be so angry. Why is it you are willing to take a rock and burst open somebody's head if they 'mash' you or look at you too hard. Why is it that this notion of being 'diss' has become something of great social import. If somebody 'diss' you or do not treat you with sufficient degree of respect and attention or hold their own space at a distance from you, you feel the appropriate response is to do them serious harm and even take their life.

My sister told me on Sunday about an incident she witnessed on Saturday in front of the Central Police Station. She was giving a ride to an eight-year old child and as she

was traveling along Milk Market three fellows ran across the sidewalk, chopped up another fellow in front the police station without fear of being interrupted by the police and without caring whether the police came or not.

This incident happened in front of my sister's motorcar and nobody intervened or told them they were wrong. People flee for their own safety and my sister said that the child became hysterical but there was absolutely nothing she could do. She could not move forward because the fellows were in front of her vehicle neither could she reverse because there were other vehicles behind her.

Mr. Chairman, that was not the prevailing behaviour pattern in Barbados 30 years ago. The statistics show that crime reached its peak in Barbados in the year 1991 so while we talk today about the advent of crime and violence and think it is a new phenomenon, the reality is that crime was at its peak in Barbados in the period 1991 to 1993. This is not to say that we are not to find solutions for the problems that exists today.

Perhaps one of the more serious problems which we have to confront is the issue of the ownership of guns in the society. It has now become common place even with teenagers to feel that it is necessary to walk with a gun because they have something to defend. Sir, I do not know what that would be because at sixteen years of age, I cannot imagine what a person could have to defend.

Sir, they walk with guns and anybody who is walking with a gun has to be prepared if they are confronted by any threat not to recede from the confrontation but to respond in a violent way.

Sir, I read a book 'Politics of Hope' by Jonathan Sax and he was making the point that there is a direct connection between an absence of the facility of the use of language and the level of violence in a society. He said where people cannot negotiate conflict resolution, where nobody is willing to say sorry, the advent of violence intervenes. Where one does not and cannot use words, where one does not and cannot use language to communicate feelings of anger and hurt to resolve problems people resort to fists, rocks, cutlasses and guns.

The Honourable Member for St. George South is not in his seat but we know that Bulkeley at one time was a gun making centre in Barbados. Sir, guns were not a problem then but the guns we are encountering today where people are walking with sophisticated automatic weapons which are capable of discharging several shots in the space of a few seconds and if you are hit by them you cannot recover, then we have to be very concerned. Too many people have been shot and killed accidentally in Barbados because they happened to be at a bus stop and were struck by a stray bullet. Sir, they happened to be at a bus stop where there was

a shooting and they got into the path of a bullet or they were walking the street and someone was discharging a firearm just to show he had a firearm and they happened to get in the way of the discharged bullet.

12.10 p.m.

I am calling on the court because the laws exist in Barbados for harsher penalties for gun possession. Where a person is caught with a gun, they are not intended to use it for food or work, they are intended to use it to cause harm and to kill. Therefore, we should have the harshest penalties imposed for unlicensed firearms in this country.

We cannot talk about crime and violence and speak about the role of the politician and what the work of the police and the Attorney General is to be, without saying that the magistrates and judges have a responsibility in this country to use the laws that are on the statute books and to let people know that when they use guns, walk with guns in their possession or go to a dance or a social event and feel that they must carry along their 'key', then they must be prepared to hold the jail time in prison and then let your mother come up to prison and cry for you because she would not tell you not to come into her house and bring any gun and hide it in here.

They are a number of mothers in this country who are encouraging their young sons and a lot of girlfriends are encouraging their boyfriends to walk with guns, to keep guns and to use guns. It is a big thing these days in the community where you can have a bigger and a more sophisticated gun than the other person. We need to reach the stage where there is zero tolerance and that we are not accepting it socially. We have to go into the community at every level and say to them that it is not going to happen. The person who ends up dead may very well be any one of us.

Sir, you should not feel in that Barbados you cannot go to a football match because people may start shooting at each other, which is now common place. You should not feel that you cannot go to a funeral because people may pull out guns and discharge them into the air, this is what is also happening in Barbados. Let us have the strongest possible penalties for those who use guns. There is, in my view, a duty on all of us that where you know someone who has an unlicensed firearm to report it to the police.

Sir, this leads to a broader question and it is whether the police themselves behave in such a way as to inspire the confidence of the wider community, so that you would feel that response time to your telephone call, if you are under threat, is going to be quick. I had an experience on Christmas Eve 1999, where I personally telephoned the police at my parent's place in Baxters Road, with a police station a few yards down the road, where a woman came

into the business place and beat my father. I phoned the police four times and it took them three hours to get there.

Asides.

Hon. Miss H. E. THOMPSON: The point that I was making is that the wider community must feel that when they report a matter to the police it is going to be held in confidence. They must feel that the police are serious about protecting them. They must feel that the police themselves are not hooligans. They are some police who are hooligans, let us not make any mistakes about that. They are some whose reputations are good and that information is on the streets and in the communities and it is critical to the whole reputation of the force and the success of the efforts in the community policing, to weed out those persons who are known to be marginal criminals.

If we are going to ask the police to confront the worst criminals in a community where the climate to them is intrinsically hostile, then we must equip them for their jobs. We have to give them all of the resources, training, financing, cars and other equipment and proper remuneration with proper benefits.

Finally, it is my view that the members of the Royal Barbados Police Force, and I called them by the name that they still have until such time they lose the Royal, which I hope will be sooner rather than later. This is a call that I made in this Chamber last year, and the year before that and I will reiterate it today. If we are asking the police to work in an environment that we know constitutes danger; where in the community we have seen some of them shot and killed in the line of duty; where we have seen prison officers killed in the line of duty at Her Majesty's Prison; then we must put in place an appropriate insurance policy that covers the lives and limbs of officers who are on the streets every day; who will be in the front line of defense and who themselves must feel that they are protected and their families are protected by some insurance policy when they go out onto the front line.

Sir, they will not be inclined to fight as vigorously as they can if they have no incentive to do so. Let us pay them properly and make sure that all police officers are properly insured so that if they are injured and cannot work or if they are killed in the line of duty that a proper compensation will go to them or their families.

I have been asking this Parliament for such a scheme to be put in place for the last three years and I will continue making this call every year until it comes to fruition because I think it is critical.

Thank you very much, Mr. Chairman.

Hon. Miss M. A. MOTTLEY: Mr. Chairman, I would like to thank all Honourable Members who spoke, especially

the last Member whom I think spoke very frankly and very much to the point. I must agree with her that I am one of those who feel that the issue of the credibility of the police force is absolutely the key to the fighting of any crime. To that extent, I have made that comment to the Commissioner of Police on every occasion. I think that he understands and has a duty to weed out those few people who want to bring a bad name to the police force and to that extent I look forward to his decisive action in those areas.

I want to make a document, which has not been made public, a document of the House. I think that it will help inform this debate. I have been speaking of the empirical evidence on a number of areas and as you know we try to deliver that information now that we have that capacity. This is the Crime and Justice Bulletin No. 3. I have made a copy available to the Opposition as well as making it a document of the House. It makes very interesting reading in respect of crime against visitors from 1980-2000.

Sir, it generally shows that in almost every instance crime against visitors has fallen substantially in Barbados over the last 20 years. There was a peak in crime in 1991-1992, which was associated with recessionary time and that is why we must work so hard to make sure that there is no consistent systemic recession. You will expect an increase at a time when you have that kind of recession.

Let me say that what is significant is that recorded crime against visitors has dropped. The crime rate per 1000 visitors in 1980 has gone down from 143 to 30 per 1000 in the year 2000. In the year 2001 it has dropped even further. In respect of robbery we have gone from a robbery rate in 1980 of 16 to a robbery rate of 6 in the year 2000. In respect of burglaries for 1000 persons, it has gone from 85 in 1980 to 31 in the year 2000.
12.20 p.m.

As I indicated, robbery is one crime where there is a higher incidence among visitors than among local persons and, therefore, it is significant that we continue to see a major reduction in the robbery rate among visitors as well as among locals. I want to make one correction. The *Nation* Newspaper would have carried today a series of statistics for 2001 and attributed them to the Bridgetown Division. I am not sure whether I made that connection or whether they misquoted me, but if I did make that statement I want to relate that those figures relate to the entire Barbados and not the Bridgetown Division in respect of the figures quoted in the front page of today's paper.

Mr. Chairman, it is therefore clear that we have generally seen a significant reduction in the crimes against

visitors in most instances by more than 50 per cent in the last 20 years and I think it is a tribute to the Barbadian population as well as to the Royal Barbados Police Force and those within the tourism sector that this country has worked assiduously over the last 20 years to try to reduce the incidence of crime against visitors, recognising that the tourism industry generates more than \$1.5 billion in revenue each year and that it directly impinges on the quality of life that each and every Barbadian has because of the level of revenue that it brings in.

Now that does not mean that we are not concerned about each crime that still takes place so that to the extent that the burglary rate is still at 31 per 100 000 – .003, or to the extent that the death rate is 13 per 100 000 or to the extent that the robbery rate 6 per 100 000 or to the extent that there is any crime against any Barbadian or against any visitor, we must be concerned but we must also recognise that we have been doing a good job, that it has been a joint effort and I look forward to the Royal Barbados Police Force concluding – I announced it and I know that they have started to work on it, but I want between themselves, the Barbados Hotel Association and the Ministry of Tourism to work on voluntary certification on the basis of a voluntary security audit.

To the extent that crime does exist, as I explained yesterday, a lot of it is still as a result of the complacency or the lack of appropriate security solutions being undertaken by individuals. The Prime Minister has put fiscal incentives in place and, Mr. Chairman, we need to encourage people to use them and to recognise that the first responsibility for persons' safety is on themselves. After that, we then enlist all other persons who can help enhance the quality of security.

I believe strongly, Sir, that this information should be reflected upon seriously. What I am concerned about is that the clear-up rate on those crimes that do exist against visitors is still too low. That is why I am welcoming the establishment of an operational forensic sciences centre later this year because we have to increase the level of training that police are afforded in forensic investigation to be able to improve the detection rate. It is absolutely critical, as discussed, for further cooperation with the Canadians and I hope to be able to discuss it with one or two other jurisdictions so that we can expand the level of training and expand the range of tests that can be done to be able to ensure that justice can be brought swiftly against those who perpetrate crimes in respect of it.

What is good about Barbados is that we have virtually no offences of any serious nature relating to personal violence against visitors. Long may that last! It requires assiduous effort on the part of the entire population. If we can bring that same effort to bear on crime in the community, I have every confidence, Mr. Chairman, that over a 20-year

period we can see a change back in the ways and values of Barbadians and the incidence of crime and what the Honourable Member for St. James South referred to as the nonsensical behaviour over a concept of being "dissed". Anybody who behaves in that way really belies an insecure person. Anybody who feels that they must take weapons or attack somebody because they have been "dissed", really is a very insecure person.

We have to be able to show and teach people how to resolve conflict without reference to violence and without reference to wanting to lick up somebody. I look forward to our being able to do that in a comprehensive way.

Mr. Chairman, I hope that this can enhance the debate. As I said, I may have to bring down the other copies this afternoon, but I would like to make this available to the Opposition and members on this Side because I think it makes for interesting reading and I hope that we can continue with this general bipartisan approach to the fighting of crime and the preservation of law and order. Thank you.

Mr. T. A. PRESCOD: Mr. Chairman, I would like to address this Chamber on a very critical issue. Anyone who has an interest in life, abhors and certainly has contempt for criminal activity. I live in a neighbourhood, Sir, where many of our people experience criminal activity, are victims and, in some cases, we have perpetrators in the environment and because of good will many of us interact in the community and try to do all that we can in order to bring about a change in that environment so that we all can live a very peaceful and long life. So I, too, have great contempt for crime.

While we try to rationalise this phenomenon, there are elements of crime that are so irrational and still very explosive that they are as unpredictable as a hurricane or an earthquake. We cannot solve it and the reality is that it will always be with us. We cannot eradicate it but we can restrain it and one of our responsibilities is to put the correct institutions in place and mechanisms in place to restrain it.

Very pertinent questions emerge out of these points which I have highlighted and I want to make this point because I do not want you to believe that crime overnight is something alien to society. With my superficial knowledge of the Bible, from the inception with Cain and Abel, one of the most felonious crimes was recorded, the crime of murder. It is still with us, but that does not mean that we support crime.

We have a responsibility, Sir, to do all that we can although we also know that these communities in which we live and the country in which we live has a history of crime, for crime itself is responsible for our being here. The Honourable Member for St. Michael South East made some

interesting proposals. I am not convinced at this point, Sir, that more rigid penalties deter criminals because crime is sometimes so irrational that it is difficult to believe that as a result of increasing or making the penalty more rigid that it will deter the criminal.

12.30 p.m.

Sir, I said that sometimes crime is so irrational that it is difficult to believe that, as a result of increasing or making the penalty more rigid, it would deter the criminal. I believe that penalties are really a reaction after the crime has been completed. When we see crime emerging, it signals to us, as policy makers, that something is wrong in the society that has caused this fundamental change overnight.

The Messiah did not change people overnight and say you are all now criminals, so there is something that man is doing that is wrong, that has caused men to become criminals overnight, especially if we recognise that this phenomenon is increasing in the society. Therefore, we have to ask the question, why is it happening and what has caused it to happen? My argument on this is that, because of the changing value in the society, stimulated by the material state in the society, and the desire to achieve it, in some cases with limited educational background which does not provide the vehicle to achieve the income to purchase it, sometimes with limited opportunities in the labour market, and sometimes because the very people who are the perpetrators of crime are isolated and alienated from mainstream society, because of social snobbery. That is my view. As I said there are also cases where we cannot even understand why because it is irrational.

Aside.

Mr. T. A. PRESCOD: I am not saying it is a working class phenomenon, because it has happened at all social sectors of the community. Sir, in terms of the numerical presence of the persons incarcerated in Her Majesty's Institution, the vast majority of these people...

Aside.

Mr. T. A. PRESCOD: ...these are the realities and the material facts that must be examined, because if it is not a problem that is predominantly among the working class, another question has to be asked in the society. That is, why it is that the working class, in the majority, has such a high percentage of persons incarcerated in prison, and very few of the persons in the other social classes in the society.

Sir, many people in this society could point at those who portray themselves as role models, as well and identify mysterious means that they have used, in order to gain their achievements in the society. The role models in the society also continue to isolate themselves from the very people from which they sprang. They have little time to socialise in

the communities with these young men and to impart, not their negative values of cleverness and duplicity, but to impart the positive characteristics which they have that made them what they are today.

Sir, if you can get some of these people going back into the neighbourhoods and spending some time, but we have been making that cry in here for quite a long time, because they move into secluded districts and they have no time, Sir, like you and me, and some of the Honourable Members of this Chamber and some of the other prominent people in the community, to go back into the community and interact with the young men.

There are young men with very fertile brains and sometimes virgin brains, that need something implanted in them. If you allow them to go in a big empty house, to make decisions, the chances are they are likely to make decisions that are not too civil in this environment. Therefore, persons who consider themselves to be in possession of knowledge, can share that knowledge with younger people so they would not have to experiment. If you learn something and you impart it, you can stop another man from experimenting to find out what will be the likely results. Unfortunately, we have too many people who understand the distinction between knowledge and experience itself and there are senior persons in the society who do not spend that time.

Sir, I take time off to walk through my community and interact with many men and women who are seen as social outcasts. I spend lots of hours on the block talking to the young men and there are lots of questions that need to be answered and with my limitation, I do all that I can to provide those answers, or point them in the right direction.

In some cases they need employment. Unemployment is a problem, not the only one, but it contributes to crime and these are realities. I am sure that if you can give me a couple of jobs in my constituency, I could reduce the level of crime in St. Michael North East. Sir, those are the realities and sometimes it takes just a little advice, sitting down and pointing them to the correct institutions in the society, that will give them a start. Sir, they have certain fears, that they cannot even go to the institution, and ask a simple question of any man, since he is an intellectual.

The young men retreat and cuddle, out of fear, because they believe that they are not wanted, and no man likes to live a life in a society, where he is not wanted. If you want to see a man axiomatically become barbaric, let him feel that he is not wanted. Sir, that is what the Honourable Member for St. James North was trying to explain when he spoke about adamanance and hopelessness in the system. If you make a man believe that he is not important, and he is not an integral part of the whole process of civilisation, he

becomes an enemy, and too many of us in this society are making young people believe that they are not a part of society. Sir, that is why I say that the signal of crime is also a signal for us to change the way we behave towards each other.

Sir, you have to respect the social science, just as you respect the natural science. The signs clearly indicate that there is a high level of illiteracy among the persons who go to prison. There is a very low level of skills and because of the lack of these positives, they cannot find opportunities in the marketplace when they come out of prison. Therefore, we have to put systems and policies in place, to have persons executing the institutions that are tolerant and can deal with these individuals.

Sir, I have witnessed, on too many occasions, where I have to go with young men whose mode of dress is not respected by the elites in the system, and persons that are respondent refuse, to acknowledge their presence because they do not look like them.

Aside.

Mr. T. A. PRESCOD: These discussions in Parliament, must be very serious. We are not into rituals. We are serious about what we are talking, and we are trying to make valuable input. There are men and women in this society who cannot change their clothes to anything better. They wear what they have and in most cases, when they are going certain places where they believe that people possess certain characteristics, or qualities, they wear their best. The unfortunate thing in the society is that we believe that because we can do better, the people who come to the office can do better also, and that is not always the case.

Sometimes these men do not have shoes. There is no comb to comb their hair but they go to the offices with respect for the person with whom they may come into contact. Those persons who ought to know better and should be more appreciative of the state of the individual behave in a very animalistic way towards that human being and we have those problems in this society. Sir, most of these men who are perceived as perpetrators are victims. They are perpetrators and they are victims too because they are victims of social snobbery.
12.40 p.m.

We need to have an after school institution, as the Honourable Member for St. Michael East indicated, where these young men and women can feel comfortable, with all their limitations, of not being able to conform to what is considered as accepted standards because they are trying to raise a man by his boot strap and make him somebody of value by instilling positive qualities and norms, so that he can respect the norms of society that are responsible for the stability of the environment that we want to create.

Sir, the Ministry of Social Transformation, the Ministry of Education, Youth Affairs and Sports and the Royal Barbados Police Force (RBPF) must have special organs with serious committed individuals who understand the objectives of the State organ and have a common understanding of the methodology that is required to bring about change. They must understand what they are trying to change and what they want to achieve.

Mr. CHAIRMAN: I will now ask the Honourable Member to wind up.

Mr. T. A. PRESCOD: If we can do that in those institutions and in the Resource Centres we can meet and discuss the original plans and programmes to bring about the changes that can change conditions in this society and make it a better place for all of us. I believe we can restrain crime to a tolerable level.

Thank you very much.

SUSPENSION OF SITTING

On the motion of Hon. R. St.C. TOPPIN, seconded by Hon. A. P. WOOD, Mr. Chairman reported progress to His Honour the SPEAKER and asked for leave to sit again and Mr. SPEAKER resumed the Chair and reported accordingly.

Hon. R. St. C. TOPPIN: Mr. SPEAKER, I beg to move that this Sitting be suspended until 2.00 p.m. today.

Hon. A. P. WOOD: I beg to second that.

The question that the Sitting do now suspend until 2.00 p.m. today was put and resolved in the affirmative without division and Mr. SPEAKER suspended the Sitting accordingly.
12.45 p.m.

RESUMPTION

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

COMMITTEE OF SUPPLY – Cont'd

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

Hon. Miss C. Y. FORDE: Mr. Chairman, I want to give my support to the Estimates of the Attorney General's Office and commend the Honourable Attorney General for the outstanding work she is doing.

Mr. Chairman, I came along hearing that poverty is no excuse for crime or disrespect, and still maintain that is the case. Mr. Chairman, Honourable Members in this House may not want to believe me but I have been saying for many years that if I had started my career in the police force it would have been one of the best things that would have ever happened to me. I know that I am over the hills now and, therefore, cannot become a police officer but I am committed to giving my wholehearted support to that department because I think it is incumbent upon all of us, as citizens of this country, to support the police in the various efforts to ensure that we stamp out some of the crime and violence and disorder that is escalating in this country. We know this is happening in the rest of the world but I am basically concerned with what is happening in this dear little country of ours.

Mr. Chairman, I want to make a comment regarding something that was said by the Honourable Member for St. Michael East. While I agree that there are tremendous challenges facing our young people daily, I still believe that the value systems that all Honourable Members and all other right thinking Barbadians inherited from our foreparents still hold.

I heard another Honourable Member make mention this morning to a judge on MCTV. Mr. Chairman, the way those people are dressed and the way they respond to the judge is what I have always known. I do not have the experience of going into a court of law to argue any case or anything but my understanding of the courts is that people should be properly dressed to go before the judge. I know that many of our people are meeting tremendous difficulties but nothing can take the place of common courtesy, simple cleanliness and people setting goals and working towards their ambitions.

All of us in here grew up in poverty and know what it is like not to get the necessary pair of shoes, the meals that we need, the clothes that we want to wear or even the kind of house or car that we want to have but we have been taught not only from school but from the home that we need to learn to cut and contrive but it seems as though cut and contrive no longer exist in the dictionary. Too many people want it and want it now and want it by all means and they go after it even if it causes serious repercussions down the line for them.

I think that education has a real specific role to play in every sphere of the discussions here today and for the rest of the week because it is the duty of parents as well as our neighbours and friends to properly train our young children because the Bible says to train up a child the way he should go and when he is old he will not depart from it. I think it is important for parents to take full responsibility for the training of their children. Many of them are abdicating their responsibilities in training their children to learn to accept what they have and how to learn to improve. It calls for

sacrifice and industry, and it calls for loving and caring for your fellow man if we are to get it right. So I have a difficulty when I hear of individuals not understanding young people.

It is ironic to know that many of them who go into a court will be wearing the latest Timberland, Nike, Fubu, Addidas and other forms of brand name shoes because all of a sudden most Barbadians are of the opinion that they do not have to prioritize anymore, that it is the materialistic outlook you have on life that will take you where you want to go.

I have no difficulty with people who are working for the resources to buy Timberland shoes but you will never see yours truly in a pair, Mr. Chairman, simply because I do not have that as a priority. I have other priorities even if it is taking \$200 and giving it to a poor old woman or an old man or a young mother to help them to buy a meal or to pay a light bill. My role is not to wear Timberland shoes because my feet are extremely comfortable in the little cheap shoes I can buy from anywhere as long as they look good on my feet and I feel good in them.

2.05 p.m.

We have reached the stage in politics in Barbados where it is no longer tell me what I want to hear but tell me what I need to know. Tell me what I need to know and let me see how I can capitalise on it. Do not only tell me what I want to hear because people are going to be frustrated by hearing the same story and the same promises over and over again and they now want to be pointed in the direction where they can use the resources and the ability they have to be able to improve their lives.

I want to let the police force know that I admire them for their commitment. I support many of the comments made by the Honourable Member for St. James South that the few who have engaged in negative actions should be weeded out. The police have to ensure that credibility is put back into the Force.

My grand mother had challenges like anybody else but she always said she did not want her name put in the book at the station because she would not be able to get a testimonial, passport or be able to command the respect of people in the neighbourhood. Therefore, she simply grumbled and moved on with her life.

Sir, the education system has to teach young people how to deal with conflict. It has to teach them how to resolve their issues and what the consequences of their actions are likely to be. We have to provide opportunities for them but also let them know that if they do not use the opportunities well, there will be consequences that will impact on their own development. We also have to teach them how to show compassion for one another and be role

models if they are to emulate us and carry on the value system that has helped us thus far.

Mr. Chairman, in the late 1980s, the Honourable Member for St. Lucy and the Honourable Member for St. John will remember a young lady at a meeting made it very clear that if guns were taken away from young men and women there would be nothing else for them to do and she said this as if their trade was being taken away.

Mr. Chairman, that statement has come back to haunt us. Sir, the Democratic Labour Party did not make any effort to disassociate itself from the comments made by that young woman. If we are talking about stamping out crime in this society, it cannot be seen as political and all of us have to do it together.

We have to work together, uphold the standards that have brought us this far in our history, build on the pillars that our foreparents started and let Barbados continue to be the gem of the Caribbean as we know it to be.

Mr. Chairman, I think that guns are too easily acquired by our people. The Honourable Member for St. Michael North East made mention of the havoc created when individuals use guns in the public forum. It creates tremendous fear, instability and it sends the wrong signals to the youth that unless they are armed with something that can create havoc in the society, then they are helpless.

Mr. Speaker, we in this Chamber do not have to walk around with guns because we are law abiding citizens. We meet challenges every day but we do not react violently. Sir, this morning a ZR driver made a right turn on me coming from Brighton going towards Workbench Furniture and I could only shout at him and call the Hotline. I could not take out a gun and shoot at him. Sir, I would not walk around with a gun, cutlass or scissors to do harm to anyone because there are other ways of dealing with such issues. Therefore, the fear and instability that is being created among our people is wrong.

Sir, I want to support the measures taken in these Estimates to assist the police in getting the resources against crime. The police have families and they deserve security in their jobs to be able to fight the menace that is enveloping the entire country. We as law abiding citizens must get up and play our part if the police is to get the necessary support. I want to caution them to always act professionally and hold the information given to them in the strictest confidence because to expose the persons who give them the information will create further confusion in the community where those persons live.

Mr. CHAIRMAN: The Honourable Member has two more minutes.

Hon. Miss C. Y. FORDE: Mr. Chairman, in closing I want to say that in the same way that the Defence Force has reserves, I want to suggest that the police be given reserves as well. The Cadets and Girl Guides can perhaps assist in this area and this will help to strengthen the work that police do in the community.

I also want to offer my services, limited though they may be, to any organisation developed so that I can assist the police, as my family will and as the good people of St. Thomas will, because St. Thomas is the parish with the lowest crime rate in the country and I trust that will continue for decades to come.

Mr. Chairman, I lend my support to these Estimates and to this Head.

Mr. M. Z. WILLIAMS: Mr. Chairman, first I would like to take the opportunity on behalf of the constituents of St. Michael North West to congratulate the Honourable Member for St. Michael North East, who holds the distinguished position of Attorney General of Barbados, for being elevated to the position of Queens Counsel. This is an example for young Barbadians because she is the youngest person to be given the title of Queens Counsel.

Mr. Chairman, we are aware of the fact that times are changing rapidly. We all know that Barbados is a signatory to many agreements made by international bodies and it is obvious that we have to comply with regulations laid down by these international bodies. It also introduces the fact that the same way we can level the playing field at that angle, there is a possibility that Barbados may be susceptible to some of the international gangsters who would prey on a country like ours.
2.15 p.m.

I am extremely pleased to see that within the office of the Attorney General they have started to prepare themselves for things that could happen to this country. Barbados is not, in my opinion, a country that can easily escape anything that happens in the world today. We must prepare ourselves for any eventuality. We have seen what happened with the Twin Towers where innocent persons lost their lives. Chances are it could happen to us and we must be prepared. I am extremely pleased that within the Ministry of the Attorney General provision has already been made for such protection to be given to the people of Barbados.

Sir, one thing we must understand is that firearms in the hands of people who use those guns are threats; weaklings who walk around with guns and believe that guns give them strength are ignorant people. Some people who use guns for this kind of so-called strength and confidence usually suffer from mental and academic problems.

Sir, a gun in the hands of the wrong person is a dangerous weapon. We also have other instruments, the computer and the internet, and in the hands of people with criminal minds these can be very destructive. Barbados must be prepared to be able to expect international gangsters and criminals who probably will be aware that the internet is a vehicle by which they can direct devious deeds to a country like ours.

Recently in our country, there was an incident where some people misused the internet in a reckless manner and who believed that was the right thing to do on the internet. Even in the home people are using the internet to commit crimes like technology crimes. Technology crimes could be compared with the smoking of marijuana. People who smoke marijuana use something called a wrapper and it is sold in shops and pharmacies in Barbados. Nobody has done anything to prohibit wrappers from being imported into this country. The wrappers, perhaps, which lead to the smoking of marijuana are allowed into the country *carte blanche*, that is one of the things that we have to look at.

Sir, in order to deter people from smoking marijuana you have to stop the big commercial businesses, who protect their children from smoking marijuana, from importing these wrappers because these businesses are aware of the consequences of selling these wrappers that cause the destruction.

Mr. Chairman, we talked about copyright but we must understand that we allow a piece of equipment attached to the computer called a burner to come into Barbados. Anyone can go into a computer store and purchase a burner. The manufacturers of the burners knew that the burner was a little insignificant feature in the computer. They then decided that they would produce blank CD's and put them on the market. Now that the blank CD's are available, anyone can purchase a CD and use the burner to copy other people's work and sell it to people around the world. That can also be considered an international crime.

We must realise that because of modern day technology, Barbados is susceptible to international gangsters. We talk about the crime in this country but the United States of America sent back to Barbados criminals who grew up in the United States and know their system and who never knew a cart road or a gap in Barbados. The United States sent hardened criminals to this country who have committed some of the most serious crimes in the United States, without notifying the authorities in this country. Now we have criminals who have come to Barbados and are roaming the streets committing some of the most serious crimes that anyone can imagine.

We must compliment the members of the Royal Barbados Police Force. A lot of people in this country

underestimate the intelligence of the Royal Barbados Police Force and the work that they are capable of doing. Since they are capable of doing the type of work that they have been doing over the years, I am positive that those persons with criminal minds would think twice before they commit a criminal act because of the work being done by the police in Barbados. There is a possibility that crime could be nipped in the bud.

I heard the Honourable Member for St. James South talk about the behaviour of people in Barbados. We must understand that in the comfort of our homes we allow one of the most wicked and devious pieces of appliance to come in and that is the television. Young people are able to select channels and watch all kinds of criminal acts being portrayed in movies and then imitate those criminal acts.

Sir, I know of a robbery that took place at Purity Bakeries many years ago by a youngster from the Pine who had imitated a robbery on a video. The police were quick to apprehend the criminals and they were convicted.

Asides.

Mr. M. Z. WILLIAMS: Sir, we talk about licensed guns and persons being on remand for offences committed and are still in possession of their guns while on remand. I do not see how a person who has faced the court, who is the owner of a licensed gun, should have the right to have that gun. If you face the court for a charge, I believe that that gun should be taken away from you, that you have no right to have access to that gun, whether it is a gun charge, whether it is a vehicle charge or whatever charge.
2.25 p.m.

I say that, to say this, Mr. Chairman. I was the most amazed person two days ago when a young man came to me, and when young men tell you these things you have to be alert because when they see it they wonder if this country has two sides, one for the rich and one for the poor. They start to wonder how a certain individual in this country who has been charged for a serious crime was seen at the Garrison Savannah sitting in the stands with a revolver strapped to his leg. That young person knew that that man was before the courts of this country.

You cannot have what I would consider to be two sides. That could not be a perfect example for a young man to see knowing that that individual is before the courts of this country for a serious charge but has the right still to travel with a weapon of that nature in a crowd, in a place of entertainment, which is the Garrison Savannah. I am saying that Barbadian youngsters are watching these things. This is one of the things that we must understand why the young people are reacting like this.

We must ask why the young people are reacting. Are we setting a perfect example for young people? We sit in our homes and allow our children to go and rent blue movies and we do nothing about it. We sit in our homes and allow our children to bring in all types of friends and we do not challenge the friends that our children bring in. We have the strong belief that our children are perfect but when things happen, the first thing we start to say is, 'not my child', but it has been happening all along.

I say that all of us must be our brother's keeper. All of us must be aware of our children. All of us must be conscious of the type of friends our children keep. A lot of school children in this country are allowed to roam the streets of Barbados at all hours. School finishes at quarter to three and you can go to certain parts of this country and see school children on the roads at all hours. Is there not a law? Are the schools not protective of the very children that they are educating? Are the parents not protective of the very children that they brought into this world?

When we talk about children doing these things, then we have started to create a society of two cities, a city that is good for one and a city that is not so good for the other. We must have a level playing field if we are supposed to project Barbados into a better life.

I am very concerned when it comes to the area of sports and I am drawing this to the attention of the Office of the Attorney General as well. I heard my learned friend speak about sponsorship, and it hurts my heart to see young men in this country and young ladies in this country playing games and when you see who they are sponsored by, it is by some of the biggest alcoholic beverages in this place that you could ever think about. And you talk about substance abuse. You talk about young people using drugs. You talk about young people using alcohol, but then you are not aware that the very teams that they play for are sponsored by people who project alcohol and all types of devious things in order to get their products across.

I am saying that if you are setting a standard, if you intend to protect young people, these are things that should not be allowed. I disagree with young netball and volleyball teams having sponsorship by some company that portrays and promotes alcohol beverages. We build centres all across Barbados and try to tell our people keep away from this and keep away from that, but, Mr. Chairman, this is not the Barbados that we knew in the sixties. This is a Barbados that is prone to international gangsters and international criminals.

I am extremely pleased to see that we have started to prepare ourselves by way of protecting Barbados from those people but we must start to protect Barbadians from themselves and make Barbadians understand. If we can do it,

then we can become an example for others across the world to admire. I thank you for the time, Sir.

Mr. D. St. E. KELLMAN: Mr. Chairman, I want to enter this debate again and to say that I am very happy to hear the Honourable Members on the Other Side admitting that it is time that we seriously look at redeveloping the police force and admitting, as I have been trying to do for the last seven years, that there is a need to improve the benefits to the police force.

There is no doubt within my mind, Sir, that the job of a policeman is not the same as it was 20 years ago.

Aside.

Mr. D. St. E. KELLMAN: I am very glad that the Honourable Member for St. Michael North has admitted that he has always supported me on this point. I want to say, Sir, that people must understand that once when a policeman left home he was sure that he was in control of his beat. The truth is that today it is very difficult for that policeman to continue to believe that he or she is still in control of that beat. We must recognise the seriousness of the job and we must apply the necessary benefit, and that is why I am happy the Members on the Other Side are finally recognising that we need to look at the police force outside of the total picture and recognise the job that they are doing. In order to do that, Sir, we cannot only do it in terms of compensation on the monetary side but we have to recognise that the number of personnel requested by the Commissioner of Police must be given to the police force.

That is why I continue to ask the question. If we are outside of the Cold War why cannot we recognise that we have personnel elsewhere who are trained to deal with some of these crimes that we are now fighting? The truth is that the drug war cannot be tackled only by the police force. It must be tackled under the guidance of the police force using personnel from elsewhere. We are not dealing with Sunday School children and we must understand that, Sir. The drug trade now is either I get you or you get me. With that type of an attitude we must make sure that the Commissioner of Police be given the right personnel. I am not saying that the policemen are not the right personnel, but I am saying there are other people who are trained at a higher level to deal with the type of criminal which we have to deal with in Barbados.

Not only that, Mr. Chairman, sometimes we believe that we are only dealing with Barbadians but the truth is that because of the drug trade we are not sure what a policeman is asked to defend when he or she has to go on a drug raid any night along the coastline of Barbados. Seeing that we do not know what will be confronting our personnel, we have to make sure that the necessary personnel and fire power is there to protect the lives of the policemen.

Sir, that is why I would totally support the expansion of the police force because we also need not only policemen to deal with that type of crime but we need policemen to do community work. I believe that the resident beat policeman is one of the most important policemen today. The police force must have the necessary personnel to make sure that they station policemen in those districts that they know of, so that they interact among the people and correct the crime problem instead of having at some stage to pull personnel designated to be resident beat policemen to do other work because of limited resources. Sir, if they say they need another 800 men we should find them, even if it means sacrificing another section to make sure we get them. We have to recognise that if we do not do something about that aspect of crime, Barbados will not belong to us.

We also have to understand that there are certain sports that carry certain cultures. The necessary resources must be given to the police to interact at these sports.
2.35 p.m.

Sir, you and every parliamentarian in here, who spend time among sports, know what will happen among certain sports. We know that it is not in the interest of our citizens to allow it to happen, but the truth is, we cannot continue to stretch the limited resources of the police force and what we expect of them, without necessarily giving the resources to correct the particular problem.

I honestly believe, Sir, that if the resources are given, a lot of the problems we are confronted with, will be solved. In Barbados, we like to starve people and then point finger at them. The days of starving people and finger pointing must stop and I can tell you why. The problem is the drug trade. As far as I know, we do not grow drugs in Barbados at that level, so it means that it has to be a drain on our foreign reserves, when the money is used to buy drugs outside of Barbados.

Sir, I think it is better to protect our foreign reserves by increasing the number of policemen on the beat, as they fight the drugs, than to allow people from outside and some inside to deplete our resources by coming into the country, allow our citizens to buy drugs and the money is taken back out of the country. Sir, so that when we think we are doing well, one morning we will wake up and realise that all the money that we have worked so hard for, is depleted, and everybody would want to know what is happening.

We have to realise that Barbados is under attack by those countries who grow and create drugs. Sir, to them, it is a trade and if Barbados is seen as lucrative, we will always have a problem, especially seeing that we are an island. They know that we are limited in resources to protect our coastline, so there will always be an attack on us. We brag and talk about our foreign reserves and how well we are doing. We also have to understand that when we say that,

we are inviting the enemy. If we are going to invite the enemy, we must be prepared to fight the enemy. I am saying that we have to get proactive and do something about it, with the understanding that the drug trade can deplete the resources of Barbados.

Sir, we also have to watch the link between gambling and drugs. I know there are many systems in place and today, I heard a lot of people talking about the Money Laundering Act but I want to say that there are a lot of innocent people who take their money to the bank, on a daily basis. It is a habitual thing and people are harassing them for banking normal money. The truth is that I am not hearing about those people, whom certain bankers know might be doing otherwise, being harassed.

The truth is, I am not blaming the bankers. I am blaming the system. The document that was prepared and given to the bankers, telling them that when somebody turns up with \$10 000, to make them complete a form, is foolishness. I want to say, Sir, that the people banking the money should not even know that they are being watched and that is the problem. They should not even know that information is being passed on about them. When you turn up and push a document at them how many people do you expect to sign that if they are really dealing with funny money. It is just like asking fishing boats, when they are leaving home, to register before they leave. This is foolishness.

Sir, you need to find out the frequency of the visits by fishing boats, and keep that information, so that you can monitor properly. As long as people know what you are doing, they are going to correct the problem so that system which is in place, is antique, so you need to refine it. The problem with Barbadians is that we tend to adopt too many systems that we get from outside. I am saying whoever sends the systems here, we should throw them out and adopt a system to solve our problems and create solutions for ourselves.

Sir, if you really study it, you will realise that it is foolishness. If you walk in a bank with \$10 000 before someone takes the money from you, they will tell you to complete a document, how many people do you think would complete the document? The truth is, if they allow you to bank the \$10 000 and pass on the information of the frequency of the deposit...

Aside.

Mr. D. St. E. KELLMAN: Mr. Chairman, I am saying that there is something about solution, and if you want me to proffer the solution, I will. I have said that Barbados is the only country I know, and Barbados is the only country I want to know. My children have to live in this country, and I am going to make sure that I do

everything in my power to make sure that my two youngsters could live in here, and everyone else's youngsters can live in here and whatever I could do to stamp out the drug trade in this country, I will.

People have said to me, on many occasions, that I need to watch what I am saying but the truth is that I will stand up because of a principle. We have to understand the effect that it can have on the particular country and we also have to realise the rippling effects and the cultural penetration that are taking place in this country. Sir, I agree that television has a lot to do with this but we do not worry anymore about what we are showing on our television.

Mr. Speaker, it is impossible to turn on a television station, especially the ones that bring in foreign pictures, without hearing serious cursing. Every two words, you will hear a curse word.

Aside.

Mr. D. St. E. KELLMAN: We call that pictures. The truth is that some parents do not even know their children are watching them, because of the various channels, and we call it development. Development for whom?

Aside.

Mr. D. St. E. KELLMAN: ...not realising that the best way to practise globalisation...

I have said already in here, Sir, that the 1989 Edition of the United Nations Development Report stated that globalisation is the legalisation of crime. People think that is a joke, and even now the television stations, can now sell the product to the youngsters, even before they face it on a one-to-one basis. We have to recognise these things and be more proactive.

I salute the Honourable Attorney General because she has a difficult task. She needs all the support in these times, Sir, because it is being tested, it is not a matter of just coming in here and criticising, it is matter of coming in here and offering solutions. We have to recognise that Barbados is for all of us, and if we pretend that we are going to be just criticising and so on, without offering solutions, people are going to look at us as jokers. The truth is the day that I cannot offer a solution in this Parliament, it is time for me to leave Parliament. Unlike the Honourable Member for St. Michael West Central, who will never be able to offer a solution, but will create confusion at all times on the roads.

Mr. Chairman, I will say, Sir, if we are really serious about this, we have to recognise that we have to empower the police force. We have to give them what they are requesting, and we have to appreciate that no police force will be

unreasonable in their demands. They are trained to keep law and order and you cannot create stress for a force that you have to depend on, because many nights when we are sleeping, it is the police force that is out there looking after our interests. Yet, we tend to believe that we are somebody and that they are nobody.

I am saying that the day we learn in Barbados to appreciate people for whom they are, that is when this country will be better off but the truth is, we feel that once we are happy, nobody else should be happy. I have said many times in this Parliament that the biggest problem facing Barbados is selfishness, because we feel that we should get but nobody else.

I am hoping that the day we get back to being our brother's keeper, Sir, this country Barbados, will be much better off. People who feel that they have a right to misuse and abuse people, would understand that the days for that are over. If we allow some people to do it, and feel that we cannot criticise them, we will find ourselves in a situation where that is shown as an example.

I want to leave this one with you and I have repeated this on many occasions. An eight-year-old child on the west coast of Barbados was once asked the three things in life that he would want to be. I will repeat it because I must show the impact the foreign influence is having on our people. He said that he would like to be a rich man living on the west coast driving around in a limousine and not having to work. 2.45 p.m.

Asides.

Mr. D. St. E. KELLMAN: I do not drive around in a limousine. I will never own a limousine. I still have a 'packa-packa' like the police.

I am saying that the lifestyles that we have allowed people to bring to Barbados is what is corrupting Barbadians. That lifestyle cannot fit into a society where 95 per cent of the people are poor and the other 5 per cent are rich because if we continue to allow that attitude we are going to create frustrations and drop-outs in this society. These people are allowed to bring their riches to this country, buy all the land, bulldoze properties that have value and then build the biggest house. In other words, what this means is that money is no problem but how can you say that when 95 per cent of the people in the country are poor and we are allowing the rich 5 per cent to flash their riches and their lifestyles in front of them forgetting that we have always said to our children that they have to look at those who have done well and see how to do it.

Mr. CHAIRMAN: I will ask the Honourable Member to wrap up now.

Mr. D. St. E. KELLMAN: I am saying that anybody who is serious about tackling crime in Barbados needs to go and look at the lifestyle of the 5 per cent and then try to understand the lifestyle of the 95 per cent before trying to tackle the crime problem.

Hon. R. R. FARLEY: Mr. Chairman, I rise at this time to make a few comments on subprogramme 256 General Police Services. First of all I want to compliment the Royal Barbados Police Force (RBPF) for the efforts and the results which they have been able to achieve.

Unfortunately, we live in a society where it is much easier to criticize, and there are many more voices joining the chorus when it is time to criticize, than it is to give praise. Of course, there is always room for improvement and continuous improvement is what this society needs even within the police force.

I want to indicate that there are areas wherein the ordinary citizen needs to change his behaviour so as to take the pressure off the police force. There are many areas in which the ordinary citizen does not believe that he has committed a crime but his conduct results nevertheless in a drain on the resources of the Government and in inconvenience, pain, injury and economic loss to his fellow citizens.

The Government is doing its part. It has addressed the issue of additional manpower during the last financial year and additional sums were allocated for the provision of equipment particularly new vehicles for them. An additional \$1.8 million, even in these difficult economic times, is being provided in these Estimates in support of the work of the Royal Barbados Police Force (RBPF).

In terms of results, I would want to indicate that there has been tremendous success over the last several years in relation to crime against visitors but we do not hear anyone talking about that. Sir, crime against visitors is at the lowest it has been for the last 20 years. Of course, a crime against a visitor to our country or against a citizen of this country is a cause for concern.

Equally, if we are going to be honest and we are going to speak to the fact then we need to say what the figures are. In 1993, which was the last low point, there were 352 reported cases of crime against visitors. In 1990, however, there were 849 reported cases and in the year 2000 there were 323 reported cases. This compares more than favourably with other tourism destinations around the world, some of which have lost business, hotels have had to close and people lost their jobs because of crime against visitors.

Of course, one can easily point to a number of initiatives that were taken. For example, in terms of my own preference for nighttime entertainment I tend to frequent St. Lawrence Gap which is a wonderful place in Christ Church. I frequent Moon Town in St. Lucy and Oistins as well. These are places where small tourism players are able to participate in the tourism business, where visitors and locals can meet.

I must applaud the Attorney General and the Commissioner of Police for recognising that wherever there is heavy economic activity and heavy tourism traffic we will always have those unscrupulous crooks amongst us who will make themselves busy. Therefore, the provision of the mobile police facility in St. Lawrence Gap is welcomed. It has made a big difference.

A couple weeks ago I walked out of the After Dark Night Club about 4 o'clock in the morning after leaving the Oistins Fish Festival Ball at the Deighton Griffith School around 3 o'clock where I was on night time Christ Church constituency work, and I was very comfortable in the fact that I was able, like all other persons there, to walk out of the club, walk over to my car and be about my business.

Those of us who frequent Oistins are very comfortable with the police presence there at night. The same thing happens at Moon Town. In my visits there to Moon Town the police were there assisting with parking to ensure that there was a constant flow of traffic. There are other pockets which as yet do not receive that attention.

Silver Sands in the constituency of Christ Church East is not widely recognised because people do not know that it is a major pocket for tourism. In that area, there are two large hotels and approximately ten or so smaller apartments and hotels. In addition to that it is an area in which the ordinary citizen participates in tourism.

Sir, if you speak to the red caps, the taxi drivers and the people the Barbados Hotel Association do not speak to, you will find out where the tourists that they cannot account for are ending up. Sir, they claimed that there is this big conspiracy, that they do not know where the numbers are and that they cannot find the tourists. Sir, the tourists are in Silver Sands but not in the big hotels or the apartments. When you come down Silver Sands there are two-bedroom and three-bedroom chattel houses which are occupied for three and four months a year by the tourists. Sir, I can take you to an ordinary rum shop that takes 18 to 20 bookings for dinner at night.

If you come down Oistins Hill on your right there is an ordinary wooden house there which is painted blue and is occupied by the tourists. If you go by the building next to Braddie's Bar in St. Lawrence Gap, the upstairs part of that

building is occupied by the tourists. That is a form of activity. Silver Sands entertains in a way in which the concept of community tourism is given effect.
2.55 p.m.

Sir, let us not forget that the tourists who choose to stay in these community facilities are no less deserving of protection than the ones in St. Lawrence Gap, the west coast or the other areas of concentration for tourism. This low number can be lower if we employ similar strategies.

Sir, I am making the plea to other agencies of Government to help in this regard. I will use the park in Silver Sands as an example. This park is under-maintained by the NCC at this time. I am pleased to say that they have a plan for the upgrading of the park and we will be able to speak about it when the Minister of Physical Development speaks in this debate. There was an earlier period when the area was allowed to run away in bush as we say in Barbados, and this provided a safe haven for crooks to attack visitors in this area. Tourists were not able to walk from Silver Sands Resort over to Silver Rock or to windsurfing and so on because Silver Sands is the tenth most popular windsurfing site in the world.

Asides.

Hon. R. R. FARLEY: Hoteliers advertise on the internet and in windsurfing magazines and other non-traditional places as they cannot afford to advertise on CNN but they know where to go to get their business.

Sir, I just want to point out how we can do better not only with the police but with other Government departments. MTW can keep the roadway clear of bush, keep the street lights working and things of that nature. This is my call in this regard.

Sir, my other area of concern is the madness and mayhem on the roads of Barbados. Sir, you cannot have police for every car or driver in Barbados so the police cannot do a lot but I will make some suggestions.

This is an area in which each and every citizen must exercise greater responsibility. We have 96 000 motor vehicles registered in Barbados and there were 21 269 traffic offences reported during 2001. This is 58 accidents per day, 409 per week or 1 772 per month. These are too many traffic offences, Sir, and the rules of the road are easy to follow. This is indicative of the indiscipline in the society and the 'get to the next place quickly' syndrome which has engulfed this society.

I want to urge the citizens of Barbados to do their part to reduce this madness and mayhem on the roads.

Sir, that has translated itself into a more serious situation. Seven thousand five hundred and forty accidents were recorded for 2001. This is one every hour and if it were to be expressed in terms of waking hours, it would be more than one in every hour. Sir, these are too many accidents per day and this translates into fatalities. There were 24 fatalities last year and 154 serious accidents. Sir, these statistics do not bring home the grim fact of lost loved ones, lost income, permanent disabilities nor people who were able-bodied who were reduced to less than their full function as a result of this callousness and carelessness on the road.

Sir, the police cannot peep at people every minute of the day. These are areas in which the people can cooperate and allow the police to deal with hardcore issues. I want to urge the Commissioner of Police and the Superintendent responsible for the mobile division to go back to an old formula. In my days growing up one of the most legendary characters in the police force was Ghost Rider. Ghost Rider would ride his 450 Triumph up and down the highways particularly in St. George and report traffic along the way.

I travel every day from Lower Greys in Christ Church, down Mapp Hill, pass Julie'N, Bussa, Ilaro Court and down to Bridgetown and the only time that I have seen a policeman on motorcycle passing on that road is when they are escorting a funeral.

Sir, I can only speak on the basis of this example but I am sure that if the mobile resources of the police force would utilise some highway patrol, it would remind people that they are likely to get caught while performing any illegality.

Sir, I am satisfied that the visible presence of the police will create an element of expectation in the minds of the public that they may get caught and they would be more careful. I simply urge, by way of recommendation, that the mobile resources be employed by way of an enhanced highway patrol along the seven highways as well as the ABC highway.

We should ensure that there is a dynamic situation that is able to respond to the occasion of blockages because part of our traffic problem is that you can also get traffic jams at midnight. If you passed by the Gymnasium and the associated roads before the Kenny Rogers show and afterwards, the issue was not to do with the road or the traffic, but the fact that everybody wanted to hear Kenny Rogers.

Mr. CHAIRMAN: I want to ask the Honourable Member to wind up.

Hon. R. R. FARLEY: Sir, at our road junctions where the ABC Highway crosses the seven highways going into Bridgetown are points of interference where there are road

accidents sometimes on mornings and again, police patrol would help in this matter.

In closing, I want to make one general observation tangential to the points I raised this morning on the need for reform. In relation to the legal system and the need for reform in the society the local bar is not immune from the need to reform itself. As a non lawyer, I would have to question in an age when every aspect of the economy is required to liberalise why there are so many constraints relating to the facts of law. Why is it that lawyers cannot advertise? Why can we not as ordinary citizens know who are experts and in what area? What is the scale of fees that is accepted for a profession in the year 2002? Would it be collusion rate setting? Do all insurance companies charge the same rates? Do all masons, carpenters or engineers charge the same rates?

3.05 p.m.

I am saying that there is a need to modernise. There is a need for our prominent successful attorneys to look at new corporate structures. Perhaps, there is a need for examples to be taken from the accounting profession where the general quality of business, especially international business, where international businesses were able to identify names known internationally but there is no equivalent of this for lawyers in Barbados.

Sir, persons can have quiet alliances with the larger international law firms but they are not known. I want to salute the Attorney General for the commitment which has been given to look at the Legal Profession Act. I look forward to having that important aspect of our economic arrangements brought into line with the new liberalised low crime economy which we are striving to create.

I thank you very much.

Hon. R. St. C. TOPPIN: Sir, I want to join this debate to make a concise contribution. I want to compliment the Honourable Attorney General for some well prepared Estimates that relate to a number of things that she has planned.

I want to compliment the Royal Barbados Police Force for a job well done. I want to look at the area of drugs. I think there was a time where the topic of discussion was the easy way in which drugs were arriving in this country without sufficient confiscation by the Royal Barbados Police Force.

I want to say that, even to the naked eye, one can see a serious turnaround in the way in which the police force has been handling the interception and confiscation of drugs. I think that they should be specially mentioned and commended for the way in which they are handling that task.

However, there is another challenge which the police force faces. As I go around my constituency and the country and engage in discussions with members of the country or my constituency on the issue of crime, there are still concerns with the issue of the shootings that are happening from time to time in various areas. I have pointed out to them that this has to be the success on drugs of the Royal Barbados Police Force and they readily agreed with me.

I think what has emerged by way of consensus is, that the shootings and the violence that have been taking place have been due largely to the success on drugs in the sense that once drugs have been confiscated, the persons who were to have sold the drugs, from whom the drugs have been confiscated, still have to pay the suppliers and the suppliers apparently do not take any excuses for an answer. Therefore, they have to try to get money by any means to pay for the drugs that they have taken. Sometimes if necessary they have to resort to violence in terms of 'taking out' the person whom they think has been responsible for the confiscation of the drugs.

I think that the police force is on top of the drug situation. We can see that there is a backlash coming from that success in the war against drugs. This backlash has to do with violence between members of gangs and persons related to the drug world. I think that it is now incumbent upon the police force to ensure that they can deal with what I refer to as the three-tier level of violence in relation to drugs to ensure that the society is safe.

I hope that the same way that the society can congratulate the Royal Barbados Police Force for the success of the war on drugs, we will soon be in a position to congratulate the police force in terms of the response to the backlash that is coming from the success on the war on drugs.

The second point relates to challenges that I think will confront officers as well as law makers. You will recall that sometime last year, 2001, I had the honour to bring to this Honourable Chamber an Electronic Transactions Bill which was passed and became the Electronic Transactions Act. Two other pieces of legislation have to accompany that Act to make the position a comprehensive one. There is a Computer Misuse Act for which the draft and instructions have already been sent to the Attorney General's office for drafting. There is also another Act that has to be passed, which is the Protection Act, and this is the next challenge that I think will confront us particularly as lawmakers.

Mr. Chairman, as individuals in a society I believe that we have a right to have our affairs remain private. For example, if I use my credit card to make a purchase or if I make a transaction at the bank, we all consider those

transactions to be matters between ourselves and the institutions. That is a position which I think will largely inform the Government as they go about dealing with the issue of data protection to which Barbadians have become accustomed and are entitled to.

Mr. Speaker, on September 11 when that act of terrorism struck the United States of America and impacted on the international world, it became necessary for persons to rethink the issue of privacy. The challenge now is going to be, to what extent are we going to allow individuals to remain entitled to the privacy to which they have been accustomed on the one hand and on the other hand, to what extent are we going to allow the State and law enforcement offices to whittle away the rights of privacy in ensuring that persons who would want to commit nefarious acts, whether locally, regionally or internationally, are brought under scrutiny and in such a way that their dealings and transactions can be monitored.

Sir, also to what extent are we going to give the State the right to trespass onto private territory for the good of humanity in general. A famous incident that was quoted in a magazine where a terrorist had been video taped in 1999 speaking to some of Osama bin Laden's lieutenants in Kuala Lumpur and the information has been passed on to the FBI's list of suspected terrorists.

However, in August, 2001 when it was learnt that the same person was in the United States of America and the FBI tried to track him down, they were unable to find him. It turned out that he had been one of the persons on one of the hijacked planes that flew into one of the three buildings on September 11.

Should the FBI not have been entitled to link the information into the airline's ticketing databases or even to resort to what is called biometric profiling? This is a technical mechanism connected with the airlines so that when he makes his reservation, the information would have been transmitted to the FBI's databases so that he could have been nabbed before boarding the plane.

The issue of privacy has become paramount since September 11. We in the Third World will have to decide how we are going to seek to balance these two conflicting interests, the right to privacy on the one hand where, if I decide to use my credit card in a store to make a purchase, should it be the position that all the stores have feed-ins to the law enforcement agencies, the police department in Barbados, for example, and even beyond into the FBI? Should that transaction remain one between myself and the store with which I transact my business? If I make a deposit at a bank of \$4 000 or \$5 000 should anybody be entitled to call the bank to make a query on the status of my account and get the information readily, whether by oral request or by

some database inter-connection? These are issues that are going to be very seriously challenging to law-makers and are in fact challenging law-makers at this time.
3.15 p.m.

In the whole area of electronics activity where not only legitimate transactions but also illegal transactions and criminal activity are going to be planned by use of electronic means, the internet, e-mail, *et cetera*, it is going to mean that the law enforcers, the police force, in the case of Barbados, will of necessity have to become trained in the whole area of cybercrime. It is not going to be a case where someone in Barbados commits a crime by technological means but it could be persons several thousand miles away from Barbados using the modern information technology to communicate and plan their activities. This is going to push the whole area of law enforcement into a totally new sphere of activity.

Therefore, the law enforcement agencies in Barbados must ensure that they are always undergoing training to deal with this particular matter and to ensure that they are constantly in sync and linked to the international community to monitor developments and to ensure that there is two-way cooperation between local law enforcement agencies and overseas and international law enforcement agencies, because we are moving to that technological age where crime is now going to be committed in a totally different way and at a totally different level. It is almost now going to be academically planned crime using the latest and most available and modern technologies.

These are things that will not only challenge the law-makers but the law enforcement agencies and I am pleased to see that the Attorney General has plans this year to ensure that the law enforcement agencies in Barbados certainly undergo the training and are exposed to training as much as is the case of necessity to ensure that we can intercept and deal with the whole issue of crime in the economic and electronic age.

Of course, Mr. Chairman, given this new thrust, you are always going to have to ensure that the police force can use its full resources in the fight against crime and I believe that it is not always necessary, although if it happened, I would support it that you have to increase manpower to deal with a problem. I think that sometimes a little planning can ensure that manpower is more effectively deployed and it can be taken out of unnecessary activity and put on to more necessary activity. This is not in any way reflecting on the way in which the police have chosen to deploy their manpower because I do not think the police are even in control of what I am going to say now.

One thing that I think is unnecessary and is really an irritant for the society in general is that the slightest touching of two vehicles on a road necessitates that the

drivers stop at the same time wherever they are and go and call the police and wait until they come. I fully appreciate that in the most serious accidents that may very well be necessary but not for slight scratches that take place between cars in a place where it is the most congested and used road at four-thirty in the afternoon. You wonder why it is traffic is taking so long to move and when you get there forty-five to fifty minutes later, you realise that it was just two people with two bumpers or fenders touching who could have gotten out, and were quite willing to get out and sort out between themselves and the insurance company, but the requirement is that you must call the police to the scene as if it is a major crime just to take a few measurements in relation to a scratch. That, Mr. Chairman, is a current form of madness, that requirement, and I am sure it could free up considerably the ability of the Barbados Police Force to deploy manpower on more pressing and urgent matters.

I am sure the police force would be glad to be rid of that nuisance. If it is not a nuisance for them, it is a nuisance for me and for everybody who uses the road on any given day.

Mr. Chairman, as well, on the area of training, before I sit, I just want to make one other point. I am pleased to see that we are going to be blessed with a new forensic laboratory and that the issue of videotaping of confessions will in fact be utilised. This is something I am sure all Honourable Members will remember I argued for in here some time ago. I have practised criminal law for quite a while and I know that it was becoming a bit monotonous to find that in quite a few cases the only evidence against an accused person happened to be a confession. Having spoken to a number of accused persons over the years, it was evident that they were not in agreement that they had confessed and it means that just other than simply asking them what had happened had been used to ensure that they had signed off certain statements. In other words, they were saying they had been beaten to make confessions. Certainly, it would lend a lot more credibility to the system of law enforcement if we could get as soon as possible this whole issue of videotaping realised so that you can actually see the accused person as he speaks. You will be able to see his condition, whether he is in fact genuinely confessing or whether or not he is being forced to confess. I am very glad to see that. The forensic laboratory I am sure will obviously be using heavy reliance on the whole issue of DNA which is very important. We are tired of hearing of cases, particularly in the United States of America, where people have gone within days of execution only to find that in fact on the use of DNA technology it was proved that they could not have been the persons who had committed the crime and therefore, luckily, an innocent person was spared execution.

The final point that I want to make in relation to the issue of law enforcement is that I find it to be unfair that the

names of accused persons are being published in newspapers and their pictures on television before they are convicted. If a man is convicted, I feel the society has a right to know of it. But until a man is convicted, he must be allowed to enjoy that concept that says a man is innocent until proven guilty. Too often now we find the newspapers are sensationalising the whole issue of accused persons going into the court and what happens in the court.

Take for example a rape case. Quite rightly, the name of the victim in a rape case is never published and that is how it should be, but the name of the accused person is. You and I know, Mr. Chairman, that we are living in a very strange society where even if an accused man is acquitted, he is still stained because of the false belief in the society that where there is smoke there is fire. Mr. Chairman, where there is smoke there is smoke and that is all. It is as simple as that.

I believe that it is very unfair to continue with a system where an accused man's name is allowed to be highly and widely publicised throughout the society before he is convicted and the names of victims in some cases are even withheld. I would like to see that imbalance addressed. I thank you, Mr. Chairman.

Rev. J. J. S. ATHERLEY: Mr. Chairman, I would like to make an additional contribution to this debate under this Head and I would like to start by saying that I do not think any of us here should in any way devalue or diminish the contributions of an entity such as the National Council on Substance Abuse. I reflected on the comments of the Honourable Member for St. Lucy and I do not think that this was his intention but I want to say this agency, now an entity under the Ministry of Home Affairs rather than the Attorney General's Ministry, is doing an important work on the issue of countering the demand for drugs in this country.

Gladiator status might not be associated with the programme of the National Council on Substance Abuse to the extent that it might be associated with the law enforcement agencies which operate more so on the supply side and which protect our borders, our coastlines, interdicting the supply of drugs as part of the illicit trade. 3.25 p.m.

Equally important, is the work of education within the context of the school, within the context of the general communities across Barbados, and work with reference to training and the linkages which this agency would have with entities on the supply side, such as the police force, Sir, also, linkages which they would have in terms of the fight against the spread of drug use, even at an institution such as Glendairy.