
THE

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 1999 – 2004

HOUSE OF ASSEMBLY

Tuesday, November 5, 2002

Pursuant to the adjournment, the House of Assembly met at 11.20 a.m. on Tuesday, November 5, 2002.

PRESENT

His Honour I. A. ROETT, B.A., Dip. Ed. (Speaker)
His Honour J. M. EDGHILL, J.P. (Deputy Speaker)
Mr. D. J. H. THOMPSON, LL.B. (Hons.) (Leader of the Opposition)
Hon. Sir HAROLD St. JOHN, K.A., Q.C., LL.B.
Mr. L. R. TULL, Q.C., M.A. (Oxon.)
Hon. Dr. R. L. CHELTENHAM, Q.C., M.A., M.Sc. (Econ.)
Hon. Miss B. A. MILLER (Deputy Prime Minister, Minister of Foreign Affairs and Foreign Trade)
Hon. R. C. EASTMOND, B.A. (Hons.), Dip. Ed., LL.B. (Hons.), L.E.C., J.P. (Minister of the Labour and Social Security)
Mr. D. CARTER (Chairman of Committees)
Hon. R. N. GREENIDGE, B.A., LL.B. (Minister Education, Youth Affairs and Sports)
Hon. Mr. 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)
Hon. Miss M. A. MOTTLEY, Q.C, LL.B. (Attorney General and Minister of Home Affairs) (Leader of the House)
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 Industry and International Business)

Hon. Miss C. Y. FORDE, J.P. (Minister of State 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, October 22, 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, October 22, 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.

PAPERS

Hon. Miss M. A. MOTTLEY: Mr. Speaker, I am commanded to lay the following documents:

1. Duties, Taxes and Other Payments (Exemption) (Stantec Consulting International Limited) Order, 2002.

2. Statutory Board (Pensions) (Pensionable Offices)
(No. 2) Order, 2002.

FIRST READING OF BILLS

Hon. Miss M. A. MOTTLEY: I beg to give notice of the following:

Consumer Guarantees Bill, 2002.

Hon. Miss M. A. MOTTLEY: Mr. Speaker, I beg to move that the Consumer Guarantees Bill, 2002, be read a first time.

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

SUSPENSION OF STANDING ORDERS

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

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

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

ORDER NO. 11 – THE FAIR
COMPETITION BILL, 2002

Hon. R. St. C. TOPPIN: Mr. Speaker, I am very pleased and honoured to be able to introduce this very important Fair Competition Bill. This Bill addresses the issue of promoting and maintaining competition in Barbados. It is fundamentally, the most important piece of legislation brought to this Honourable Chamber in recent times. Sir, by recent times I do not mean the last two years but in fact spanning over a decade or two. Sir, what we are hoping to do today is to rewrite the economic constitution of this country.

Sir, the Bill today is another step and, in my view, may be the final step along the continuing of measures introduced by this Government to modernise and reposition this Barbados economy and to prepare it to deal with the serious challenges being faced at home, the region and internationally.

This Government has already done very much to assist the business sector in this country and to totally transform the face of commerce in Barbados. In this session alone, we have brought to this Chamber a Small Business Development Act which sets out a fiscal and technical assistance regime for the small business sector. We also brought an Electronic Transaction Act which has given quality and recognition to contracts or transactions that are generated by electronic

means which are given the same recognition as paper-based transactions.

Recently, we brought to this Honourable Chamber a Bankruptcy and Insolvency Act which does a number of things. Perhaps, more importantly, it gives to companies and individuals who find themselves bankrupt or in a state of insolvency, through no fault of their own, the ability to get a 'stay of execution' for a period of six months during which they can reorganise and make offers and arrangements with their creditors. Mr. Speaker, much has been done to transform and change the way of doing business in this country. Sir, without this piece of legislation, which is really at the core of that legislation, that legislation will be of no avail.

Sir, it is one thing to pass legislation or even establish funding agencies to assist businesses to come into existence or even to give them a second chance at survival, we cannot trivialise that. If nothing is done to deal with the unfair trading practices and the anti-competitive behaviour that have been stifling, strangling and exterminating a number of businesses, the absence of market forces in Barbados and to deal with the abuses of dominant positions held by companies in this country, we would find that we would have achieved nothing and we would have merely, in effect, assisted with the consolidating of business enterprises for the further consolidation of business enterprises. We would also find that only a relatively small number of business enterprises in this country would thrive while a large number of others, more particularly small and medium sized enterprises, would barely survive or be pushed entirely out of the market.

Mr. Speaker, this legislation seeks to address, what I classify as a disgraceful situation, by creating for the first time a virtual market and market forces so that statements such that the development of our economy has to be private sector led and that it has to be market-driven. There will no longer be statements of intention or fantasy but will be of reality.

Mr. Speaker, I want to place the need for the Bill at this time in a proper prospective. This Bill has an international, regional and a local dimension. At the international level the World Trade Organisation, of which Barbados is a member, was established in 1995. It was set up to oversee a number of agreements which were designed to facilitate and promote international trade. As a member of the World Trade Organisation, Barbados, like many developing countries, has had to take a number of steps in the post 1995 period to dismantle certain existing barriers to trade.

Sir, to date a number of actions have been taken and I will highlight two of them. Sir, we have removed restrictions on imports and have discontinued the use of the

import licensing system to restrict trade. However, what has happened is that, Barbados has to issue import licences automatically where leasing arrangements were in place previously, except in cases of public safety, national security, public moral *et cetera*.

Sir, these are some of the things that we have done. There are other measures which were instituted which are of a fiscal and technical nature but those are not relevant today for the purposes of my contribution.

Sir, Barbados cannot stop the process of globalisation and trade liberalisation, nor can we effectively or successfully fight it. I still get calls from people asking that the Price Control Division re-institute the system of licensing for imports. Sir, that cannot now be done if we are to comply with our obligations under the World Trade Organisation's rules.

Mr. Speaker, the Honourable Member for St. Philip South is to be commended and I want to make it known that he really argued well on behalf of the small farmers of this country. The fact is, we cannot stop the process of globalisation and trade liberalisation. We have no choice but to adjust to it and to cope with it in the same way that other countries are doing.

Mr. Speaker, at the regional level we have the Caribbean Single Market and Economy which means that in addition to the right of countries in the region to trade liberally in goods, there will now be the right for businesses in any country in the region to move capital around the region and also for these businesses to have a right of establishment in any country.

Sir, when we have the opening up of the Barbados market in this way, it means that there are even greater opportunities for foreign firms, including large multinational and transnational companies, to start operations here in Barbados in almost any field of endeavour or activity. Mr. Speaker, we already have PriceSmart, a big conglomerate, and were it not for some financial problems in relation to Kmart, they too would have been here in Barbados and others are going to come as well.

Sir, to try, in the context of the operation of these multinational and transnational corporations, essentially, we have to ensure that our producers and businesses, especially our productive sectors, can operate efficiently and that they can compete fairly against these multinational companies in our domestic market as well as internationally.

Sir, the fact is, our businessmen, particularly our productive sectors, cannot maximise their potential and effectively compete locally, regionally or internationally,

unless the issues of the absence of a real market and market forces and the abuse of the dominant position held by companies and enterprises in Barbados are seriously addressed. Hence, Mr. Speaker, the reason for this Fair Competition Bill, which is here today to seriously address this problem and provide a level playing field on which businesses can operate.

11.30 a.m.

Mr. Speaker, it must always be remembered that competition invariably brings efficiency. The objective of our competition policy is to enable the country to provide goods and services that consumers require but in an efficient manner. Sir, while businesses can realise profits if they are prepared to be efficient, at the same time consumers can benefit by having lower prices, more choices and better products and services.

In Europe, Mr. Speaker, you will recall that as soon as competition was introduced into the telecommunications service sector, there was a 45 per cent decline in the price of telecommunications services. In fact, effective competition really works for the benefit, particularly of consumers.

Mr. Speaker, in the preparation of this Bill, there was a consultative process. Indeed, the Ministry of Commerce engaged consultants to assist us in the preparation of this legislation. The consultants did research in New Zealand, Australia and Jamaica and gathered information on the experiences of those particular countries.

In addition, Mr. Speaker, on the recommendation of the Ministry, Cabinet approved the establishment of a Special Advisory Committee to assist the Ministry with the establishment of the Fair Trading Commission and the formulation of the related legislation.

Mr. Speaker, this broad based advisory committee comprises the membership of the Barbados Workers' Union, the Trade Unions, the Barbados Chamber of Commerce, Barbados Manufacturers Association and a wide cross section of Barbadian interest groups. They were able to be involved at all stages of the process and their input has been taken into account in the preparation of this legislation.

Mr. Speaker, a national consultation was also held on June 22, 2001 for the purpose of allowing the general public of Barbados to have an input into the formulation of the legislation. Sir, as you can see, there has been very wide consultation and input in the preparation of the Bill by the public of Barbados.

Mr. Speaker, at this time, I want to thank all the persons who were involved in the process, including the Permanent Secretary in the Ministry of Commerce, the then Consultant, now the CEO of the Fair Trading Commission, the draft persons and the Fair Trading Commission in general.

Mr. Speaker, one of the consultancies actually engaged in the preparation of a study called, 'A Diagnostic Survey of Domestic Market Competitiveness in Barbados.' This was done in 1999 by consultants who were paid by the IDB to carry out this study, in relation to market competitiveness in Barbados. The report was not extremely helpful in terms of prescribing a way forward, but it highlighted the extent of anti-competitive and unfair practices in Barbados.

They came up, Mr. Speaker, as I may have indicated before, with some eighteen instances of anti-competitive conduct in Barbados or what may otherwise be referred to as unfair trading practices which were hindering competition in Barbados. They included anti-competitive practices to maintain monopoly power, anti-competitive practices to prevent competitive entry, predatory pricing, exclusionary conduct impairing competition, discriminatory pricing, refusal to deal, monopoly leveraging, price fixing, division of markets, anti-competitive exchange of price information, resale price maintenance by sellers, anti-competitive exclusive distributorship, customer and territorial restrictions, tying arrangements, exclusive dealings, interlocking directorates, anti-competitive mergers and unfair consumer practices.

Mr. Speaker, those were what the consultant found existed in Barbados, this little rock on which we live and it speaks volumes for the unsatisfactory state of affairs, in terms of anti-competitive behaviour and unfair practices which hinder competition.

I believe that if we had to rate Barbados on a scale of one to ten, it certainly would not be in the one to five range, in terms of anti-competitive practices and unfair practices. It might more be bearing down on ten, than on five or one. Therefore, it was clearly recognised that some work had to be done because those unfair practices, Mr. Speaker, have been and remain, even today, the shackles that constrain the equitable development of businesses in this country and, Mr. Speaker, they must be stopped.

Mr. Speaker, I do not want to be taken as targeting big business. Big business has made a contribution to the development of this country and it must be recognised, acknowledged and appreciated. When it comes to the point where we find that our productive sectors and business enterprises are being stifled and forced out of the market because of the unfair trading practices and anti-competitive practices of these bigger entities, the playing field has to be leveled.

Mr. Speaker, in the same way that the United States in its Sherman Act and the Clayton Act, Canada in its Competition Act of 1985 and the United Kingdom in its Fair Trading Act of 1973 and its Competition Act of 1998, have sought to deal with their anti-competitive business practices,

as well as Jamaica in their Fair Competition Act of 1993, Mr. Speaker, this Government has decided that it must now deal, today, with the unfair trading practices that exist in Barbados.

Mr. Speaker, it is an urgent matter and cannot be put off any longer. The Consultants also said that in relation to all of the unfair trading practices they have identified, they were told by many business owners that they actually suffered at the hands of business entities who were conducting these unfair trading practices and that, Mr. Speaker, is unacceptable.
11.40 a.m.

Mr. Speaker, a supplier who is in a dominant position dictating to a customer, whether that customer is a normal consumer like me or you or a dealer, as a condition for supplying goods or services to him that he must buy other goods or services from him or he will not supply the goods which the customer needs is not only unfair and an abuse of a dominant position but it is also repugnant to any notion of decency.

Mr. Speaker, there are many such cases in this country and to illustrate that point, I can think of car dealers. Someone wants a spare part for their car, they have their own private mechanic who will do the work they want done cheaply, but these car dealers will tell the person, and they insist on it, that they must not only buy the spare part from them but they must allow them to install it and to carry out any other repairs that are needed on their car. This is referred to, Mr. Speaker, as tied selling. You are tying the sale of one good or service to the fact that the consumer in terms has to buy other goods or services from you. I know of two car dealers in Barbados who have done that.

Mr. Speaker, the same applies to commercial banks in this country. When you go to them to get a loan and they agree to give you the loan, they stipulate that you must take out house insurance or additional life insurance coverage as a condition of getting the loan from them and stipulates the insurance company that you must do business with. Mr. Speaker, there can be no clearer abuse of a dominant position or no clearer example of an anti-competitive trading practice than a behaviour like that.

Mr. Speaker, I am going to go further. The idea of enterprises coming together and entering into agreements that contain provisions which limit or control the production of certain goods so as to increase the price the consumer will ultimately pay is clearly anti-competitive and also repugnant to any notion of decency.

Mr. Speaker, an individual supplier of two or more enterprises who enter into an agreement in which they decide to withhold the supply of goods or services from a

buyer because the buyer had previously sold goods that were bought from them above or below the price that the supplier had dictated that the goods should be resold at is clearly anti-competitive and repugnant to any notion of decency.

Mr. Speaker, price fixing is another such aspect. The idea that a supplier of goods or services could, by an agreement, by a promise, by intimidation or by threats try to influence a price structure at which someone can sell their goods or services, is clearly anti-competitive and repugnant to any notion of decency and must be stopped.

Mr. Speaker, these are some of the examples but the stories abound. Some were told by me as well about what I call the bad behaviour of the commercial sector in this country. Some were truly horrifying and not only related to anti-competitive conduct, but they also make one wonders about confidentiality when dealing with certain institutions in this country.

Mr. Speaker, I was told of an incident where the owner of a certain business enterprise was approached by the owners of a bigger business enterprise about buying out his business. The owner of the enterprise said that he did not want to sell his business at that time. That same person had an overdraft at a certain commercial bank in this country, where there was a little understanding between the bank and that person, which is normally what happens, that if the person goes over his overdraft and he could give them the assurance that money was on the way in, they would assist him by not recalling or cancelling the overdraft. Mr. Speaker, it was very coincidental that the owner of this small enterprise found that within two weeks after being approached by the bigger business to buy him out and having refused to sell, he received a call from the commercial bank telling him that he had gone over the overdraft limit, that they were immediately cancelling his overdraft facility and that the amount owing was immediately repayable. The result was that the individual had to turn around and sell his business to the bigger enterprise that had first approached him. Mr. Speaker, these are the sorts of things that are happening in this country.

Mr. Speaker, there are other stories as well where, a big business entity in this particular case was buying a certain amount of goods from a certain supplier. The supplier was also selling goods of a much larger volume to another retailer who was getting the goods at a volume discount and hence at a much lower price than the other business enterprise. Mr. Speaker, there is nothing uncompetitive or unfair about a volume discount once it applies to everybody. The intention of this supplier was to pass on the discount that was gained from buying at the volume discount credit rate to the consumers but the other business entity that was buying some of the same items but other items as well from that same supplier told the supplier that if he did not sell the goods to that person at the same price that he was selling

them to him at he was going to stop buying anything from him. The result was, that because the supplier was going to lose a significant customer if he had not complied and perhaps even some other credit arrangements he might have been having with the supplier, he complied and refused to give the volume discount to the large buying customer because he would have lost out tremendously due to the dominance of the other entity that held it pretty much to ransom. These are the things that are happening in this country.

Mr. Speaker, in this country there is too much information available on people from persons who are supposed to be acting in a confidential relationship. There are instances where people will know the exact amount of money that persons received as loans from commercial banks and the exact amount they have to repay. They know how many times you miss payments – when I say, you, Mr. Speaker, I do not mean anybody in here – and the extent to which other business enterprises are in trouble financially. There was an instance where a utility bill of a certain business enterprise that had been engaged in a fairly luxurious approach to doing its business was produced by a competitor who had an eye on the enterprise with the view of taking it over. The competitor was able to produce a utility bill to show how much the enterprise was spending on a particular utility and came to the conclusion that the enterprise could not sustain the expense forever. So, Mr. Speaker, there is too much information out there about things that are supposed to be confidential in this country.

This affects the competitiveness of the country because when people can, as in the case of a commercial bank, call in an overdraft in the circumstances which I mentioned earlier, it means that, in effect, they have taken a player from the market which leads to the consolidation that I mentioned earlier.

11.50 a.m.

Mr. Speaker, it might well have to do with the fact – and I have to say this boldly – that certain people, such as directors or high-ranking officials in certain institutions in this country, have to maintain a friendship with others or perhaps they have a vested interest in some of the entities that are out there. As a result of that, a lot of this information to which I referred, somehow manages to leak out to the public in a way to hinder or to affect competition.

Mr. Speaker, these are the things that I am sure will engage the attention of the Fair Trading Commission from early in its existence. This has to change and this Bill seeks to deal with that.

Mr. Speaker, there has to be a new way of doing business in this country. There has to be a way that would

allow all enterprises, irrespective of size, an equal opportunity, to participate in this Barbadian economy.

What this legislation that is before us will do, is to provide for rivalry in the marketplace, guard against any undue concentration of economic power and create that much needed environment for free and fair competition. There has to be a new enterprise culture in this country. This is already being put in place in relation to the enterprises that supply utility services, whether or not they are Government owned. They too, have got to function in a more efficient manner if they are to be able to make the profits they want to, or if they are to be able to make any successful applications for any increase in rates. They cannot go around with any excess baggage, bring it to the Fair Trading Commission and have it passed onto the consumer.

Mr. Speaker, in the same way there will be changes in the culture of those regulating utility enterprises, there has to be a change in relation to the culture of those enterprises that are now rampant in this Barbadian economy that are currently engaged in anti-competitive business practices.

Mr. Speaker, in the same way that new culture had to be legislated in relation to the *modus operandi* of utility companies, so now it has become necessary to legislate it here in relation to the perpetrators of these sinful practices in our country.

Mr. Speaker, I now turn to the Bill itself. The Bill seeks to:

- (a) promote and maintain competition;
- (b) prohibit the prevention, restriction or distortion of competition and the abuse of dominant positions in trade in Barbados and within the CARICOM Single Market and Economy;
- (c) ensure that all enterprises, irrespective of size, have the opportunity to participate equitably in the marketplace;
- (d) enhance economic efficiency in production, trade and commerce;
- (e) promote the welfare and interests of consumers; and
- (f) for connected matters.

Mr. Speaker, going through the Bill, there is the usual interpretation section which defines a number of terms, some to which I referred earlier, such as market restriction, exclusive dealing, tied selling, mergers, *et cetera*.

Interestingly, Mr. Speaker, there are some exemptions to the application of the legislation. These include:

- (a) combinations or activities of employees for their own reasonable protection as employees;
- (b) arrangements for collective bargaining on behalf of employers and employees for the purpose of fixing terms and conditions of employment;
- (c) activities of professional associations designed to develop or to enforce professional standards of confidence reasonably necessary for the protection of the public;
- (d) such other business or activity declared by the Minister by order subject to affirmative resolution.

Mr. Speaker, the role of the Fair Trading Commission is set out in great detail in this legislation and to do that, it must have the very far-reaching powers that have been ascribed to it in this legislation, as well as in the Fair Competition legislation.

The Fair Trading Commission is going to be responsible for:

- (a) the promotion and maintenance of fair competition.
- (b) investigations on its own initiative or at the instigation or request or pursuant to complaints of others.

Mr. Speaker, information gathering is going to be the crux of this matter because to prove anti-competitive business practices and unfair trading practices, the Fair Trading Commission has got to be able to have access to a lot of information.

Mr. Speaker, there is now a provision that normally, where there is an entity that refuses to supply that information that was requested, the Fair Trading Commission could subject that entity to a fine or, indeed, a recurring fine on a daily basis, for as long as that entity refuses to supply the information.

This Act has gone further and has provided a very useful provision where, if an entity refuses after being requested to submit information, what the Fair Trading Commission could now do is to make an order and come to a decision, based on the information that it has.

Therefore, if an entity feels that it has some God-given right not to cooperate when called upon to supply

information and that failure to supply the information that might, in fact, help its case, the Fair Trading Commission is now empowered to make a decision based on the information that is before it.

The Fair Trading Commission (FTC) will have the power to:

- (a) seize documents;
- (b) enter upon premises pursuant to warrant;
- (c) seize documents and make copies for utilization during the course of any inquiries that it might have to make, *et cetera*.

Therefore, the powers of the FTC are very broad based. After it comes to a decision, it has the power, pursuant to any findings that it may come to:

- (a) declare business practices to be an abuse of a dominant position;
- (b) prohibit enterprise from withholding supplies;
- (c) prohibit the attachment of any extraneous conditions to any transactions;
- (d) prohibit discrimination or preferences in prices or other related matters;
- (e) prohibit merger; and
- (f) mandate the information being supplied to it, such information as it may require by notice.

Mr. Speaker, the powers of the Fair Trading Commission must be very wide-ranging but very necessary, if there are to be any teeth to this legislation. We do not intend to create a paper tiger. When the Fair Trading Commission was established, I said that it was not going to be a paper tiger, that it was going to be very effective, fair and firm.

Mr. Speaker, recently we have seen it in operation. It has already made one very significant decision in response to an application by the leading telecommunication service provider. It is fully functional and is as effective as I always thought it would have been.

12.00 noon

Mr. Speaker, the whole issue of anti-competitive agreements, abuse of dominant positions, mergers and interlocking directorships are also set out in this piece of legislation.

When analysing this legislation there is a general prescription against all acts, trading practices, decisions or

agreements which have the effect of lessening, disrupting or distorting competition in the market. There is also the general power for the Fair Trading Commission to deal with all acts, trading practices, decisions or agreements found to be anti-competitive or unfair trading practices.

Sir, the Fair Trading Commission can entertain complaints of much wider scope than are specifically set out in the legislation. Any agreement that limits or controls production or provides for the artificial dividing up of markets for example, where people get together over lunch and decide to divide markets, these are deemed to be anti-competitive and are expressly made so in the legislation.

Sir, if enterprises get together and decided how to structure a bidding process or if two companies decided before hand which is going to bid or submit bids after extensive discussion and collude as to what will be bid, this is uncompetitive and expressly dealt with in the legislation.

Where such agreements are entered into between two or among more enterprises, these effectively prevents, restricts or limits the supply of goods or services to any particular person, clearly these practices cannot be condoned and are expressly outlawed in the legislation.

Sir, the Fair Trading Commission will be empowered to investigate allegations in that regard and make decisions as to whether any conduct for which complaint is made, in fact, anti-competitive and will then serve a notice on the party instructing them to terminate the anti-competitive agreement.

Mr. Speaker, to show that we are serious about this matter, there are penalties prescribed for anyone who fails to terminate any anti-competitive agreement or practice within the period stipulated by the Fair Trading Commission. Sir, the person is deemed to be guilty of an offence. If it is an individual, he will be liable to a fine of \$150 000 or if it is an enterprise, it will be liable to a fine of \$500 000 or 10 per cent of the turnover of the enterprise for the previous financial year, whichever is greater.

Mr. Speaker, more than two years ago, persons were warned that these penalties would come so by now the business community should have their act in order. There is also a transitional provision in the legislation which expressly gives enterprises engaged in anti-competitive agreements or practices three months after the passage of this legislation the opportunity to go to the Fair Trading Commission, admit that they have been anti-competitive and the steps they will take to cease and desist from the practices now being engaged in.

Mr. Speaker, no one should say that the Government is being less than fair but, Sir, at the same time we have to be firm because at stake here is the welfare of the consumer who stands to be affected by the activities of the business community.

Mr. Speaker, some enterprises in this economy and worldwide are in dominant positions. It is not the intention to outlaw dominance because one should always strive to reach the top. It is not unfair for a business entity to strive to find itself in a position of dominance so the fact that an enterprise is in a dominant position is not being outlawed but the abuse of that dominant position is being outlawed.

Mr. Speaker, in the United States of America they speak of monopoly and monopolisation but we speak of dominance and abuse of dominance. "Dominant position" is defined as follows:

"16(2) For the purposes of this Act, an enterprise holds a dominant position in a market if, by itself or together with an affiliated company, it occupies such a position of economic strength as will enable it to operate in the market without effective competition from its competitors or potential competitors".

Being in that dominant position imposes an obligation on the enterprise not to abuse it in a way that would result in serious damage to the business community. Sir, companies in dominant positions cannot engage in certain conduct as spelt out in the legislation at Section 60. We may have a case where a particular brand is being supplied by a dominant supplier but another institution which is entering the market to supply another brand, the same type of goods but another brand, and a company uses its dominant position to ensure that it cannot get into the market and compete against it or where a dominant company, directly or indirectly, imposes unfair purchase or selling prices that are excessive, unreasonable, discriminatory or predatory.
12.10 p.m.

Sir, yesterday I heard a top official of Cariaccess Internet Service Provider on the radio making the point that they purchase from Cable and Wireless certain facilities and then they in turn sell to the public. I cannot be judgmental. I can only say what they are saying. Sir, they are saying that Cable and Wireless is selling to them, as a retailer, at the same price that Cable and Wireless is selling to the consumer. Sir, if that is true, that would obviously wipe out Cariaccess, who is the internet service provider, which is in competition with the internet service provider of Cable and Wireless as well.

Asides.

Hon. R. St. C. TOPPIN: Mr. Speaker, that is what Cariaccess is saying. If that is true, I would imagine that they

would be one of the first people who would have to go to the Fair Trading Commission during that three-month transitional period of which I spoke. There could be no clearer case, if it is true, of an abuse of a dominant position by imposing unfair purchase or selling prices that are excessive, unreasonable, discriminatory or predatory.

Asides.

Mr. Speaker, as I said, that is one that would merit immediate attention. I cannot be judgmental. I can only repeat what I heard on the radio.

Mr. Speaker, where it is reported that a dominant enterprise is abusing its position, the Commission will carry out an investigation. Where it is found that the enterprise is, in fact, abusing a dominant position, the Commission would prepare a report indicating the practices that it considers to be a constitutional abuse and shall notify the enterprise of its findings. The Commission shall also direct the enterprise to cease the abusive practices within a specified period.

Mr. Speaker, if the abusive practice is not discontinued within the time stipulated by the Fair Trading Commission, or unless it goes on an appeal and the court finds otherwise, it would mean that the enterprise involved will now be subjected to a \$500 000 fine or 10 per cent of gross turnover for the year preceding the commission of the offence, whichever is greater.

Mr. Speaker, I do not want anyone to throw a tantrum about these fines because these fines are small in relation to other places. For example, in the United States of America fines are \$10 million for this sort of thing. The minimum fine that I found in the United States of America for this sort of behaviour was US\$350 000. So, \$500 000 in Barbados is not anything for anybody to scoff at. Mr. Speaker, if there is anything that you would wish me to review, I can look at reviewing it upwards to bring us in line with some of the levels of fines out there. However, we are going to leave it there for now and see how it works.

Asides.

Hon. R. St. C. TOPPIN: Mr. Speaker, mergers are dealt with in Section 20. In this Bill it says that from the commencement of this Act, all mergers by themselves controlled or together with any other enterprise with which they intend to effect the merger, is likely to control not less than 40 per cent of any market or such other amount of the market as the Minister may by order prescribe are prohibited, unless permitted by the Commission in accordance with this section.

Mr. Speaker, I want to spend a little time on mergers. I do not hold the view that all mergers are bad things.

There is the tendency for people to make an outcry whenever the issue of a merger arises in the public domain. I do not think that mergers are always bad things. Mr. Speaker, for that reason we have sought to put a merger threshold of 40 per cent in this Bill, or such other amounts that the Minister may by order prescribe.

Sir, the level of thresholds vary in different jurisdictions. Some people take the approach that if you go above a certain percentage of the market share, you need to get the approval of the regulatory authority and we have done that here, 40 per cent. In the United Kingdom they have taken the same approach. They started at 33 per cent and they have now fallen to 25 per cent. There are some places that use the asset value of the companies seeking to merge. In Trinidad and Tobago the proposal is, that the total value of the individual assets of the companies seeking to merge must be TT\$50 million or more.

Sir, some places take the total value of the outputs of all the sectors and divide them by the number of sectors to arrive at an average position and set that as their threshold. We have opted, as a start, to use the 40 per cent threshold. It is nothing cast in stone and if it is necessary, as the United Kingdom did with theirs, to revise ours, we would do likewise.

Sir, in any case, as the legislation is worded: "... or such other amount as the Minister may by order determine." Thresholds will vary across sectors. A 40 per cent threshold may apply to one industry but may not apply to another industry. A certain level may apply to an industry that has four or five players or we may have to use another threshold when we are talking about another industry that has 40 or 50 players. Sir, that is why the flexibility is written into the legislation to give the Minister the power to prescribe a different level of percentage as the need may arise.

I already said that I do not believe that mergers are necessarily bad things. The truth is, in the context of all that is happening around us, internationally in particular, there is the Caribbean Single Market and Economy which will now bring together approximately six million people. There is the Free Trade Area of the Americas (FTAA), which is to come on stream in 2005, which will bring eight hundred million people into focus.

Mr. Speaker, the importance of the particular national market is going to be overtaken by the interest, in relation to the single market, that is created as a result of the various trading blocs that are emerging.
12.20 p.m.

Therefore, Mr. Speaker, it is going to be unrealistic to believe that an individual company from Barbados or any other country in the region, would be able to go into a market

with eight hundred million people and be taken as seriously as if it had effected a merger with another entity or entities and approached that same larger market. It would be minuscule in the context of that market and it would, therefore, need to merge to achieve all of its economies, *et cetera*, to enable it to really go about seriously positioning itself in a much larger market.

Mr. Speaker, I am not one of those who will stand here and give the impression that I think that mergers are always bad. In fact, one of the things that I find unfortunate in our society, is that in Barbados mergers are largely taking place in relation to big business or big white business.

Recently, Mr. Speaker, there was the merger of the two commercial banks, and that merger went quite smoothly, I believe. In the back of their minds, they had the 40 per cent threshold that I just mentioned. They used the approach there of valuing the deposits in the banking sector to decide on the threshold that they would use to determine whether or not it would be anti-competitive. In fact, when they did their market analysis, it was found that a combination of the deposits and loans, *et cetera*, of the loan assets of the banks, were in the range of the 30s, just over 30 per cent, so that was all well and good.

Mr. Speaker, the point I am making now is that it is unfortunate that we are only seeing mergers taking place in the context of big business, banks, BS&T and so on and we are not seeing or hearing anything about mergers taking place in relation to the smaller black businesses and enterprises in this country. I think that is something they need to look at, because it is all well and good to sit back at all times and ask that we outlaw this and we outlaw that, or we prevent this and prevent that to safeguard small and medium enterprise sectors. I want to see the small and medium enterprise sectors recognise the value in effecting mergers, joint ventures and so on, so that, like the bigger entities that are merging they can also, and look beyond Barbados' shores. Mr. Speaker, so that they can seek to venture with confidence, into the international market and benefit from the eight hundred million persons, with the accompanying purchasing power that will also come on stream in 2005, instead of sitting back and objecting to those big enterprises, yes, that are seeking to entrench their positions, perhaps even further.

Mr. Speaker, I believe that all can live comfortably together, if the small and medium-size enterprise sectors could recognise the value in merging. Take, for example, the point I made earlier about volume discounts. How many of those companies in the small and medium-size enterprise sectors in this country, have decided that they are going to pool together and benefit from the savings that can be made in relation to volume discounts?

Mr. Speaker, I venture to say that they are not doing it or certainly if they are, they are not doing it as actively as they should. I want to see more energy in those sectors to ensure that they also get involved in the process and start to merge, so that I can start reading about mergers in the newspaper. Let me start hearing people objecting and questioning whether or not these entities should merge and when I check to see which entities are merging, in fact, they are some of the smaller and medium-sized enterprises in this country.

Aside.

Hon. R. St. C. TOPPIN: Mr. Speaker, let them get involved in the process of merging, joint ventures and other ways of collaborating and working together within the confines of this legislation.

Mr. Speaker, if entities wish to merge in Barbados and they are over 40 per cent, they have to get the approval of the Fair Trading Commission. If they are not under 40 per cent, it would still be advisable for them to notify the Fair Trading Commission of the plan to merge.

The Fair Trading Commission has to keep all commercial activity under review. Therefore, if companies go ahead and merge without getting consent, in the belief, however reasonable, that they would not amount to a 40 per cent share of the market of the particular industry they are involved in, and the Fair Trading Commission subsequently finds that in fact they have exceeded the 40 per cent limit, then, the Fair Trading Commission will have the power to order them to terminate the merger which would be a very costly and time-consuming process. This could have been avoided totally, if they had just taken the precaution of notifying the Commission of the intention to merge and just await a formal response before they proceed. Therefore, Mr. Speaker, for mergers over 40 per cent, the Commission must be informed which will do an analysis to see the extent to which the market is going to be impacted upon.

Mr. Speaker, in this legislation, the value of mergers is recognised because even if you have a situation where you are over 40 per cent, you are, in fact, deemed to be uncompetitive, not over 40 per cent in every case are you going to be deemed uncompetitive, but if you are found to be over 40 per cent and thereby anti-competitive, the Fair Trading Commission can still allow you to merge, on the condition that you divest some of your assets and so on to ensure that you stick within the confines of the law and you will not impact upon competition in any material way.

Also, Mr. Speaker, in circumstances where you are anti-competitive, and merging is found to be anti-competitive, there is still the provision that if it is found that a merger which is anti-competitive, is still likely to bring

about real gains, as distinct from mere punitive deficiencies and that these real gains more than offset any lessening of competition, then the Fair Trading Commission can still allow the merger.

Mr. Speaker, if for example, two companies are going to merge and they were then, in effect, going to constitute 50 per cent or more of the market, but it was found that they were going to be merging in such a way that more job opportunities were going to be created, after the merger, or they were going to be bringing to the markets new products or additional products to the ones they had before they merged so that you can see a benefit to the economy as a whole, although they have gone over the 40 per cent and although they would otherwise be categorised as anti-competitive, in those circumstances, Mr. Speaker, the legislation still makes provision for the merging to be allowed because it is felt that the benefits and gains to the economy and the country as a whole, outweigh the effect on competition.

The issue, Mr. Speaker, of interlocking directorates, or I call it interlocking directorships, is also referred to and addressed. It is a fact that in this country you have a director serving on the Board of Directors of two or more companies that are significant competitors of each other. Sir, sometimes when that happens, the effect is to weld together the policies of those companies in such a way that any competition between those companies is, in effect, eliminated.

When that happens, obviously you cannot allow it to continue and the provision here is that the Commission shall direct that Director not to serve on the Board of any more than one of the particular companies. He will be directed to remove himself from the company and of course, failing to comply with a directive of the Commission is specifically dealt with, in terms of the penalty, and you can attract a fine again up to \$150 000. Sir, so that any Director so directed, should readily comply with the directive.

Mr. Speaker, the legislation is far-reaching and as I said the practices are all spelt out as far as possible. The point I will make is that in some cases, even though enterprises may want to engage in conduct that is contrary to the provisions of this legislation, anti-competitive or whatever, they can still apply to the Fair Trading Commission for special authorisation to have the conduct permitted, although it falls foul of this Bill.

In those cases, Mr. Speaker, the Fair Trading Commission will have to publish in the *Official Gazette* and another daily newspaper, the fact that someone had applied for special authorisation because they want to do something that is totally anti-competitive. This will give the public a chance to come forward, to be heard and lodge objections in relation to that application for the special authorisation,

before a determination as to whether or not the special authorisation should be granted. So there is provision in here for transparency in the process and the public will have a role to play.
12.30 p.m.

Mr. Speaker, any authorisation granted can be revoked if it is found that it was obtained on the basis of fraudulent or misleading information. Also any authorisation granted has to be set out and lodged in a register of authorisation which will be kept by the Fair Trading Commission (FTC) and can be inspected by the public during the working hours of the Commission.

Mr. Speaker, where a person acts in non-compliance with the provisions of the legislation or where they failed to comply with any direction of the Commission, the remedies are threefold. First, you can have injunctive relief, that is, that an injunction can be granted by the court ordering that you desist from the practice.

Secondly, you can also claim damages for any loss suffered as a result of anti-competitive practices. This would apply where someone engages in predatory pricing and forces you out of business and then as soon as you go out of business they up the price again having regained that position of monopoly. You would have gone out of business because of their conduct, therefore, you will be entitled to recover your losses as a result of going out of business, which is an obvious loss, from the party who pushed you, or as my friend said, flushed you out of business.

Thirdly, Mr. Speaker, there is the issue of the fines and a number of offences as prescribed at Part VIII of the legislation where any person, who obstructs any investigation or enquiry by the Commission is liable to a fine of \$40 000.

Also any person who destroys or alters any document which the person is required to produce to the Commission or causes such document to be destroyed or altered, is guilty of an offence. It is a very serious offence to alter or destroy a document that you are required to produce. If it is an individual, the fine is \$150 000 or imprisonment for six months or both and if it is a company, the fine is \$500 000 or imprisonment for six months or both.

Mr. Speaker, there is no attempt here to trivialise the importance of this matter or the serious intent that the Government has in bringing this Bill to this Chamber.

Mr. Speaker, any person who gives the Commission any information which he knows to be false or misleading is guilty of an offence and is liable on conviction to a fine of \$150 000 or to imprisonment for a term of six months or both.

Mr. Speaker, where a company is referred to, every director or officer of that company is severally liable to a fine of \$150 000 or to a term of imprisonment for six months unless the director or officer can prove that he took all necessary and proper means to obey and carry out the direction of the Commission and that he was not at fault for the failure to obey the direction.

Mr. Speaker, this legislation clearly contemplates a complete interface between the Caribbean Single Market and Economy and the individual territories in relation to fair competition. Provisions are made in this legislation for a reference to complaints made in Barbados about the activities of other entities in other jurisdictions which impact on competition in Barbados. Those complaints can be referred to the Commission which is to be set up and established in the Caribbean Single Market and Economy which will be referred to as the Community Competition Commission. It is not yet established but certainly the provisions in the legislation make provision for it when it does come into existence.

Mr. Speaker, where the business conduct of an enterprise is located in any part of CARICOM, if it impacts on competition in another Member State of the Caribbean Community, remedies will now be available which can be dealt with by the central CARICOM Commission Authority or even by the individual Member State Competition Authority. So there is now a complete interface between the individual Caribbean Member State and CARICOM. All that we have done here today, Mr. Speaker, is totally consistent with the policies and objectives as set out by CARICOM in Article 8 of the revised Treaty of Chaguaramas and we will obviously cooperate as fully as we can once that comes on board.

Mr. Speaker, I want again to congratulate all those who assisted in this process. This legislation is revolutionary. It is the most fundamentally important piece of legislation which was brought to this Chamber in the last couple of decades. This legislation is going to totally transform and modernise this economy and all that will be done, will be done for the benefit of the consumers.

With those words, I am obliged to you, Mr. Speaker.

Mr. D. J. H. THOMPSON: Mr. Speaker, Sir, I rise to give my support to this Bill but not with the effusive language which the Honourable Member for St. Michael North used since I am not one of those persons who believe that legislation by itself can have the impact of totally transforming an economy. Even if that were so and it is to have that impact, one would have to ask the very pointed question, why has it taken so long for this important transformatory piece of legislation to come on to the statute books of Barbados.

I believe that even before the Minister was Minister, the Caribbean Law Institute set up a task force that drafted model legislation to be applied throughout the region if the territories so desire. There are other CARICOM countries which have already passed legislation similar to this which would have been in compliance with their obligations and probably even in advance of the obligations which flowed from the amended CARICOM Treaty.

Sir, the Government has been saying for a long time that we have to find new ways of doing old things and new ways of doing new things. Those words famously came from the mouth of the Honourable Member for the City. But it is a pity that it could not find itself infecting the persons who inhabit the Front Bench of this Government as well as those who are responsible for pushing important pieces of legislation which are supposed to be part of the new economic era and which are so important to the transformation, as the Minister said, of business.

12.40 p.m.

I would consider it gross neglect if, after being presented with a consultant's report which identifies the eighteen sins, for the next two or three years I was able to avoid my obligations to give this kind of legislation the priority that it deserves. As I said, the Honourable Member is quite correct. I remember him identifying the eighteen sins. I remember the strong and strident language that he had used, saying that he was going to stamp them out very quickly and that, at the end of that same year, we would have had a new piece of legislation...

Aside.

Mr. D. J. H. THOMPSON: Not revolutionary because this does not depart from any of the precepts that have already been settled at the level of CARICOM or the other draft models that the Caribbean Law Institute has developed. As I said, it would be gross neglect on my part if I had done so.

The important point which I think the Minister needs to address is exactly what business he wants to see being developed in Barbados in an era of free trade. While it is all right to speak broadly to the objectives of this piece of legislation, the real transformation that is going to be necessary is actually going to involve many agents of change.

Principally, it is also going to involve an important change in the way in which Government functions because almost all of the eighteen sins, which have been identified by the Honourable Member, are applicable to the operations of Government in many of its statutory corporations and by the use of archaic approaches to doing business in Barbados.

Sir, Government still maintains monopolies in some areas and restricts the free and fair entry of other players in

those areas, not for the purposes of protecting the public but simply because the Government is protecting itself. I refer particularly to the area of broadcasting and to a list of other activities where Government still maintains restrictions which, themselves, could have a very negative impact on the move towards free and fair trade.

Government, itself, also practises a very nefarious form of interlocking directorship in this country, where persons who are leaders of large private sector organisations are further empowered by placing them on boards of strategic entities. For example, the Central Bank and others, where these persons have knowledge and information that are unique, and where it gives them the opportunity to plan their business investments in a way that others cannot, who do not have such an advantage. This needs to come to an end.

I heard the Honourable Minister make mention of information being made available that could become very dangerous to competition. The information that is made available which is dangerous to competition in Barbados is that which is made available to people who are employees of large corporations who, because of having peculiar knowledge, could bid or have their employers bid for contracts to provide goods and services to Government. Also, employees of major corporations who, themselves, are members of boards of statutory entities which have sensitive information being made available to them.

Unless Government, itself, is going to develop a more open and transparent approach to the way in which it makes information available to the public so as to avoid that advantage or, alternatively, is going to have to go the route of not placing those persons on the boards of strategic statutory entities, if it is true to the principles of this legislation. It cannot be done both ways.

Therefore, all of the lofty speeches that I have heard, and I am not quarrelling about those that are part of the traditional response to free trade. Both the legislation and what the Minister has said is very much the traditional response. That is what Ministers of Trade all over the world are now saying and, therefore, that is 'old hat'. To the extent that all of them are saying it, particularly in the developing countries, I believe it has some validity and, therefore, I cannot argue on that with the Honourable Member.

What the Minister has failed to address, however, is the fact that in small developing countries, we have to be extremely careful that Government, both by its intervention in the market through the existence of archaic arrangements, import licensing arrangements, the existence of statutory corporations that exist in a monopoly and the creation of Government-owned companies which could have the impact of marginalising smaller businesses in the same market.

Does this Act apply to them? Does this Act apply to the actions of Government in facilitating, indirectly, an advantage for the established private sector in this country?

Mr. Speaker, I warn again, if any of the five business moguls of Barbados are taken and are put in a room, collectively, because of the information they have, not only about their own businesses but the information they are able to get because of the way in which Government has further empowered them by giving them access to Government's strategic plans in close-door sessions... This is the point – not in public sessions.

The Central Bank of Barbados is still a very secretive arrangement and if a business mogul is put on the Board of the Central Bank, he has special and unique knowledge. There are many other entities including the social partnership, that are very limited in the number of persons who have access to information, that are operating in entities that do not practise democracy either. They do not democratically elect their members. It is done by some other form of consensus. These entities then empower them and Government then further empowers them by bringing them to the table and feeding them with information, which does not find its way into the hands of vendors, minibus operators, water sports operators nor into the information network of the Small Business Association. Therefore, as I said, it operates as a significant advantage to those persons who are empowered in that way.

We have to be extremely careful about shouting all the shibboleths of fair trade; how we are so committed to it; how Government is going to deal with the big business moguls in this country and how we are going to tackle interlocking directorships, *et cetera*. Then, at the end of the day, Government by its own strategies, many of them being archaic, some of them have come onto the agenda in recent times, provides those operatives with a level of comfort, access and information, which give them an immediate advantage.

That is the danger in small countries. We have to be extremely careful about that. That is why Government needs to say, outside of the academic discussion, what is the business environment this Government wishes to promote and what is the ethos of fairness that it wishes to promote. I am not talking about fairness in relation to the World Trade Organisation or in relation to the freedom of movement of Caribbean people. I am talking about fairness in relation to the Barbados business environment where access to information is at the centre of the process of fairness.
12.50 p.m.

The second point that is extremely important is that a fair competition Bill in Barbados can only have relevance against a background of a Government truly committed to the principles of economic democracy.

Sir, I mean democracy at all levels of the workplace, in relation to the shareholders and the boards, in relation to the representation of workers on the boards of corporation, in relation to the ownership of assets of corporation, in the administration companies, in the way that the business of Government is spread and an element of democracy and fairness in the way in which big business operates.

The Minister said it is not his intention to wipe out big business and I will not dispute that because even if he had that as his intention, it could not be achieved in a country like Barbados. However, there should be an obligation to create better linkages between big business and small business so that they could then be required to adopt fair, free and competitive practices in the business environment in this country because far too many big businesses in Barbados are still being run as family enterprises.

Asides.

Mr. D. J. H. THOMPSON: Yes, it is anti-competitive and it is happening in this country. In many large companies in Barbados, business opportunities are being carved out for family members and when there is downsizing, it is not done in a fair or transparent way.

Sir, people talk about white-owned or big businesses in this country and many of them have broad based ownership and not broad based control because the decisions made do not reflect the interest or the size or the ownership of those enterprises and this is where the element of free and fair business has to start. It does not start by passing any legislation because if the legislation presumed that the current business environment in Barbados is acceptable, then passing a new piece of legislation is not going to substantially change that particular business environment.

Sir, I am extremely concerned about that aspect of it. I want to know what is the applicability of the Bill to the operations of Government particularly its unfair and anti-competitive behaviour in some sectors. I mentioned broadcasting as one of these sectors but there are many others to which one could point where Government needs to clean up its act in relation to the broad objectives of this Bill.

Sir, Government itself, to my mind, must set the supreme example in this regard and Government must be a provider of information because a competitive environment in Barbados has to thrive on the availability of information.

Mr. Speaker, I think I have made the substantive point I wanted to make because in previous debates the Minister mentioned some of these same points so we will only be rehashing these points. Section 23 relating to interlocking directorships, as I said before, has to have some applicability in a wider context and the Minister needs to say something about the application of this Bill to the Government and operations of Government entities in Barbados.

I know what the Fair Trading Commission Bill says but I want to hear the Minister's view in relation to the aspect of our national development and whether we will move to a stage where Government will come under the provision of this legislation.

I am perplexed about a section in the Bill that speaks about people wilfully insulting members or officers of the Commission. Sir, I do not think we are children and I believe persons who go before the Commission can be adequately dealt with by the high calibre of individuals who the Minister will place on the Commission. I would not like to see legislation evolving to the level where we have to insert in every piece of legislation which establishes a tribunal that people should be fined for insulting, wilfully or otherwise, members of a Commission.

Sir, I wondered why the Minister introduced this clause. Has something been said, or is someone's conduct so outrageous in Barbados that it would require such a clause?

Asides.

Mr. D. J. H. THOMPSON: As I said, I do not think it is necessary. I think persons who will go before tribunals like this one should be encouraged, without being insulting, to state their case and to do so as aggressively as Attorneys-at-Law do in the law courts of Barbados.

Sir, the Commission in its operation is going to have to come under public scrutiny at the level of the journalists, people involved in the business sector in Barbados and Members in this Chamber and it is important that it be given the status commensurate to the obligations which the Minister has placed on it because in the closing words of his presentation the Minister indicated that this Bill is going to be the most revolutionary step in the economic transformation of Barbados and, therefore, that would place the Fair Trading Commission in a more central and pivotal role than the Government itself, by way of its policy in advancing the Government's objectives in relation to the business environment in Barbados.

It is, therefore, important for us to know in this regard the kind of business ethos that the Minister and this Government believe is suitable to the advancement and development of Barbados and whether the Government itself is willing to pull its weight by making the necessary changes in the way in which Government operates to contribute to the advancement and development of fair competition in our country.

Mr. Speaker, I thank you.

SUSPENSION

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

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

The question that the House be suspended until 2.00 p.m. was put and resolved in the affirmative without division and Mr. Speaker suspended the House accordingly. 1.00 p.m.

RESUMPTION

Mr. SPEAKER: This Sitting is resumed.

Hon. R. C. EASTMOND: Mr. Speaker, time was in the affairs of man when there would be at the core of capitalist democracy, the dominant philosophy should be the philosophy of *laissez-faire*. Mr. Speaker, those who advanced *laissez-faire* as a philosophy that was desirable in a capitalist democracy, were of the view that apart from minimally regulating the State as far as the provision of a police force, fire service and such like, that the State should not become actively involved in the economy. Sir, there used to be a jurisprudence called Nozick which was of the view that for the State to get involved in the economy beyond providing a police force, a fire service and basic systems of security, was for the State to interfere unduly in the economy. Nozick put the theory that *laissez-faire* should be allowed.

Mr. Speaker, considering, however, where Barbados is in terms of its status as a former colony and where Barbados wants to go as the number one developing economy in the world, no sensible argument can be put that *laissez-faire* can still hold firm in this era. Sir, as the Honourable Member for St. Michael North so clearly pointed out, if Government does not get actively involved in the name of equity, fairness and that which is conscionable, all types of sharp practices would be experienced and can very well continue unless a speedy halt is put to them.

Sir, when one considers the extent to which there are particular businesses that can combine and more or less set terms in a way where those who interact with them cannot bargain equally, then one has to make a very strong case for proper and positive regulation of the marketplace.

Mr. Speaker, I believe that there are Honourable Members in here who have heard about the concept of a cartel, what the Americans called the 'Trust'. Let me divert a little on a matter that I found very interesting in interacting with an eighteen-year-old student recently. This student asked me how many commercial banks there are in Barbados and I gave him the figure. He said that what he found remarkable was that all of these commercial banks sold a particular service at the exact terms and interest rate of 21 per cent. He said that if there was real competition, would not competitive forces militate against the 21 per cent.

Naturally, this young man did not make any allowance for a risk premium or inflation. He was just saying that if we

are really competitive, the forces of competition should so work as to allow for the final consumer to be in a position where there will be a real choice. That was that young man's concern. Sir, he, in trying to buy a particular service was charged 21 per cent and was told that it would be 21 per cent next door *ad infinitum* and he could not understand.

The Honourable Member for St. Michael North made bold to say that considering a phenomenon like that and a lot of other phenomena, a legitimate question is, do we really have a market? The Honourable Member for St. Michael North started with that. What the Honourable Member meant is, do we have a market where there are many buyers and sellers operating in an economic ambience of equity and avoiding sharp practice, that is all he meant. In other words, is there such a thing as skewed, lopsided and favouring a minority? Is there such a thing as a market where participants have an equal bargaining power? Is there such a thing as a marketplace where some of the dealers can behave unconscionably? Is there a marketplace where those who access it can really claim to be functioning alongside other players on level terms? These are concerns that we have to address, bearing in mind where this country wants to go.

Mr. Speaker, we are into an age known as trade liberalisation. If trade liberalisation is going to be allowed to function in an ideal framework, then there is no question that certain basic benchmarks must be put in place and there is no question that the playing field has to be level. There is no point talking about trade liberalisation, freeing up trade and removing the barriers to trade if at that same time the playing field remains uneven.

Mr. Speaker, I was taken aback by a number of the revelations made by my colleague, the Honourable Member for St. Michael North. Not that these revelations were not true but he mentioned instances where, for example, a supplier would dictate terms to a retailer, that the retailer would be effectively mortgaged and bonded to this supplier in a situation where I believe that at the core of the philosophy informing this piece of enlightened legislation is the extent to which we are ready to play a proper role in trade liberalisation in a sensible way or whether, bearing in mind the constraints and the unevenness of the playing field, there is a need for us to do something legislative to address the problems.

Sir, in instances where people are trading at arm's length, the situation should not be so lopsided, skewed or lacking in balance, that big traders dealing with each other cannot be fair and of level mind in dealing with each other.

Mr. Speaker, it cannot be fair in an era when all systems should point to the ultimate development of the society, particularly the consumer, that you have sharp business practices where those who have the power and the resources can literally squeeze those who do not have that power, resources or cannot bargain.

The ancient common law evolved a rule called the *contra proferentem* rule, which meant that in a dispute between two parties, the weaker party was presumed to be in a better position in the eyes of common law than the other party that is foreseen to be the oppressor. That was a general and ancient rule that applied in instances of particular private contracts in the market, not in the full open marketplace, that were applied in contracts that were negotiated under what is called a private treaty.

Sir, in terms of the market overt, the *contra proferentem* rule was of limited application, yet in a very unfair and biased way people claimed that the final buyer had to observe *caveat emptor*, let the buyer beware.

Mr. Speaker, there are buyers who are not final consumers. There are buyers who are very much middlemen. There are buyers who are retailers. There are buyers who, in this modern era, are both retailers and to some degree wholesalers who are buying from a more powerful wholesaler. The purpose of this legislation is to extricate the weaker bargaining agents from the firm grasp and oppression that the more powerful bargaining party could have over them.

It cannot be fair if 'X' is trading in rice and buying such rice from 'Y' that 'Y' could tell 'X' that to continue buying rice from 'Y', you have to buy pearls and gold. It cannot be fair. Such would be grossly unfair because it would more or less tie a weaker business person to a stronger person. Then the full terms would be such that beyond the original bargain, the buyer would have to go beyond his wishes and probably beyond his resources, to be able to satisfy an entity that could only be described as a greedy entity.

2.10 p.m.

The Honourable Member for St. Michael North, to his credit, also mentioned that in instances where modern legislation was passed, particularly in the area of telecommunications that, ultimately, prices were impacted on in a positive way and, of course, the quality of service improved.

The whole question, Mr. Speaker, of competition being what it is, always invites a particular economic environment

where competition should, if given a chance, lead to better prices, higher quality and to particular ethics where those who function in a competitive environment would go after efficiency and make efficiency their watchword. Ultimately, the society benefits, certainly in the short-term but the consumer benefits.

The idea, Mr. Speaker, is also to avoid any situation where certain businesses are better poised, whether through cultural forces and historical forces, or through the sheer weight of their resources, than other businesses. Mr. Speaker, I want to make a point. The purpose of this legislation is not to oppress businesses which, through efficiency and the sensible allocation of resources manage to make it to the top. What the legislation is trying to do is to set the tone for efficiency to be the watchword at every stage.

This legislation is not designed to clip the wings of business houses that are operating conscientiously. This legislation is not designed to clip the wings of business places that take into account, the interest of consumers. Instead, what this piece of legislation is doing, is readying Barbados for the type of economic ambience wherein all of the nuances and the implications of the classic doctrine of trade liberalisation would be able to assert themselves. This is the purpose of the legislation. The legislation, to its credit also has, as one of its primary objectives, the ultimate promotion of the welfare and interest of consumers.

Mr. Speaker, let us consider where is Barbados in the context of its relationship with its neighbours. As you well know, the Caribbean Single Market and Economy is very much an institution to which the Government of Barbados is absolutely committed. Within this particular regional integration mechanism, there is no question that rules to do with Rules of Origin have to be properly expressed and, of course, have not just to be clear in their intent but should also be obeyed.

All Honourable Members of Both Sides, who would have been following events within CARICOM throughout the years, would no doubt remark that there have been instances where some CARICOM partners which breach the Rules of Origin with impunity, are sometimes operating in collusion with countries beyond CARICOM. But to Barbados' credit, Barbados has been able to meet its CARICOM obligations, even when the Barbados public would have wanted retaliation for what other CARICOM countries have, from time to time, done to Barbados.

In the context, Mr. Speaker, when we want free trade but especially fair trade, not just free trade but fair trade as well, the legislation is going to represent a very special standard in readying our business culture for the challenges both that face us in the immigration movement and then the wider challenges that face Barbados in the world beyond

CARICOM, as we move speedily to meet our obligations within that trading bloc known as the World Trade Organisation.

I conclude by saying, Mr. Speaker, this legislation, having come here after a number of important processes, is a piece of legislation which commends itself readily to this House. Sir, ahead of the writing of this legislation, a number of important developments occurred that helped eventually to inform and touch the philosophy of the legislation.

Mr. Speaker, the Honourable Member for St. Michael North, to his credit, mentioned that there was a full process of consultation. There was even an independent consultant who was able to study the commercial culture of Barbados, comment on it and indicate what about it wanted changing. In addition, at the macro level, there was enough of a large consultation in June 2001, which provided input that assisted the Government in developing this important and modern legislation. This legislation, Mr. Speaker, cannot be taken in isolation, either from its intent or from counterpart legislation which is bound to follow.

I believe that today might mark the first of three occasions when legislation also going to the core of commercial behaviour and consumer protection in Barbados, will be passed. It has been a well-thought out piece of legislation and without, at all, singling out any particular person, I still want to say that the Honourable Member for St. Michael North delivered himself well. He was very clear in all that he had to say, and both the legislation and Honourable Member must be the recipients of warm and fulsome applause.

Mr. Speaker, I thank you.

Hon. R. R. FARLEY: Mr. Speaker, I rise to support this Bill which is based on a very important premise. The premise, Sir, is that vigorous competition among businesses is the life blood of a strong and efficient economy. It recognises, Sir, that one of the key responsibilities of Government is to ensure that we not only have free markets and competition, but markets and competition which are fair. In fact, Sir, it is borne on that basic recognition that in our system of free enterprise, markets are at their best when there are many players who are able to freely enter, freely exit, to have access and equal opportunity for access to information on which sound, rational decisions can be made.

In fact, Sir, consumers and the ordinary citizen stands to benefit most, when businesses do what is required of them, that is, to work hard, compete vigorously, win their business and keep their business, the consumer stands to benefit from that competition where they are all trying to woo attention. It is as if, Sir, the consumer would be the equivalent of a maiden, being wooed by many suitors

and she stands to benefit from the lavishness of their attention and they all seek to outdo each other, that is to win her fair hand in marriage. Sir, that is how consumers stand to benefit in an environment of free, fair and vigorous competition, where the businesses are trying to outdo one another to get that consumer's or the maiden's hand, the benefits are given.

Sir, I want to applaud this legislation. When we look at the objects and reasons of this legislation as stated on the front of the Bill, they are very laudable.

An Act to:

- (a) promote and maintain competition;
- (b) prohibit the prevention, restriction or distortion of competition and the abuse of dominant positions in trade in Barbados and within the Caribbean Single Market and Economy;
- (c) ensure that all enterprises, irrespective of size, have the opportunity to participate equitably in the marketplace;
- (d) enhance economic efficiency in production, trade and commerce;
- (e) promote the welfare and interests of consumers.

2.20 p.m.

Sir, these are at the heart of the new economy which we are seeking to build.

Sir, this legislation does not stand alone. This legislation represents neither the first nor the last step that we need to take to build the economy of the future. If we take any reference point, be it 25 years ago as compared to now and now as compared to 25 years in the future, we could agree that the economy is in a constant state of change.

Sir, Sir Roy Marshall, a very eminent Barbadian who was known for his confidence in the law, delivered a lecture called "The Role of Law in the Process of Change" as one of the Sir Winston Scott Memorial Lectures which is organised annually by the Central Bank of Barbados. He made the very important point that whilst it is true that there would always be some element of lag between commercial practices as they evolve and the law which governs the legal arrangements within which business is done that it is the responsibility of Government to ensure that the lag is as minimal as possible and that the law provides the environment of certainty and predictability and sets out the rules of the game within which all players can fully and freely participate.

Sir, I want to make the point that this Administration has recognised that it stands at a great moment in time in

which we have a responsibility as a Government and as a Parliament to usher in a new era in which we will create a modern competitive economy which is very different from that which this country would have had at Independence. We have a responsibility to transform the economy. We have to introduce a new legislative environment and a legal environment which recognise that there are new issues to be dealt with. We have to create new institutions in the Public Service. Indeed, the Honourable Member for St. James North was quite eloquent and erudite as he explained the rationale for Government's involvement and that although the nature of Government's involvement may change from time to time, we cannot conceive of a *laissez-faire* approach. We are in this period where the role of the State is changing and where the nature of legislation and institutions that we have to put in place are changing.

In addition to legislation and institutions, we also need to put new policy arrangements in place to create that new economy. If I may draw an analogy, Sir, what is required to be done in our economy and society is more akin to redrawing the rules of the game than withdrawing. The United States of America, either taken as a whole or its various markets, its capital markets and others, represents one of the prime examples of free enterprise and of freedom of opportunity. It is also one of the most highly regulated economies and societies in the world and for a very good reason, Sir. It ensures that as we have such multiple players pursuing divergent interests that there are clear guideposts, clear rules and clear frameworks within which these activities take place.

In our case, we have already reformed much of the legislative framework as it relates to business in Barbados and this is a very important point, Sir. We have introduced in this Parliament new rules relating to insolvency. We have introduced the Electronic Transactions Act, the Fair Trading Commission Act, the Telecommunications Act, the Financial Institutions Act, the Special Development Areas Act, the Tourism Development Act and the Value Added Tax Act. Mr. Speaker, we have risen to the challenge based on the knowledge of what our responsibility happens to be.

By way of the institutional framework, again this does not stand alone, the Fair Trading Commission (FTC), as you know, Sir, has been under discussion in this Parliament particularly as it relates to its role in utility regulations. We are pleased that the other two aspects of responsibility which have been placed on that Commission, that of administering competition policy and consumer protection, are being brought to the fore.

In addition, we have made new institutional arrangements such as the Commission on Competitiveness which is chaired by the Right Honourable Prime Minister himself, to ensure that we are able to implement these

policies and programmes such as would enhance our competitiveness and allow us to make our way in this new and old world. We have everything from EduTech, to the community technology programme, to the University College of Barbados and the like. So this legislation fits within that broad framework of the creation of a new legislative, institutional and policy framework to usher in a new economy.

As I read this legislation, Sir, it is my very clear and very sober conviction that the principal beneficiaries of this legislation will be the small and emerging entrepreneurs in this country.

Sir, stripped of all of the details and the various clauses, some of the basic things that this legislation is designed to do are to ensure that we break the stranglehold of dominant businesses in the various markets, break the stranglehold of the traditional business groups in the society, eliminate artificial barriers to entry by new businesses in the marketplace as well as to outlaw unfair business strategies which have been used from time to time in order to restrict or stifle competition.

So to the extent, Sir, whether it be in 2002 to 2003 or beyond, a young person, or any person for that matter, who has a bright new idea, a new way of retailing in any aspects of retail trade, a new way of manufacturing, a new way of distributing goods and services, a new way of organising the music industry or a new idea for professional sporting activities, can get involved in business because some of the stumbling blocks that are often erected in the way of new entrants to business will be eliminated because at the end of the day, let us not fool ourselves, human nature being what it is, it is human nature to want to protect what they already have. Whatever type of business you operate, it is a normal business strategy to want to defend your 'turf'. If you operate a supermarket, a nightclub or a motor mechanic shop, in your heart of hearts you do not want to see a next entrant coming in and you do not want to see someone who could emerge to take away your market share but the public interest is better served by having as many competitors in every business sector as possible.

It is, therefore, an essential part of public policy to make sure that notwithstanding whatever the personal interest of existing players in the market may be that there is always room for new entrants once they meet the other criteria to be able to participate meaningfully in the market. 2.30 p.m.

The matter of unfair business practices whether they relate to, as the Honourable Member for St. Michael North mentioned, the eighteen deadly sins, which have been well documented, we know of those offensive strategies which are used where, because of the closeness of our society,

arm's length relationships exist, where I might have a cousin who owns a business and who might be the sole supplier of a particular product and where I might want to give my cousin a preferential price, which might, in fact, be putting other competitors out of business.

This legislation is there to ensure that, as I go about my legitimate business, I am not unfair to any of the competitors in the market. That similar transactions are treated similarly, notwithstanding whatever might be the nature of the relationship between owners of businesses in Barbados.

Therefore, to the extent that these barriers to entry and to expansion are removed by this legislation, we could expect greater efficiency, greater effectiveness and an expansion of opportunity, not only for new entrants into the business but for businesses that are already there.

It is my assessment that this legislation represents no threat, whatsoever, to businesses already in existence that observe the norms of corporate governance, corporate responsibility and respect for the law. In fact, what this legislation seeks to do, is to bring Barbados' legal framework, as it relates to the function of a commercial sector, up to standard with what is happening internationally, for example, competition policy legislation in the United Kingdom, the United States, Canada and elsewhere in the world.

It would also ensure that, as we expand our domestic market to become part of the wider CARICOM Single Market and Economy (CSME), that we, in turn, further expand that CSME into the wider Free Trade Area of the Americas (FTAA). We are moving approximately thirteen countries in CARICOM, with approximately six million population, to 34 countries in the Free Trade Areas of the Americas, with eight hundred million persons in the population and we are forced to liberalise, within the world framework of the World Trade Organisation. As we move from local to global, there are rules which will, in fact, result in offering a greater degree of certainty and even a greater element of protection for operators in our local markets.

Sir, one of the things we have to be wary of, is the fact that as we move barriers thus giving businesses in other countries the right to establishment and giving them the same rights and privileges as Barbadian businesses, that because of their greater access to financing, their greater size or greater efficiencies in economies of scale, they might, in fact, have a situation where traditional Barbadian monopolies could be replaced by international ones. With this legislation, whether the dominant player in the market is local or international, the rule of the game, which is important, would apply.

Therefore, it is within my certain knowledge that this legislation joins with other legislation which have so far

passed this Parliament in creating new framework, which would lead to a new era in business in Barbados. An era in which Barbadian businesses are able to play a meaningful part in the CARICOM Single Market and Economy (CSME), where we would have businesses which are more competitive. It will usher in an era in which our ability to earn our way in the world is driven more largely by the provision of services, particularly with an export orientation than is the current structure of the economy. We would be able to ensure that the long history of restrictions, roadblocks, collision, complicity and duplicity, being part and parcel of the business strategies used to keep the market cornered and to keep new players out, would now become a thing of the past.

Therefore, it provides an opportunity, not only for the economic empowerment of the wider range of Barbadians in facilitating their entry into the business sector in its widest manifestations but by extension, it also provides an opportunity for the continued social advancement of the broad mass of the Barbadian people.

Therefore, I am pleased to support this legislation, fitting as it does into the Government's overall policies and strategies for the political, social and economical empowerment and advancement of the Barbadian people.

I will, therefore, end by commending this legislation to this Parliament and congratulating the Honourable Member for St. Michael North for bringing this legislation to us and to urge him to continue on his passage for the Fair Trading Commission to press on with this important task, a task which has proven around the world to be an essential one in ensuring that we have a truly competitive market.

Sir, as I had indicated at the beginning of my contribution, vigorous competition between businesses is the lifeblood of strong and efficient economies.

I welcome this legislation as it adds vigour, vitality and robustness of the competition in the marketplace which could only benefit – as I gave the analogy of the maiden benefitting from the lavish attention of her suitors – consumers by being able to sit back and enjoy the benefits as businesses compete amongst each other to win the business of the consumer in the first place. In doing so, they would be forced to continue the competition in order to keep the businesses, rather than thinking that, in the absence of choice, they have the market cornered.

Sir, this legislation, at the end of the day, will benefit new entrants, entrepreneurs and consumers in the marketplace. Mr. Speaker, I thank you.
2.40 p.m.

Hon. Miss B. A. MILLER: Mr. Speaker, I wish to give my support to this important Bill which comes before us

today. The Honourable Member for the Opposition made the point and I support him in the regard that this is a Bill which should have come before today but, Sir, there are realities with which we have to live.

Sir, I make the point everywhere I go and in this Chamber as well that we have a dearth of resources, generally speaking, in the Government service, but more particularly in the context of this debate, in the Attorney-General Chamber where there is a severe lack of resources and the problem has to be addressed.

Sir, I am responsible for Foreign Affairs and Foreign Trade which go together although they are not necessarily one and the same thing. There are large and important diplomatic matters to be dealt with particularly living in a post September 11 world and I would need to have at least two attorneys in the Ministry of Foreign Affairs and the Ministry of Foreign Trade.

Sir, do not let us forget that Barbados, as part of the Caribbean, is unique. I made the point a few days ago at the Free Trade Area of the Americas Ministerial meeting that nobody else in the world carries the burden that we carry and with the resources that we have. Sir, I keep saying that the Ministry of Foreign Affairs and the Ministry of Attorney-General have to do everything that has to be done for all the other Ministries. We still have to do all the work that impinges on the Ministry of Education, the Ministry of Health, the Ministry of Agriculture, the Ministry of Physical Environment and all the economic and productive Ministries and it is physically impossible for the Attorney-General Chamber with less than six Attorneys to do all this work. This lack of human technical resources is one of the reasons why this matter did not come to the House before today. It was not a lack of commitment on the part of the Government because the Government knows what its commitments are in respect of these negotiations.

Sir, the Attorney-General's Chamber is beset with another problem. From time to time, since the year 2000, we find ourselves having to reorder our priorities because there are other overriding priorities like the Anti-terrorism Bill. I remember when that Bill came before this House this year, the Honourable Member for St. Michael North said that he was supportive of the Bill but asked about the competition and consumer legislation which have severe implications for his Ministry.

Sir, I am relieved that this Bill is here for several reasons. The Honourable Member for St. Michael North pointed out that competition policy falls within what we are doing to put the Caribbean Single Market and Economy (CSME) in place. We revised the Treaty of Chagauramas by a series of nine Protocols and Protocol VIII speaks to

competition policy, consumer protection and subsidies. This Protocol was signed in March 2000 but it has not been ratified as yet.

Mr. Speaker, all of these things are critical to Caribbean Single Market and Economy accessing larger markets with this hemisphere including the Free Trade Area of the Americas and all the other huge trading blocs and markets of the world.

The Honourable Member of the Opposition asked a question and I do not think he was asking it rhetorically either. He asked what was the business ethos that the Government is projecting. In my judgement, the business ethos which is going to inform business practices in Barbados from now has to recognise that reciprocity and competition are now the way of the world.

Mr. Speaker, I always make the point that I have never seen a level playing field in my life and, in my lifetime, I will not see one either because it does not exist. I will not suggest that competition is going to create a level playing field for us because it simply will not happen and we should not fool ourselves that it will happen. Even our so-called trading partners in these negotiations are saying one thing, agreeing in writing to another thing and doing an entirely different thing in the third place. It happened recently with the United States of America who negotiated in good faith at the table what we hope by January 2005 would be the Free Trade Area of the Americas. We believe that it is critical that we must be able to access this market of 800 billion in the western hemisphere worth \$17 trillion.

We must not fool ourselves that this legislation by itself is going to work any magic. Sir, there are two important matters which are key to being competitive. One has to do with productivity and the other has to do with education.

It is not by any whim or fancy that this Administration has something now known throughout this hemisphere as EduTech. A few days ago I was in Washington and the matter of EduTech came up at the Inter American Development Bank and a voice asked why the bank should lend money to a little country like Barbados for a project like EduTech which is designed to make every child of school age in Barbados computer literate when it cannot happen in the United States of America.

I replied that people make their choices and in some countries people are disposed to letting their children take guns to school to shoot other children but in Barbados we prefer to put computers in our schools so that the next generation can shoot down some of the competition.

There was a long silence and no one laughed because I was in a fighting mood. Sir, I feel very strongly about this

matter. It pains me that I live in an age where after 2000 years of Christianity, humans are now doing something not now known to any other member of the animal kingdom. Our young people are now turning to kill their immediate peers. There are wars and women and children are killed. There are instances of infanticide. Where else in history have we seen young people going into school with guns and we are pretending that we do not know how this is happening. Sir, we know how it is happening because we have shown them on television for all of their lives how to do it. We continue to do it and justify and rationalise the case as to why we should continue to do it, then we throw our arms in the air and say what a horrible thing is happening. Sir, this is unknown in the history of human kind. Sir, that is why I would always want to support EduTech because without it, there is very little future for the likes of small economies such as ours.

2.50 p.m.

Mr. Speaker, for over three centuries we have been protected by concessionary protective arrangements in respect of our trade. We never had to compete in the open market, so competition, we do not understand it at all. It is something that we now have to learn.

Sir, one of the pluses about coming to it so late in our developmental process, is that, I hope, we would have the ability to learn from the mistakes of other people and do not go down the wrong path as so many of them have done. In these negotiating theatres, as there are called, the Free Trade Areas of the Americas will come to fruition in 2005 and in Europe the deadline is the end of December 2007, for the start-up in 2008. There are some who want to mark time and say that it is not going to happen in the time frame.

Sir, I am one who believes that while we are saying that, we should still try to see how far and fast we can try to meet those deadlines because at the end of the day we are not going to be the ones, if they have to be amended, who will drive the amendment. Those dates, as we know, are being driven by very important political considerations.

Mr. Speaker, you can appreciate why everywhere we go as an administration, the Honourable Members for Christ Church East, St. Michael North, St. Philip South and all of us on this Front Bench, and I wish that more on the Back Bench would give voice to this. I expect the Opposition to give voice to it. This is not a matter on which we can be partisan, Sir. This is our future. This is survival that we are talking about. We are struggling strenuously to make the case for special and differential treatment for small economies like ours, economies which are vulnerable.

Recently Tropical Storm Lili passed by and she did not seriously look in our direction. She just gave us a little glance and blew out. It is unfortunate for me to say

that but that was the reality. Barbados is very fortunate. We had one very bad hurricane in the whole of the 20th Century when other people are getting hit twice in one year, like the Bahamas. Tropical Storm Lili passed by and I hope that we have a better understanding of the potential of that kind of natural disaster to wipe out everything that we have built up since 1955, when Hurricane Janet hit us, and which successive administrations, irrespective of the political divide, have sought to put in place to bring Barbados to where it is today.

Sir, there is a lot of vulnerability out there. Nobody knows where the international recession is going. Every day you hear something different. Things are grim out there and inevitably it will come home to us. In all of this, we have to face the fact that those trading arrangements, such as we are now engaged in, are not going to be non-reciprocal anymore. There will be no special concessions. That is why it is so difficult for us to make the case for special and differential treatment.

Sir, we make the case because we are able to point out to some of the developed countries that in their turn, 50 years ago, when they were putting certain trading arrangements, political unions and other kinds of trade groupings and blocs in place, they did employ special and differential treatment for some within their group.

Sir, I speak of the European group, it is a group of 50. When they began, they were some among them who were weaker and some who were stronger. They made special and differential treatment for the Irish and Portuguese. They are now about to enlarge the European Union.

Mr. Speaker, an interesting thing happened recently. Before September 11, there were many countries in the Union, who were not at all keen on enlarging too much and too soon. They had a good market going and they did not want too many weak countries joining. All of a sudden, post September 11, I am hearing that everybody is now for enlargement. Bear in mind that many of those new Eastern European countries that are looking to come into the European Union are looking to have access to a bigger market, that is what it is about. Sir, some of them are weak and by our definition are developing countries too. More importantly, many of them are Muslims. Do not let the inference escape you. All of a sudden there is going to be a bigger European market.

Sir, those who are pessimists among us, meaning in small economies like ours, may feel that when the gates are open, we are going to be overwhelmed because Tom, Dick, and Harry will want to come through the gate. Those who are more optimistic, like me, recognise that there is the opportunity for us to go out there, because it is not going to come and jump into our laps, and carve out those little niches

which, perhaps, can only be attracted to small economies like ours. There is room for us out there but separate and apart from whose job it is to go out there and advise as to where the niches are, how to access them and how to prepare ourselves for them, there are still going to be non-reciprocal. Whatever we hope to do in their market, we must expect that they must feel free to do the same in our market. Sir, above it all, we have to be competitive.

3.00 p.m.

Sir, I do not want this legislation to give any false idea to anyone who is listening to this debate. We have to be competitive because that is the only way we can keep our noses above water. Sir, even before all of this and before there were WTO and FTAA in the making, part of our survival and our success as a country had to do with the fact that we were competitive, so even in the old outgoing mode, perhaps we did not always recognise it but we were competitive.

Sir, when we said that Barbados' rum was the best rum, it did not happen because we said so, it happened because through our dint of energy, brain power and labour, we made it that way. When it was said that Barbados' sugar is the best, it is not the best because we said so, it is because for over 300 years we have worked at perfecting our sugar.

Sir, that goes for everything else. When they say that Sir Garfield is the best, that did not happen by chance. We like to talk about the God-given talent. Yes, but even the Right Excellent gentleman made the point in, perhaps, the best speech I ever heard in his life when we unveiled his statue in the roundabout and I hope the young people listened carefully to what he said. One of the things he said was that it was by dint of effort and he took opportunity when he saw it. They did not come and put it in his lap.

I am saying, Sir, that competitiveness, although it is alien to our culture, meaning us in the Caribbean, meaning us who are developing countries and us who lived under the protection of the colonial arrangements and even the post colonial arrangements such as the four LOMÉ Conventions, know something about being competitive.

Sir, what the new trading arrangements and the new ethos, to use the word of the Honourable Member for the Opposition, mean is that from here on now, in every endeavour – not only in some – for a little 14 x 21, 166 square miles, population 267 000, Island State like ours, we have to be competitive.

Our Parliament has to be the best. Our cricketers have to be the best. Our tourism product has to be the best. It has to be able to compete. The Honourable Minister of tourism is sitting there. Mr. Speaker, in tourism we are selling the same thing that everybody else is selling, the same

sun, Caribbean sea and sand as everybody else. We are selling, in a way, the same kind of history, heritage and ecology as everybody else. Therefore, we have to find a way, and this is what must tax our creativity and that competitive spirit in us, to take our product beyond others and this is what is important.

Sir, this legislation just does not come on to the books but we understand that there must be a new and very hard thought competitive culture and attitude, in every endeavour which we undertake in this little Barbados. This is what will make the difference as to whether we will survive in a globalised world or whether we are going to become a little rock in a backwater to which a few retirees may come, sometimes.

Sir, if the good Lord spares us, as indeed he did in the 20th Century and the 21st Century, and no major catastrophe overtakes us, and if through good and wise management of our economy, we can continue to keep our noses above the water, Mr. Speaker, and every Barbadian child who feels that urge for competition, understands that the cutting edge is where it is at, there is nothing in our time and the time that will come, when we are no longer here, Sir, that will stop Barbados from excelling.

We boast and even without boasting, other people say to us all the time, what is the secret. What is it that allows you always, continually and consistently to punch above your weight? Part of it, Sir, because there are many parts, is the fact that we are Godfearing and law-abiding. Part of it also, has to do with the fact that we know how to be competitive. The question is now, will we apply it and will we compete?

I thank you, Sir.

Mr. D. St. E. KELLMAN: Mr. Speaker, I rise to speak on this Bill cited as the Fair Competition Act of 2002. I want to start by making one point which was started by the Honourable Member for the City, that is, Sir, we have never been in the custom of having to compete. I want to remind this House that we were mainly an agriculture-based economy and because we were dictated to by our European masters we always had a market, what we would call a free market.

One must ask if the culture of that day has not influenced us to such a stage now, Sir, that in light of us having those opportunities, we have not been able to rise to the occasion and recognise that the world has changed and we still believe that we have to continue waiting on our masters for their dictate.

I want to say, Sir, that even though that might be true, one must also recognise that the development of Barbados would have been stalled, because in the days when we were doing what we did well, we were deprived of having the

opportunity to build our resources and to retain some of those resources so that we could better utilise our plant to put us in the competitive environment.

Sir, that is because the Europeans took our sugar, sold it, kept what they wanted and gave us what they felt like giving us. We were not able to master the art that we were able to develop. Sir, when people thought that we should not be depending on that market with which we previously had a relationship, one must also understand that our culture was dictated by them and they had two choices:

1. To continue providing the market for us.
2. To compensate us for what they took from us over those years.

There is no doubt that they have taken a lot from a country called Barbados and they have been able to use the resources from Barbados to build up their own markets and to be competitive in the world.

3.10 p.m.

Sir, we have to recognise that even though that happened to us, that in the early 1990s when the talk about trade liberalisation first came about and the Right Honourable Sir Lloyd Erskine Sandiford had the foresight to put measures in place, there were forces within Barbados who knew that trade liberalisation was a fact of life and that it had to come at some point in time but they fought it, instead of getting on the bandwagon and acknowledging that this is what had to occur.

Had we implemented what we should have implemented 10 years ago we would not now be in a situation of having to ask our manufacturers to become competitive because we would have been able to walk them through the process and allow them to understand and have a feeling of the real world of trade. Ten years later we are now asking our manufacturing sector to be realistic and to understand that, with trade liberalisation and globalisation, if they are not competitive, they will not survive. I am saying that if that was instilled in their heads 10 years ago when it was first brought to them, they would not now have to worry about this problem. What are we? Are we a country that believes that we could put back everything?

I am always making this particular point in here that we have to wake up and understand that the world is not waiting for us. The same thing applies with the Protocols. We had the Protocols and we knew what we wanted with them but we kept them for over 10 years and are now talking about implementing them now that we are faced with trade liberalisation and globalisation. In other words, we are now practising on the wicket when the test match is being played. It is as simple as that, Sir.

We, in the Caribbean, have to wake up and understand that the world is now the market for everyone and that we cannot depend only on the Caribbean as the market because while we are depending on the Caribbean, the world is dumping on us. So what will we do, Sir? Instead of depending on the Caribbean, we have to wake up and find those products and services that we have the competitive edge on or with and be prepared to put all the necessary resources behind them. That is why I have been saying in this Parliament that if the Government believes that it is to sell its entities to the private sector and that it cannot buy into the private sector, it is going to fail. It does not make sense for any Government in the Caribbean to see the private sector producing a product that is accepted in the country and abroad but it does not have the capacity to push the product and stay and wait for the private sector to push the product. That is utter foolishness.

The Government has to have the capacity and the foresight to get involved, to identify those products with the capacity and to find a way to get resources into the private sector to be able to push them away from the local market. So why are we still discussing fair trading within our country? We have passed that stage. We should not now be discussing fair trading within our own country, we should be discussing it within the world and that is a fact. We cannot continue to believe that people are going to wait on us.

Some people believe that fair trading is only about products but they have to understand that fair trading is about services as well, which brings me to some vital points. How can we argue fairly about fair trading and have monopolies such as Cable and Wireless, the Transport Board, the Barbados Water Authority and the Barbados Light and Power Company Limited – significant inputs into everything you want to export. So where is the competition? I keep hearing in this Parliament that Cable and Wireless is not a monopoly anymore but I cannot get that in my hard head, because it seems as though my head is hard and all the other heads that are talking about it got a different head than mine. They cannot show me who Cable and Wireless is competing with, yet still they are telling me that Cable and Wireless is not a monopoly. So I can only confess that my head is hard and they have some other kind of head.

Asides.

Mr. D. St. E. KELLMAN: Exactly. That is why you got your head that cannot think.

Mr. Speaker, if they are telling me that Cable and Wireless is not a monopoly then we should not have one company complaining about Cable and Wireless.

Asides.

Mr. D. St. E. KELLMAN: No, no, Mr. Speaker, I want the Honourable Member to get up on a point of order and make that point. I want him to get up and say that they have never said that Cable and Wireless is not a monopoly. I do not want him to say it in an aside, let him get up and say it because I remember we have argued over this particular point and I was told that Cable and Wireless will not be a monopoly anymore and they will be able to do this and people will be able to compete and I asked one question. The records of Parliament are here and they cannot be changed. So instead of Cable and Wireless being a monopoly, they are now a greater monopoly for the simple reason that the only thing they are doing is subcontracting. You will see that coming from this mouth in the records of Parliament.

Sir, we thought that we were doing something to get Cable and Wireless pushed into a corner but we have now created a monster called Cable and Wireless that is so great that even the small States, and the Honourable Member for St. Michael North is aware of this because when we went to Australia this was a very stinging point...

Asides.

Mr. D. St. E. KELLMAN: Mr. Speaker, I do not think that the problem with Cable and Wireless has anything to do...

Asides.

Mr. D. St. E. KELLMAN: We must understand that Cable and Wireless is not only a problem for Barbados but that it is an international problem as well. It is impacting on the cost of doing business within the world and we should not allow its directors to 'soft-soap' us into believing that they have some special right to come here and dictate to us that we should provide a playing field for them without competition. What is needed especially in an economy that is supposed to be a service economy is competition because if you do not have competition for Cable and Wireless, you are going to find that the cost of doing business will increase and the money that Barbados should be making, Cable and Wireless would be making it and taking it out of Barbados. This is a very serious charge because if we are going toward services we must insist that Cable and Wireless make sure that the cost to our consumers is at such a price that they can compete. Anytime you have a company like Cable and Wireless where their profits are larger than the gross sales of some large companies in Barbados which are incorporated only in Barbados, one must ask oneself what is going on. 3.20 p.m.

Mr. Speaker, when we speak about fair trading and have the Barbados Transport Board, which have the luxury of having concessions and not the minibus or ZR vans, we must ask ourselves ...

Asides.

Mr. D. St. E. KELLMAN: No, no.

Asides.

Mr. D. St. E. KELLMAN: We have to be very careful that we do not find ourselves where we pass legislation and that legislation is used against us. When one speaks about competition, one cannot speak about competition in isolation, for there are going to be comparisons. For example, there would now be the ZR vans and the minibuses putting a case against the Transport Board.

Aside.

Mr. D. St. E. KELLMAN: Mr. Speaker, we have to understand that when dealing with this Fair Trading Act, we have to take something else into consideration. People believe that this is only for the distributive trading sector but that has also to be studied. The distributive trading sector is not only a sector where they only distribute goods but are now into retailing and wholesaling. The question is, what will happen with those retailers who could only retail goods?

Sir, one interesting point that was made in this Parliament when VAT was first introduced was, which sector was price-gouging. The evidence is now here. The retailers were accused of price-gouging the consumers but we have witnessed that the biggest retailers have found themselves in a particular predicament and that the people who supplied them were able to bail them out.

I want someone to solve that equation for me because if the retailer was price-gouging, surely the retailer would have been the one to have bailed out the wholesaler or distributor and not *vice versa*.

Therefore, when one is dealing with the concept of fair trading, there are many aspects of it that have to be looked at. We have to understand that this one takes the cake. The Honourable Member for St. Michael North mentioned that there are many mergers and that he is seeing large companies coming together instead of smaller ones. When we were discussing the concessions for the manufacturing sector, I remember once asking the question, why is it that the manufacturers who make furniture, who use the same equipment, could not come together and operate from the same company, since most of them were operating eight hours per day and instead of buying three pieces of equipment to do one job, they could enter into an arrangement where, together, they could buy the equipment and share the building and the time.

Surely, if that could have occurred, let us look at the benefits it would have had for the furniture producers.

Because I was supposed to be parochial at that time, nobody understood the point I was making and did not take the challenge to the manufactures to encourage them to implement such a policy.

Mr. Speaker, we have to understand that Government has a role and sometimes they must tie whatever they are giving to enlightened ideas, so that those people who ask for concessions must understand that in order to get concessions, they have to do things that are worthwhile in the interest of the country. Whenever we get three sets of manufacturers who are buying the same three pieces of equipment at the same time, it means that we are wasting money that goes out of the country on the equipment, and we could have used that money as capital to expand the manufacturing operation.

I have also made that point in relation to the sugar industry. It was easy for us to come and to talk about capitalising and mechanising the sugar industry and not realise that the majority of the money that is used to mechanise the sugar industry went out of the country. Also too, there were people outside of Barbados, within the Caribbean, who were prepared to come to the country to work...

Aside.

Mr. D. St. E. KELLMAN: Mr. Speaker, I need to make this point. When those workers come, they have to pay rent and to buy food and the majority of the food is produced here. The revenue for rent and food remains here but the capital cost of what replaces them goes out. The fuel comes from outside. We have never stopped to look at that point, that is why I am always asking to look at the opportunity cost in respect of whatever we are going to do because in order for us to be competitive, we have to do that. We cannot, any longer, make decisions without looking to see the alternative side to it.

We need to identify those products that we have the capacity to export at a competitive price and this is where Government's intervention comes in. It should not only be left up to the private sector. The truth is, it is known that once money is being made, the risk will not be taken elsewhere. That is where Government plays the role in coming in to take the risk. It is not only revenue that Government needs, the most important thing is foreign exchange. If there is no foreign exchange, then all the Fair Trading Competition Bills or Acts, make no sense.

We have to be realistic and must understand that we need to put certain things in place before we even consider fully implementing this Bill. We have to make sure that we are not the dumping ground for others and that we have the capacity to produce most of the things that we want and that we give the necessary resources to produce those items.

Mr. Speaker, whatever the Honourable Member is saying, in three or four years' time, he has to realise that we cannot stop anything from coming into this country. It is like opening the floodgates and if one is prepared to look at 2002...

Asides.

Mr. D. St. E. KELLMAN: Not me, I have passed there and you are not going to put me back there. There is no sense continuing to fool ourselves that we are operating in 2002 and not looking towards 2005 or 2007 because the most important dates are those dates and not the ones in which we are now.

We have to understand that trade liberalisation is here. At the beginning of the year we said that Christmas was far away. It is not far away anymore but right here on our doorsteps and we have to deal with it.

We have to deal with trade liberalisation ahead of time. We have to be proactive and that is the problem in Barbados. We are too reactive.

Mr. Speaker, there is no doubt that the one thing we need to understand is that Government has to be very careful in relation to standards. In the same way that other countries could use excuses to us about the quality of our goods when it comes to exporting our products, we must also put certain standards in place to make sure that Barbados does not become the dumping ground. We are hoping that the Fair Trading Commission would be able to deal with inferior goods that are coming into the country.

I believe that we have to block the inferior goods from coming into the country, instead of passing legislation to deal with inferior goods. What is the sense in taking up hard-earned foreign exchange to deal with inferior goods that are already in the country when, in the first place, something could have been done by blocking them from coming in. What we need to do is, instead of dealing with the retailers, to make sure that there is legislation in place to stop the importers from bringing inferior products into this country. For example, if someone buys a radio that is inferior, when it has to be replaced, it has to be done by more foreign exchange. Why not make sure there are quality products that come in and save the double costs, instead of passing legislation to correct the problem. Therefore, what we are looking at is for the problem to occur, then to solve it. No, let us solve it up front.

We have to make sure that by the time this legislation is fully implemented, that the whole retail sector is not destroyed.

Aside.

3.30 p.m.

Mr. D. St. E. KELLMAN: Mr. Speaker, we have to be very careful when we talk about fair trading that it is not at the top level and the bottom level is left out because we need protection at the bottom level.

There are people who import goods into Barbados and put on 100 per cent mark-up but the retailers are only offered 15 per cent. We cannot allow people to abuse the retailers who market the product because, at the end of the day, the retailer has to make sure the product is sold yet he ends up with a small mark-up, the importer gets everything and the retailer suffers.

Mr. Speaker, as I said before, the manufacturing sector committed a serious error when they failed to recognise the good advice given in the early 1990s. If they had accepted the advice then they would not be 10 years behind their competitors trying to find a level market now. They would be able to reposition themselves and compete on the world market at this time. Sir, they slept for ten years, did not take the advice given and are now trying to compete on the international market.

Sir, foresight is a very important thing and in the 1990s the manufacturers did not understand the advice given to them but today they will admit that they made an error and should have made an adjustment at that time.

Mr. Speaker, we are fortunate here in Barbados that even though we do not have the capacity and efficiency when it comes to production, we have the taxation policy on our side but we need to make changes now if we want to be competitive in the financial services market and ensure that our workers are competitive.

We have to be bold enough to make taxation changes that would put our workers in the right frame of mind to produce because, at the end of the day, we need to increase capacity. Unless we increase the GDP of Barbados, we will remain stagnant and we will not reduce our debt. It is easy for Government to say they want to reduce debt but to do this we must increase capacity.

Sir, we need to make sure that systems are in place for our workers, that manufacturers can increase their capacity and that the number of foreign service companies coming to Barbados can increase in number. We have to create the right climate and we cannot do business in the same way that we have done over the last 100 years. Previously the Minister of Trade could dictate the amount of goods coming into the country because of our licencing system but this is no longer controlled by the Minister of Trade or the Prime Minister but is in the hands of the WTO.

Sir, this means we have to make the necessary changes and understand that when people speak to these issues they speak with their hearts and souls.

I thank you, Sir.

Hon. R. N. GREENIDGE: Mr. Speaker, I rise to support this legislation. I want to commend the Honourable Member for St. Michael North on his presentation to this House earlier today. I am impressed with the way he delivered himself and have confidence that the Honourable Minister is very much in control of the subject matter.

Mr. Speaker, the Fair Trading Commission is absolutely necessary at this time of our development. The world is encouraging competition at a global level because it is believed that competition must inure to the benefit of the consumer and will be better for the consumer in the long run. Mr. Speaker, I want to begin by saying that the Fair Trading Commission must be seen as doing its work in a very impartial way. The Fair Trading Commission in itself must be fair. It cannot give the impression nor can it set about to give the impression that it is working against established companies. This impression must never be given by the Fair Trading Commission.

3.40 p.m.

Asides.

Hon. R. N. GREENIDGE: Mr. Speaker, we are now taking steps to get in line with the rest of the world. Jamaica had a Fair Trading Commission for a very long time, so we are not breaking any new ground in the region. These legislative provisions are, indeed, new and uncharted waters where our country is concerned.

It is our way of ensuring that businesses which traditionally had a lot of projection and had the reins of power do not continue to do as they like. There are some businesses which would want to continue to do that in this day and age.

Sir, the Commission is a type of watchdog. I have to admit that it is more of a watchdog on behalf of the consumer than it is a watchdog on behalf of businesses. We believe that when people pay money for items, they should get the best products and services for the price that they paid. There are now certain statutory requirements and responsibilities with which these businesses will now have to comply, otherwise, they will be facing some very stiff penalties.

Sir, as we heard this morning, delinquent companies can now face fines as high as \$500 000 and an individual can be asked to pay as much as \$150 000. Indeed, this sends a very strong message to the business sector that those businesses in default should now be asked to change their behaviour. I think that we want the fines to act as a deterrent and we want them to curb their anti-competitive business practices.

Mr. Speaker, it must also be pointed out that the Fair Trading Commission personnel can move into companies to examine their books in their quest for any evidence of unfair practice. The Fair Trading Commission also has the power to take matters to court on behalf of disadvantaged consumers. Companies now have to be very responsible when it comes to things such as pricing.

In this regard, the Fair Trading Commission, in order to do that type of work, has to be properly staffed.

Asides.

Hon. R. N. GREENIDGE: Sir, I give in to the Honourable Minister in this regard. If you begin in a weak position trying to effect these penalties, then you are going to have an uphill task to gain respect for that Fair Trading Commission. Therefore, I call for the support staff for the Commission.

Mr. Speaker, we pass a lot of good legislation in this country but apparently some of it ends up being on the books for style and the penalties are ignored. I would hope that this is not the lot of this particular piece of legislation.

Sir, the marketing ploys of these businesses will now be under close scrutiny. I believe that some of the things which are now acceptable in the United States of America will not be acceptable in Barbados. I believe that some of them should be outlawed. For instance, in the United States of America, they rely very much on their Constitution which speaks to the freedom of speech and freedom of expression where they can refer to products by name.

Sir, I do not believe that this can be considered as fair in Barbados today. This can very well be viewed as an attempt to hit below the belt. What we can say when referring products is other brands. I do not think that we should be allowed to specifically use the kind of advertisement as used in the United States of America. I think that too would be classified as unfair.

Mr. Speaker, under the Companies Act, neither Government nor anyone else can prevent companies from merging. The point is, if you change your operation and it disadvantages the consumer as a result, then the Fair Trading Commission has the responsibility to act and to protect the consumer. In every instance where the merger will be tantamount to a 40 per cent plus share of the market, you have to get the permission of the Fair Trading Commission. Indeed, you should notify the Fair Trading Commission in every instance when you decide to merge.

Sir, if the purpose of your amalgamation can be construed as an attempt to control the price, then the

Commission will act. Sir, you may get a situation where the two of us sell the same product. I may be selling the product for \$10 and you decide to undercut me and sell your product for \$8, then I suggest to you that we come together and sell the product for \$15. As a result you and I would benefit and we would now have virtual monopoly. We could even argue that we would not have to pay for advertising any longer because we have the monopoly and there is no need to advertise.

Mr. Speaker, there may very well be no love at all between the two companies as they may have been competitors before but the position now is, they can control the price. We have to realise that mergers are never done with the interest of the consumer as being paramount. Mergers are intended to guarantee a healthy market share and to put money in the pockets of the business owners.
3.50 p.m.

Mr. Speaker, we cannot continue to do business in the same old way any longer. The world is changing virtually by the minute. Sir, as the Minister of Sports, I am going to recognise a change in sponsorship where sporting events are concerned and we can virtually brace ourselves for this change.

Mr. Speaker, a lot of the companies that sponsor sporting events do this with the understanding and the agreement, sometimes oral, sometimes written, that once they sponsor your event, you are only to sell their products at that venue. This will now be outlawed. Indeed, you cannot do that any longer. Therefore, you may get a situation where certain businesses are going to be reluctant to get into these types of arrangements where other products can virtually piggyback on theirs. As I said, we now have to find new ways of doing business.

Mr. Speaker, I say once again that I am pleased to support the legislation and also that I very highly commend the Honourable Member for St. Michael North on his presentation.

I thank you, Mr. Speaker.

Hon. N. A. LYNCH: Mr. Speaker, I just want to make a short intervention to speak to a piece of legislation that I consider to be revolutionary, ground-breaking and a piece of social legislation for Barbados. Sir, even though this piece of legislation is essentially couched in the economic sense, it is still, in my opinion, a revolutionary piece of social engineering undertaken by this Government.

Therefore, Sir, for such a legislation that straddles both the social and economic environments in such a practical way, I want to give my commendations to the Minister and his Ministry for his presentation today which I found to be wholesome and interesting.

This is a highly technical area and, therefore, to get the right grip on it, is like pulling devil grass. You have to have a proper grip on it to be able to get yourself into understanding how it is done.

Sir, this revolutionary piece of legislation has the power to substantially alter the lives of Barbadians for decades to come. It is both analogous to and reminiscent of other pieces of historic social legislation that have been tabled in this Parliament. Sir, I put it there along with other pieces of legislation like the Freehold Tenantry Purchase Act, the Barbados Development Bank Act, even though we had, in essence, to repeal that Act for the creation of minor institutions which speak primarily to the same intent, now the EGFL and Fund Access and the like.

This piece of legislation opens up avenues for economic progress and gives poor people a fighting chance to bring themselves out of the box that they have been in, like a prison, for so many years. I believe that this legislation is also as close to affirmative action legislation as passed in jurisdictions like the United States, without speaking specifically to areas like colour, gender and the like. This, in essence is our form of affirmative action legislation.

We have been told, Sir, that the only tools that former slaves need to get them on the road to economic progress is really to get a sense of their identity, who they are and what is their place in the world and where they need to go. The other issue that they need to deal with is the issue of access to capital but I say, Sir, this evening that none of these two issues, the issue of identity and access to capital will not take a firm grip on the society, unless you create an economic environment for them to be able to use the capital that they will acquire.

Therefore, Sir, fair and free competition embodied in an Act, is really the extension of being able to come to grips with your identity, and being able to have access to capital. If you have both and you do not have a fair and free economic environment in which to deal with them, you are still primarily in the box in which you have always been.

Sir, this is the centre piece of the building block of the new economy for Barbados. This is the only tool that will aid in the construction of an environment of trust in Barbados. There are other pieces of important legislation that have been tabled here and some to come; the establishment of the Fair Trading Commission, the Consumer Protection and Guarantees Bill, the Insolvency Act, the Telecommunications Act, the Utilities Regulation and even, Sir, in some sense, the Small Business Development Act, all of these pieces of legislation speak of a new economic environment for Barbadians to be able to ply their trade.

This legislation also has both domestic and external significance for the new economy because its actions in

both arenas are inextricably linked. Firstly it creates a platform for domestic commercial activity to develop optimally and that is the first thing that it does for the new Barbados.

Secondly, it permits us to meet our international obligations in respect of having a better platform to negotiate in the theatres of negotiation, as it applies to globalisation and our other regional and hemispheric obligations, whether that is the WTO, the FTAA, or the concept of creating the true Caribbean Single Market and Economy. This piece of legislation creates a platform for us to be able to do this.

It also creates a platform for our domestic enterprises to be more acceptable, in terms of exporting them on to the international stage. Many of our enterprises are still shackled by a number of archaic pieces of legislation that do not allow them to truly be in a form that they can be trading properly internationally.

It also, Sir, protects fragile enterprises that will be opened up, as a result of the new global trading environment that we will be found in. This piece of legislation sets the stage for that opening up to be softened from the external shocks that will be posed by large multinationals. It allows our own small and large enterprises to be able to export and to meet a certain global standard. All of this is done by the creation of a common platform for them to be able to take off.

Sir, in terms of the domestic economy, the creation of a virtual market is important for small markets and small societies. There are few enterprises and consumers here for only market forces to drive the process of creating a true market economy. In larger economies, the probability of only market forces prevailing and making that the easiest and fairest environment to do business might prevail. In a small society with a small pool of consumers and merchants, the probability is less.

4.00 p.m.

We have in some way to induce market interaction through competition policy. Therefore, we need pieces of legislation along those lines even though other jurisdictions which have the ability for market forces to react and interact more effectively still have this type of regulation. We need the competition policy but we also need to regulate, in some measure, the action.

Mr. Speaker, the world's largest and fiercest commercial market in terms of where people trade every day is the New York Stock Exchange and it is the most controlled environment in which people do business. Sir, even though you open up a market and allow market forces to interact, there must still be some level of regulation to ensure fairness and the aspects of business development.

This legislative initiative fits in with other market reforms that have been tabled in this House in recent times and even some in the past.

The removal of price controls, privatisation at certain levels, the liberalisation of financial markets and international trade and public administration reform are all fundamental building blocks for being able to create a new basis for the economy, but the full benefit of those initiatives can only be realised in an environment of free and fair competition. That is why this piece of legislation fits so well in terms of the continuum of activity that needs to go on to be able to get us to that point.

The overarching view of this piece of legislation is that it is good both for the consumers and for businesses. The paramount aim of the legislation is to raise the living standards by making the economic environment as efficient as possible. This is the key to being able to have a free enterprise system in Barbados.

Sir, there were specific aspects of the Bill that the Honourable Member for St. Michael North so aptly and so well presented. Fair competition makes the economy work more efficiently. It strengthens business ability to adapt and to compete in the global market. It gives small and medium size businesses an equitable opportunity to compete and to participate in the new economy. It provides consumers with competitive prices, with product choices and with the information needed to make serious product decisions. It balances the interest of consumers, producers, wholesalers and retailers, the dominant players and also the public and private sector that is involved and the public and private interest in each one of these.

The key issues that the Honourable Member for St. Michael North spoke about dealt with the issues of the abuse of dominant positions, mergers, interlocking directorships, resale price maintenance and authorisation but I do not want to go into all the details involved in each one.

The point I want to make is that many times in small jurisdictions, it is very difficult to deal with issues that have been the platform on which you build up your economy. For example, the issue of interlocking directorships and mergers are pieces of this puzzle that have been eliminated, neglected or left out of the other jurisdictions that are trying to create the same concept of fair and free competition. Many people believe that in a small society, because many of those people who are the dominant players in the market are big businesses, that political will and future is dependent upon the concept and largesse of big businesses. So some people, in some jurisdictions, have not tackled the issues that will make the businesses strong.

We, in this administration, have taken a different approach to how we deal with the issue. We have not run

away from the issues which we know will be contentious and they have not stopped us from putting mechanisms in place to deal with the issues relating to the concepts of mergers and interlocking directorships because our primary concern is to create the most efficient market for these things to take place, so we have put consumer welfare at the heart of every initiative.

Sir, it is ironic at this time, in the debate for the passage of this Fair Competition Bill, that some issues have arisen in relation to one aspect that falls under the Ministry of Tourism and International Transport, of which I have stewardship, for example, the issue of LIAT and Caribbean Star relating to predatory pricing which falls well within the context of what we are seeking to do here.

Under the Multilateral Air Services Agreement of 1996, we have created a concept of opening up an open sky so that all the airlines in this region can ply their trade. That Multilateral Air Services Agreement speaks very clearly in Article 14 to the elimination of all forms of discrimination and unfair competitive prices which adversely affect the competition of airlines in the region. In a broad sense that in itself speaks to the issue that we are speaking to today. So any concept that seeks to artificially drive prices down below market prices and below what is the cost of doing business will be detrimental in the long term to the future of Caribbean travel and Caribbean airlines.

Sir, there is a now famous or infamous 'market vendor' who totally missed the point in relation to how this particular issue is played out in the arena. We are in favour of giving consumers the lowest prices possible but in the real sense our obligation in this Parliament is to look after the now and the future as well. No one is against consumers getting the best price possible but if that best price is created in an environment that is artificially imposed upon it and therefore not sustainable, it will push us toward a monopoly situation that might indeed raise the prices, but nobody is against the consumer getting a good piece of the pie. What we are interested in is the fairest open environment for everyone to do business. If an enterprise is to go under, let that enterprise go under in an environment of fair and free competition.

This legislation is not after big businesses or after anyone who has been dominant in the market. We are interested in giving everyone a fighting chance.

Asides.

Hon. N. A. LYNCH: I am surprised that the 'market vendor', that I know, missed the point. This is not a panacea for all in relation to competition or regulating competition in the economic environment which must be made clear to all Barbadians.

The Fair Competition Bill is just another tool that would be used to help us create that true and just environment. It would also be a tool for investment, particularly foreign investment and foreign exchange, which the Honourable Member for St. Lucy likes to talk about. This legislation creates a platform as well for us to be able to attract both domestic and external investment into Barbados which the Honourable Member for St. Lucy is so concerned about in terms of bringing in foreign exchange.

Sir, for legislation of this kind to take hold and for investors to truly believe that their interest is going to be protected, this piece of legislation falls in line with a number of things that we need to do which this administration had been doing admirably.

The issue of effective economic governance is important. In a responsible fiscal and monetary environment, you need to have effective, focussed, detailed, clear and comprehensive legislation. People must know what they can and cannot do within the environment. There must be effective regulation of the deregulated monopoly sectors, therefore, there is a need for a specific sector legislation like what we are doing with telecommunications. It is also important that there are other environments in terms of specific regulations that must form part of these new regulations if they are to ever take hold.

There are some issues in the tourism sector relating to tour operations. We must deal with each one of the sectors on its particular merit and how it relates to being able to create a new atmosphere or new environment of fair competition.

4.10 p.m.

It is my belief that whatever the compliance regime is, it must be seen to be free of Government's control, even though it is funded by public funds. This must be a plank upon which we deal with the issue of free and fair competition.

Sir, in regards to the issue of enforcement, the conduct has to be stopped quickly. We must deal with issues relating to compensation. We must prevent future contravention of laws. We must deter these acts in the community at large and there must be swift and effective punishment to deal with those companies that break the law. This is the only way in which we are going to ensure that this piece of legislation really takes the hold that it should and, obviously, there are issues in relation to proper administrative laws.

Sir, there are a number of things but the one other piece of the puzzle that makes this legislation as effective as it should be, will be the concept of education. Many Barbadians are still caught in the vortex in relation to price control, *et cetera*. In some jurisdictions people believe that price control works better for them, rather than creating an

open market for them to be able to thrive. Therefore, it is going to be important. It is incumbent upon the Ministry to look after the issues in relation to proper education and fair competition. This is the only way in which the other pieces of the puzzle could be as effective as it should be.

There are a number of other clarifications that I have for the Minister which I will not address here. There are issues relating to controlling below the cost sales. For example, how does one operate in a below the cost sale transaction because, at the end of the day, the concept of creating competition is to be in competition. Therefore, if a man sells below his cost but still is able to remain in the competition, then how does one address that issue? Would he be put out or kept in?

There are a number of other issues that I believe should be tackled, for example, the protection of the weak. There is no guarantee that all the weak competitors would be protected.

The natural assumption is that, if there are both weak and strong players and a more fair environment is created, what might happen is that the strong players might continue to be stronger and the weak players might get weaker. I do not see any guarantee in the legislation that deals with those issues.

There are issues relating to questions of efficiency which are not explicitly stated in the legislation but I must say that I do not share the 'doom and gloom' scenario, not even what the Honourable Member for St. Philip North has laid out in terms of sponsorship and the like. I believe that if a more efficient economy is built with players operating optimally, one would see the flow coming back to the society in a more serious and pointed way that has never been seen before.

Sir, I wish to close by saying that this is a revolutionary piece of social engineering that has been undertaken by this Government. What is ironic about this, is that the Party that has always been accused of being the Party on the side of the business class of Barbados, the Party which many have accused of being the Party that favours the more conservative, has been the Party that is bringing pieces of social revolutionary legislation to Parliament, which speaks to issues of not favouring a business class but the most vulnerable in our society.

Therefore, I must give my commendation to the Minister for a job well done and to commend his office for an excellent piece of legislation. I am obliged to you, Sir.

Hon. Sir HAROLD St. JOHN: Mr. Speaker, I rise to give my support to this Bill.

In so doing, I think it would be wrong of me if I did not commend the Honourable Minister for bringing

this important piece of legislation before this Honourable House.

The legislation, as I understand it, has received the support of the Opposition. Indeed, I think that it speaks to the Leader of the Opposition indicating quite clearly that they had no fundamental difference with the Government on the objectives which the legislation attempts to achieve.

Mr. Speaker, that is not surprising to me because many countries in the world, whether they are unitary Governments, Federal Governments, integration movements like the European Community, an examination of their laws, will indicate that it has now become very clear that it is the duty and the responsibility of Governments which operate within the context of a free enterprise system, to bring on the statute books, laws which would ensure that there is a culture of free enterprise. That such undesirable practices as are set out in specific sections of this Bill, are not allowed to operate within the economy without mechanisms to monitor and to ensure that the public interest is not adversely affected.

For that reason, an examination of the Federal Laws of the United States would indicate that, earlier in the history of the Federal Government, attempts were made to control what was then described as anti-trust provisions. The United States, within the context of its Federal system, has passed a number of laws which prescribed conduct which is now prescribed by this Bill. So too within the European Common Market are similar pieces of legislation, both at individual nation level as well as at the level of intra-common market trade.

In many countries in Australasia – Australia and New Zealand, similar provisions are enforced. Therefore, it seems to me that, when we are passing this legislation, we are doing so against that background.

It is not too difficult to fathom as to the need for separate and special legislation. The common law countries have never been able, in their law of torts or law of contracts, to devise rules which effectively prescribe the conduct which is being prescribed by this legislation. It was always necessary for specific statutory provisions to be passed.

It is also, as some Honourable Members have pointed out, necessary to look at this Bill within the context of a number of other pieces of legislation, some of which have already been placed on the statute books in the form of the enforcement – an inquiry machinery, the Fair Trading Commission – some of which will, in the near future be the subject of debates in this Parliament.

Therefore, this Bill is being passed on a number of pieces of legislation which the Government would be passing to ensure that consumers, purchasers and others in

Barbados, are being protected by a modern legislative framework. I think that is an important point.

This legislation deals with fair competition. The other legislation will deal with consumer protection. The other legislation that is coming before this House, which has just been circulated, will deal with the question of consumer guarantees. It should not be forgotten that, on the statute books in Barbados, there are a number of pieces of legislation that deal with the sale of goods, warranties, *et cetera*, which have not been reformed since 1896, so that we are way behind in respect of those matters.

Sir, I do not intend to repeat the points that have been made by other Honourable Members but there are a number of points that I would like to highlight. One point I would like to highlight is that it is not surprising to me that this legislation has taken so long. I think that people who have not been in public life and who have not been in office, very often fail to appreciate that politicians have great limitations within which they operate.
4.20 p.m.

Politicians have great limitations and one of the greatest limitations they have is that unless they have the adequate machinery to implement their policies, they will become exceedingly frustrated and will be accused of failing to do things which many people, who are unaware of the limitations, may feel should have been done a long time ago.

This is a complex piece of legislation and although there are many precedents that could be followed we still have to recognise that we are dealing with small-island markets in which many of the economic principles which may be desirable in very large economies may not necessarily be desirable in these small and limited markets.

Sir, the concept of the dangers of a monopoly in large economies is not necessarily the same as the dangers in a small economy in which the viability of the industry may be such that it is desirable to have a monopoly but it must be controlled.

We also have to take into consideration that we are operating within the context of a single market, that we no longer have a Barbados market but a Caribbean market for those member states who subscribed, that the business activities must be against the background and that it is possible for some of these situations which are desirable to take place not only within the Barbados market but within the entire CARICOM market.

I want to draw specific attention to that part of the Minister's speech in which he pointed out that there are specific provisions within the Bill which deal with the integration of this Caribbean Competition Commission.

Part 9 of this Bill, Section 45 to 47 specifically integrates and gives priority to the Caribbean Competition Commission which will supersede our Fair Trading Commission in that respect.

Sir, there are practical dangers here because although a number of countries have accepted the Caribbean Competition Commission, there is no guarantee, even if they accept it, that they will go about implementing it with the same degree of speed with which we will implement it. In this area, the old adage, that CARICOM proceeds at the fastest pace of the slowest member is very applicable. Therefore, in the implementation of this Act special consideration would have to be given to a situation where the Barbados domestic law will have to be applied until the Caribbean Competition Commission is implemented.

Sir, there are some provisions in this which seek to exempt activities of professional associations designed to develop or enforce professional standards of competence reasonable for the protection of the public. A review of the Jamaican law will reveal that when their Bill was about to be passed, the lobbyists for professional associations were able to influence the Minister and the Government to put in their law such an exemption.

Sir, I am in favour of professional services trying to ensure that there are standards of competence and integrity in profession. It is very necessary to have it because, history has shown that not all professionals who are eligible to practise their profession, do so in the manner in which it should be practised but I am against price fixing by professional associations.

I want to say the reality in Barbados is that there are a large number of associations who still wish to operate on the basis that their monopoly power derived from the fact that they control the qualification and that it can be abused. As a matter of fact, the way this legislation is drafted there is no doubt in my mind that issues will arise in future on its interpretation.

I have drawn it to the Minister that I believe there is a half-way house where the Fair Trading Commission should be empowered to inquire and report to the Minister in circumstances where they believe that in the public interest it is necessary to draw attention to the Minister that the activities carried out are such that would interfere with the fundamental objectives as embodied in this Bill.

This will mean that while the full impact is not felt by those professional associations the consumers and the public can have the assurance that any abuse which is fundamentally against the tenets of the Bill can still be inquired into and, no doubt, the Minister will have an opportunity, having considered the report, as to whether it

is necessary for the Bill to bring them within the association. I say that because we operate in this country against the background of complaints being made against lawyers, accountants, banks and other financial institutions on the ground that they introduced minimum charges that are uneconomic and are not justified in an era of free competition

4.30 p.m.

Many of these monopolies were broken in many countries and subject to criteria to ensure that integrity of the professions is preserved. There is an element of competition. We also have to consider that this Bill has to fit into the scheme of a number of other pieces of legislation in which power is granted to the Central Bank and other people, in relation to the regulation of some of the activities which, although there are not professional associations, are activities which are carried out by a large number of financial institutions.

I really believe that there is collusion among these groups of people, particularly in small markets, and we must recognise that the CARICOM is a small market. We must remember that we have to ensure that our consumers here who are subject to these activities have some mechanism to ensure that they can look to people other than the politicians. The politicians are supposed to be able to solve all problems. There are people who would like to become politicians but if they have six or eight months of facing their constituents every Saturday or every day a week, some of them would change their minds immediately. Mr. Speaker, if they put their phone number in the telephone directory, they would understand the nature of the activity.

Asides.

Hon. Sir HAROLD St. JOHN: Sir, there is no doubt that all of us have had the experience of the complaints that come before us. I want to say that the complaints in this respect, to a large extent, are capable of being dealt with.

Sir, I do not want to debate the other Bills that are coming. No one is happier than I am that we are having consumer guarantee legislation coming. I want to say that the recurring decimal comment that I have had is the abuse by business people, lawyers, accountants and the one that is most recurring nowadays is the abuse by builders.

Sir, there are more complaints now about people who have been, in their view, damaged by irresponsible conduct by builders. They have surpassed lawyers, accountants and businessmen.

Asides.

Hon. Sir HAROLD St. JOHN: Therefore, I look forward to the debating of that other piece of legislation.

Sir, from what I have said, you will understand that I am very happy and proud to be a member of a Party that has the courage to bring this legislation. I want to make it clear that this is not something unusual for this Party. I have been around long enough to know that things only change radically, when the Barbados Labour Party is in office. We had a series of legislation dealing with tenancies and tenancies freehold, the reform of the land law, the reform of the company law and bankruptcy. Now is the time for legislation relating to a reform of our commercial laws to be brought before this Honourable House.

I commend the Minister for bringing this Bill before the House and I hope that whatever the objections that would unquestionably arise because Barbados is a protest society ... It is not that the protest does not have any validity but the protest arises from the fact that we are changing. This is a society that does not like change. Therefore, if it is new, it is the subject matter of protest in many cases.

Move on, Mr. Minister, this is a good piece of legislation. Bring the other Bills and you will get the support of this House.

Thank you, Sir.

Hon. Miss M. A. MOTTLEY: Mr. Speaker, I do not intend to delay this Honourable House very long but it will be remiss of me in my duties as a member of this Parliament as well as representing the interest of my constituents, in St. Michael North East, if I did not speak in this debate.

It is my confirmed judgement that this piece of legislation is, perhaps, the most important piece of legislation that this Government would have brought to this Chamber since being elected in 1999. I say so, cognizant that we have brought many pieces of legislation designed to frame the structure for a new economy that will equip the citizens of this country to continue the process of economic democracy, as well as to meet the challenges of a world that has changed rapidly in the last two decades, in respect of the movement of capital, people, the liberalisation of trade. All of this is happening even as our structures in our economy continue to mature and to allow us to be able to meet these challenges of being integrated into a wider economic space.

Mr. Speaker, there is no doubt that we operate fundamentally under the constraint of size. The smallness of our economy is one of the things that has always to be ever present in determining what potential we have in terms of creating economic growth. There is also, no doubt, that we have within the context of our economy the reality of capital, largely concentrated in the hands of the few as opposed to the majority. Therefore, the power that goes intrinsically with the concentration of that capital, may well distort the ability of the market to function efficiently in the interest of all of the citizens.

Sir, with all of this in mind, I believe that the Minister, the Honourable Member for St. Michael North, recognised fully that even the passing of a Small Business Development Act and an Insolvency Act, which seek to remove the stigma that would have been associated with business failures throughout the majority of the last century, even those pieces of legislation, however laudable they may be, could not in effect correct many of the distortions that we have historically inherited or could not equip us to meet the challenges of a new economy and of a process of liberalisation and globalisation, without the passage of a Fair Competition Bill.

There are those who would say that we are too late, and I beg to differ. In fact, one of the key things that has been argued, within the context of the introduction of such legislation in developing countries, is that sometimes it is a dangerous thing if you seek to introduce legislation such as this, at a point when an economy is not mature enough to be able to accept it.

Mr. Speaker, what do I mean by that? Simply, especially with a small economy, there are times when you have to allow entities to be able to develop, to be able to get a return on their investment and to be able to do so in circumstances, where to introduce more players may be counterproductive, rather than being able to allow the persons who are delivering the service or the product, to be able to establish themselves permanently and to be able to gird themselves, such that they can begin to face the competition that may be coming available by the opening up of the markets.

4.40 p.m.

Mr. Speaker, I am satisfied that this economy is ready for the introduction of this legislation. I am also satisfied that there is a greater degree of sensitivity to the extent to which distortion of the market causes consumers, as well as the economy itself, to suffer and can render a level of inefficiency to the entire economy.

I do believe that there will be many arguments as to a number of things pertaining to this legislation and as to whom should or should not be subject to the legislation. It is of note that the Crown, Mr. Speaker, is not subject to this legislation. I believe that at this stage, this is a correct and wise decision which the Honourable Minister has taken, but I signal that the Crown must ready itself, within the context of the next three to five years, to ensure that with a review of the legislation, they will also be able to be subject to the legislation without the kind of fallout.

Sir, why do I not have the same concerns about the Crown as I do about Statutory Authorities? Mr. Speaker, Statutory Authorities will be subject to the legislation but the Crown, which is a completely different creature from the

Statutory Authorities, will not be subject. For example, CBC, the Central Bank, *et cetera*, which are Statutory Authorities will all be subject to the legislation. Sir, in relation to the area that I know people will be anxious to know about, the issuing of licences in the broadcast area, will not be subject to the legislation because that is the power of the Crown and not a power of CBC.

The point that I want to make, Mr. Speaker, is that I believe the Government has a duty to ensure that those areas in which the Crown may have a monopolistic presence may well have to be reviewed, but recognising that in some instances, the Crown's obligation goes beyond the market and goes, in fact, to ensuring a stable and just society, governed by the rule of law and in which things such as public health, public morals, *et cetera* are maintained. Therefore, you cannot judge the Crown by the same yard stick, as you judge an individual entity that does not have the same responsibility in the process of governance as the Crown would have and I want to make that absolutely clear, as we have this Bill passed before us.

Mr. Speaker, there would be those who would wonder, why not the Crown. As I said, the role and responsibility which the Government must have in the process of governance is wider than simply being a player in a perfect market.

Mr. Speaker, please forgive me because I am a little more nasal today than I would like, but I really felt it important to speak in this debate.

We have had too many stories within the economic folklore of this country, of new businesses trying to establish themselves and being put under pressure by established businesses, such that they could not get off their feet. We have had too many stories of two or three suppliers of products banding together and seeking to restrict the supply of products so as to increase the price that they could get for the products. We have had too many stories of people going for mortgages and being told that you can only get this mortgage, if you take insurance from the company that is related to the mortgage company. Sir, all of those things are wrong.

Mr. Speaker, the Honourable Member for Christ Church South spoke about the fact that some professional associations seek minimum prices for the sale of services or products, particularly when that price bears no relationship to any real justification for why it is at that level. We have now, Mr. Speaker, to have an entity within the economy which has the power to be able to investigate a number of these things, try to empower the consumer and create choices for the consumer, while at the same time removing the inefficiencies that retard the growth of the economy.

We have also to be cognisant, Mr. Speaker, that one of the fundamental tenants upon which we have sought to enfranchise people over the course of the last century in this country is the equality of opportunity, whether socially, politically and now economically. Sir, equality of opportunity does not simply mean giving everybody everything but it means trying to create an environment in which people have an equal opportunity to achieve.

The Honourable Member for St. Michael South repeated some remarks that I made at the now infamous racism conference held here a couple weeks ago that for us in the 21st Century, the consequences of being a slave society will not be in the form of tangible laws that discriminate one section against the other, but will lie predominantly in two things. One is the issue of identity: who we are, how we feel about ourselves, where we can go in this society and in any part of the world.

Secondly, issues pertaining to the access to capital, largely because where you have people who have been born into poverty, whose generations before them were born into poverty, the only way they can rise from that state of poverty is either through working for somebody, or getting access to capital to create wealth.

Unfortunately, those who have the responsibility for lending capital in this country are still overwhelmingly concerned with the level of collateral that you can put, and requiring you to sign away almost everything that you do not have, in order to be able to access that capital.

Mr. Speaker, if we are going to truly make Barbados a land of economic opportunity, it must, as the Honourable Member for St. Michael South said, be a task for us as a Government to confront both issues, or reinforcing identity and providing access to capital. We must also recognise that even if we are capable of providing the opportunities for access to capital through the Enterprise Growth Fund, the Urban Development Commission and the Rural Development Commission, that those players, when they have the capital, may well face elements of stiff competition designed to run them out of existence, in the same way that the old Bankruptcy Act was designed to place a stigma on a man who faced a business failure.

Mr. Speaker, in those circumstance, we believe that the role the Fair Trading Commission can play in creating a level playing field such that new entrants into the market, or existing businesses that want to expand in a market, do not have to face the spectre of the Cattlewash cartel or any other cartel located within this country.

I say to you, Mr. Speaker, that I am not speaking in a disparaging way. This is not a Bill designed to cause the

destruction of big businesses because we must have large businesses. We have big businesses and small businesses coexisting and operating within a transparent framework such that the practices which one employs to the other is fair and is not capable of arising simply because a business is bigger than the other business. It is the equality of opportunity, linked to the precepts of fairness and transparency that are required, if we are to move forward this economy, given the historical delineation of our society.

Mr. Speaker, I strongly believe that the establishment of the Single Market and Economy, Chapter 8 of the revised protocols, requires us, also to be able to put in place a system that speaks to the ability for fair competition to operate throughout the region, in the context of a single market and economy.
4.50 p.m.

These are things that must engage us because once we open up our economic space, we simply would not know who would come in, with what motives they would come in and in what way they would negatively affect the citizens or the economic players of this country. Whether it is in the context of a Caribbean Single Market and Economy or whether it is ultimately in the context of a hemispheric economic space in respect of the Free Trade Area of the Americas, we must have those provisions.

Fortunately, the Securities Exchange of Barbados now has the ability to review those entities that seek to take over businesses that are publicly traded. The Take-over Bids Regulations, the Securities Regulations and the Securities Act are all in place. They have, on a parallel track, a role that is similar to the role that the Fair Trading Commission (FTC) would play in respect of the dominance of entities within the economic landscape. Mr. Speaker, these are all important because we simply do not know who or what we would face as we continue to open our economic space.

We have also to correct the wrong things of our past in order to create this land of opportunity for all Barbadians. We have done well as a country in ensuring that over the last 70 years we have been able to enfranchise, socially, politically and to some extent economically, some of our citizens but we must do better because unless we can enfranchise others economically, we will never be able to operate at our full capacity but will always be operating on half steam. This is interesting, Mr. Speaker, when we contrast our development with that of Latin America. It is only in the beginning of the 21st Century that Latin America is now going through what we went through in the 1930s in terms of the social and political enfranchisement of its citizens where one man and one vote means something. They have suffered under monopolies and oligopolies as well as the denial of social and political rights for decades.

We got out with the social rights and the political rights after 50 years of pre-universal adult suffrage. Some of us have moved from poverty to a capacity of being able to create wealth and to enjoy a standard of living of which others will be proud but there are still many within our society who have not and it is for them that we must now create a land of opportunity in order to fulfil the dreams of those who were the founding fathers of both the political movement and the trade union movement in this country in the 1930s.

Sir, in a way this is the centrepiece of a new economy but it is also fulfilling the mandate of those who came three generations before and started the task that would see us one day being able to stand proud and being able to say that people are not to be judged according to their power and that businesses must not be allowed to operate and dominate because of their dominance and power in the marketplace.

This legislation at sections 13, 14, 24 and 25 speaks to the kinds of practices, the 18 deadly sins, that the Honourable Member for St. Michael North revealed that the Inter-American Development Bank study found is being practised in this country, so we should seek to remove those from being prevalent within the businesses of our economy so that we can move forward.

I am confident, Mr. Speaker, that those who are charged with the responsibility of managing enterprises in this country understand that the time has come to change and that there is in effect a commitment to begin to change the way we do business. While I do believe that a lot of the elements of protectionism must be removed from our economy, I am not one of those who believe that we should remove all lock, stock and barrel. I may be guilty, Mr. Speaker, at different times of seeking to feel that we should protect certain key elements of our economy. In the same way that we do things in the public interest, for public safety or for public morals, there must also be things done for the purpose of maintaining icons within our economic and cultural landscape.

I am one of those, Mr. Speaker, who feel strongly that the issue of the Barbados Mutual is one that requires great thought and consideration because the demutualisation process may have inimical consequences for that company, unless there is a widely held clause included both in the Articles and in the Legislation that Government ultimately brings so that the shareholding that exists potentially if demutualisation takes place will not be whittled away. That is not in breach of the competition law or in breach of the Caribbean Single Market and Economy.

Mr. Speaker, I do not agree with those who believe that we should maximise the value of the market such that we get the highest returns by having no restrictions at all on the

movement of shares. I feel strongly, like the Canadians did, that when a company that is likely to have a large and broad shareholding is demutualised, that we have a responsibility to ensure that when the company becomes a stock company that no one person is allowed to consolidate ownership beyond a certain percentage in that company.

Mr. Speaker, that is my feeling and not the feeling of the Government, so I want to make that clear up front because I would hate it to be said that the people of 1851, even if only by a quirk of structure, were able to bring about a broader range of shareholding in the Barbados Mutual, when the Act was passed in 1851 than we the people of 2002, who know better.

Mr. Speaker, that is how I feel and I will argue it strongly because, it has been done in other jurisdictions like Canada, simply having a widely held clause does not fundamentally affect the value of the shares but it ensures that no single entity can consolidate an amount of ownership beyond that which is consistent with our desire as a country to establish principles of economic democracy. That is why I came into public life, Mr. Speaker, because I felt that those who went before me started the process of political and social enfranchisement and it would fall to my generation to be part of a process of broadening the base of ownership in this country such that people would not have to rely on patronage or on welfarism to move forward.
5.00 p.m.

Mr. Speaker, I am also cognizant that when one seeks to open up an economy in the context, not only of the Single Market but in a hemispheric Free Trade Area, especially with shares that are normally traded below their value in Barbados, as ours are, that company would be ripe for a takeover, since it is one of the top three companies in its area of economic endeavour in the insurance and financial services sector within the region.

Mr. Speaker, in those circumstances, I feel that just as I have been a student of history and have realised that the law has been a tool of oppression and in our time in the last hundred years that, more often than not, it has become a tool of empowerment and that we should seek to continue to use it as a tool of empowerment and not simply to accept blindly, the doctrinaire position of either the Washington consensus or the neo-liberals who would want us to free up everything. I have never known of any person to have freed up everything far less a country and I would hope that we would think twice before going down that road.

Mr. Speaker, I believe this is the most important piece of legislation this Government has brought since 1999. I want to commend the Honourable Member for St. Michael North because it is rare that a Minister brings one piece of major legislation like this but the Honourable Minister has

brought the Small Business Development Act, the Insolvency Act, the Electronic Transactions Act, the Fair Trading Commission Act and the Utilities Regulations Act. He was integrally involved in the Telecommunications Act and he has, before the Order Paper in this House, the Consumer Guarantees Bill, the Consumer Protection Bill and is making my life miserable about the Computer Misusage Bill.

Mr. Speaker, his stewardship in this Ministry has been second to none in respect of taking difficult, technical issues that others would have run from, building a consensus with those in the private sector that are affected by the legislation and bringing the legislation here in a way which is non-contentious and non-controversial, as we have seen with the other pieces of legislation that have been passed.

Mr. Speaker, yesterday I chaired a meeting with the Fair Trading Commission and other entities and it really hit me, in a very real way, that we have people who we need to commend. People who have taken an area of study that has never before been practised in this country. People who have taken it from scratch and have gone to it as if they had worked with it their entire lives. Sir, not only the members of the Commission itself but also the employees of the Commission, of whom I feel we should be very proud, along with members of the Honourable Minister's Ministry who have all had diverse backgrounds, including agriculture, *et cetera*, but who have taken to this area, have done their research, done their analyses, done their consultations and, at the end of it, have brought a legislative framework but more importantly, building an administrative framework to give effect to the legislation in circumstances where there is no guiding post, domestically, for them to do so.

It is a difficult task. It is a complex task but one that is necessary if we are to continue the dream of those who have led the process of social and political enfranchisement in this country. Ours is the mission to extend the mandate of democracy so that Barbados can truly be a land of opportunity, noted for the fairness of business practices, noted for the transparency that is required of all parties, business and Government and noted above all for the fact that, in so doing, we have brought each one along, leaving no one behind.

I am obliged to you, Mr. Speaker.

Hon. R. St. C. TOPPIN: Mr. Speaker, in winding up, I would wish to thank all Honourable Members on Both Sides who have spoken during this Debate.

I think that all Members who have spoken, have ensured that the Debate has continued on a high level. I am truly grateful for the contributions.

The last Speaker has taken quite a lot out of what I would have had to say, particularly in response to the Honourable Member for St. John, since she has dealt with a number of the points that he has raised regarding the question as to why the legislation has taken so long. She has pointed out the technical difficulty in relation to the legislation.

Mr. Speaker, let me add that this legislation, and the other references as was said by the Honourable Attorney General, is not a legislation that was brought here by way of an amendment but one that has started from scratch.

Mr. Speaker, for the record I want to say that when I entered the Ministry in 1999, which I now have the honour to lead and had been instructed to ensure that a Fair Trading Commission came about with all of the other supporting legislation, I had to spend some time in assessing the magnitude of the task and that while the Right Honourable Prime Minister was speaking about January 1, 2000, I remembered quite clearly going to him sometime around the third quarter of 1999 and saying that quite frankly this could not be achieved by January 1, 2000. The task was simply too great. It was too much work involved and too much new ground-breaking that had to be carried out to achieve the implementation of the establishment of the Fair Trading Commission and the other pieces of legislation. Mr. Speaker, we are where we are today and I think it is laudable.

The Honourable Member for St. Michael North East has also dealt with the point which the Honourable Member for St. John has made. He has made the point that the Government, in relation to the appointment of directors on statutory boards, would not be bound by the provisions of the legislation. As a matter of fact, the Honourable Member for St. Michael North East has pointed out that nothing could be further from the truth. A statutory board is not in any way a part of the Crown and, therefore, any breaches or misconduct, as described in the legislation, would in fact, attract the same sanction as is provided for in the legislation. Therefore, I am a bit surprised the Honourable Member has made that particular point. I thought that he was aware of that.

Mr. Speaker, the main point I want to address is that made by the Honourable Member for Christ Church South in relation to the comment about section 3. Considering the Honourable Member's suggestion, an amendment has been prepared, with which the Honourable Member has concurred. That amendment, I would wish to indicate when we go into Committee, with your permission.

Apart from that, it seems clear that there has been an agreement on Both Sides of the political divide. There has been support for the Bill at this stage.

Aside.

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

I note the Honourable Member for St. Michael North East's intervention but if it was an intervention to say that statutory corporations would be bound by Clause 23, that cannot be correct. Clause 23 is very clear:

"Where a director serves on a board of directors of two or more companies that are significant competitors and the director's conduct has the effect of welding together the policies of those companies in such a way as to reduce significantly competition between them or to eliminate such competition, the Commission shall direct that the director serves on not more than one board of the relevant companies."

If that is the point that is being made...

Aside.

Mr. D. J. H. THOMPSON: That might be so but in relation to the point being made about persons sitting as members of statutory boards, section 23 clearly does not apply to them. I must point out that Government has to be bound in spirit, even if not by the legislation, in my view. That is the point that I am making.

Aside.

Hon. R. St. C. TOPPIN: Mr. Speaker, the Honourable Member for St. John has pointed out his view and I do not share it. Therefore, we will stand divided on that particular point.

Mr. Speaker, with those closing remarks, I beg to move that this Bill be read a second time.

Hon. R. R. FARLEY: I beg to second that.

On the motion of Hon. R. St. C. TOPPIN, seconded by Hon. Miss M. A. MOTTLEY, the House went into Committee, Mr. D. CARTER in the Chair.
5.10 p.m.

COMMITTEE

Mr. CHAIRMAN: The House is now in Committee.

Clause 1 was called and passed.

Clause 2 was called.

Hon. R. St. C. TOPPIN: Mr. Chairman, Clause 2 is amended as follows:

The definition "Commission" has been amended by deleting the word "under" and substituting the word "of".

Also, the definition "tied selling" has been amended by deleting the word "his" in (a)(i) and substituting the word "the".

Subject to that amendment, I beg to move that Clause 2 stand part.

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

The question that Clause 2, as amended, was put and resolved in the affirmative without division.

Clause 3 was called.

Hon. R. St. C. TOPPIN: Mr. Chairman, Clause 3 is amended as follows:

The section reference has been changed to section 16(4).

Subject to that amendment, I beg to move that Clause 3 stand part.

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

The question that Clause 3, as amended, was put and resolved in the affirmative without division.

Clause 4 was called and passed.

Clause 5 was called.

Hon. R. St. C. TOPPIN: Mr. Chairman, there are three amendments to Clause 5 as follows:

- (4) By renumbering subclauses (2), (3) and (4) as subclauses (4), (5) and (6); and insert as subclauses (2) and (3) the following:
- (5) Notwithstanding section 3(g), the Commission may, where it deems it to be a public interest, inquire into the practices of any professional association to ensure that such practices are not contrary to subsections (13) and (14) of this Act.
- (6) Where the Commission acts pursuant to subsection (2), it shall submit a report, requesting the inquiry, to the Minister within 90 days of the completion of the inquiry.

Also amend Clause 5(4)(b) to read as follows:

The word "business" has been inserted in subparagraph (ii) after the word "anti-competitive".

Subject to that amendment, I beg to move that Clause 5 stand part.

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

The question that Clause 5, as amended, was put and resolved in the affirmative without division.

Clauses 6 – 11 were called and passed.

Clause 12 was called.

Hon. R. St. C. TOPPIN: Mr. Chairman, Clause 12 is amended as follows:

The marginal note to Clause 12 was amended to read “Report”.

Also amend Clause 12(1) to read as follows:

The word “Commission” has been deleted and the word “Minister” substituted in the second line of that provision.

Subject to that amendment, I beg to move that Clause 12 stand part.

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

The question that Clause 12, as amended, was put and resolved in the affirmative without division.

Clauses 13 to 18 were called and passed.

Clause 19 was called.

Hon. R. St. C. TOPPIN: Mr. Chairman, there are three amendments to Clause 19 as follows:

Clause 19

The marginal note to Clause 19 was amended to read “Provisions relating to notice under section 18”.

Clause 19(1)

The section reference has been changed to 18(3)

Clause 19(2)

The words “to discontinue the activity referred to in that subsection” have been inserted and the reference to section 18(3) in order to enhance the clarity of the provision.

Subject to that amendment, I beg to move that Clause 19 stand part.

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

The question that Clause 19, as amended, was put and resolved in the affirmative without division.
5.20 p.m.

Hon. R. St. C. TOPPIN: Mr. Chairman, with respect to Clause 20, I beg to move that the words “or as soon as practicable thereafter” should be inserted in the first line after the words “within 3 months”.

Subject to that amendment, I beg that Clause 20(5) stand part.

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

The question that Clause 20, as amended, was put and resolved in the affirmative without division.

Hon. R. St. C. TOPPIN: Mr. Chairman, I beg to move that Clause 21(2) be amended. Paragraph (a)(i) has been renumbered as (a) and paragraphs (a) (ii) and (b) have been combined as (b).

Subject to that amendment I beg to move that 21(2) stand part.

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

The question that Clause 21 (2), as amended, was put and resolved in the affirmative without division.

Hon. R. St. C. TOPPIN: Mr. Chairman, I beg to move that Clause 22 be amended that in the marginal note the word “divestment” be deleted and the words “determination of the merger” be substituted to read “Order for the determination of merger”.

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

The question that Clause 22, as amended, was put and resolved in the affirmative without division.

Hon. R. St. C. TOPPIN: Mr. Chairman, I beg to move that Part IV stand part.

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

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

Clause 29 was called and passed.

Clause 30 was called and passed

Hon. R. St. C. TOPPIN: Mr. Chairman, I beg to move that Clause 31 be amended to read “Revocation of authorisation” instead of “Register of Authorisation”.

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

The question that Clause 31, as amended, was put and resolved in the affirmative without division.

Parts V1, V11 and V111 were called and passed.

Clause 45 was called and passed.

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

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

Hon. R. St. C. TOPPIN: Sir, I beg to move that Clause 46 be amended and that the reference to the section in subclause (2) be amended to that in section 45.

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

The question that Clause 46, as amended, was put and resolved in the affirmative without division.

Clauses 47 and 48 were called and passed.

Hon. R. St. C. TOPPIN: Sir, I beg to move that Clause 49 be amended by inserting subclauses (2) and (3) of Clause 50.

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

The question that Clause 49, as amended, was put and resolved in the affirmative without division.

Hon. R. St. C. TOPPIN: Sir, I beg to move that Clause 50 be amended by transposing Clauses (2) and (3) to Clause 49.

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

The question that Clause 50, as amended, was put and resolved in the affirmative without division.

Clauses 51 and 52 were called and passed.

The Schedule became the Schedule to the Bill.

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

On the motion of Hon. R. St. C. TOPPIN, seconded by Hon. Miss M. A. MOTTLEY, Mr. CHAIRMAN reported to His Honour the SPEAKER, the passing of one Bill with amendments in Committee and Mr. SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Hon. R. St. C. TOPPIN, seconded by Hon. Miss M. A. MOTTLEY, the Bill was read

a third time and passed and cited as the Fair Competition Act, 2002.

5.30 p.m.

COMMITTEE OF SUPPLY

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

A RESOLUTION TO GRANT THE SUM OF \$126 450 FROM THE CONSOLIDATED FUND AND TO PLACE IT AT THE DISPOSAL OF THE GOVERNMENT TO SUPPLEMENT THE ESTIMATES 2002-2003 AS SHOWN IN THE SUPPLEMENTARY ESTIMATES NO. 7 2002-2003 WHICH FORM THE SCHEDULE TO THIS RESOLUTION

HEAD 15 – CABINET OFFICE IN THE AMOUNT OF \$75 761

Hon. Miss M. A. MOTTLEY: Mr. Chairman, earlier this year, this Honourable Chamber would have debated the Report of the Electoral and Boundaries Commission which recommended the creation of two additional constituencies in the form of St. Philip West and St. James Central.

Indeed subsequently, Statutory Instrument 2002 No. 79 was issued as the order which would have been published in the *Official Gazette* on 18th July 2002 which provides that on the dissolution of this Parliament, those two constituencies would come into being.

Mr. Chairman, as you would appreciate if that is to happen and to happen efficiently then, it is required that those two constituencies have registering officers in the same way that the other 28 constituencies currently have registering officers. In those circumstances, these funds which are before you are for the payment of two registering officers for the balance of the financial year, as well as the temporary post of Deputy Chief, for travel and national insurance contributions.

It also provides for some basic equipment such as three Polaroid cameras, tripods and mini-portrait cameras. Sir, as you know, in each constituency, the Electoral and Boundaries Commission does in fact set up as a registering centre so that persons who may not find their names on the list or who may wish to register to get the National Identification Card, may do so within the locale of the constituency rather than having to come to Bridgetown.

The sum, therefore, that is being requested of the Committee is only \$75 761 and is perfectly in order to prepare ourselves pursuant to the decisions that this Chamber would have taken and which would have published in the *Official Gazette*, as I said, on the 18th July, 2002.

With those words, Mr. Chairman, I beg to move that Head 15 stand part.

Hon. A. P. WOOD: I beg to second that, Sir.

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

HEAD 31 – MINISTRY OF PHYSICAL
DEVELOPMENT AND THE ENVIRON-
MENT IN THE AMOUNT
OF \$50 689

Hon. Miss H. E. THOMPSON: Mr. Chairman, this Supplementary is sought in circumstances where when our Estimates were prepared, the Estimates for the Public Investment Unit, which is one of the departments of the Ministry, when they were initially done at the beginning of the financial year, the estimation of the amount of money that it would take to cover acting, entertainment and related allowances for staff was short.

As a result, we have a shortfall in the monies that we voted which cannot now last to the end of the financial year. The sum which we seek, will carry us to the end of the financial year and will make adequate provision for the allowances which were deficient in the provision.

Sir, I beg to move that Head 31 stands part.

Hon. A. P. WOOD: I beg to second that, Sir.

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

On the motion of Hon. Miss M. A. MOTTLEY, seconded by Hon A. P. WOOD, Mr. Chairman reported to His Honour The SPEAKER the passing of one Money Resolution in Committee of Supply and Mr. SPEAKER resumed the Chair and reported accordingly.

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

ADJOURNMENT

Hon. Miss M. A. MOTTLEY: Mr. Speaker, this brings us to the end of Government Business for today. Next week when the House meets, it will be treating to both the Consumer Protection Bill and the Consumer Guarantee Bill but we will treat to it jointly as one debate and with the leave of the Chair.

Mr. Speaker, in the circumstances, I beg to move that the House be adjourned until Tuesday, November 12, 2002 at 11.00 o'clock in the morning.

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

The question that this Honourable House be now adjourned until Tuesday, November 12, 2002 at 11.00 o'clock in the morning was put and resolved in the affirmative without division and Mr. SPEAKER adjourned the House accordingly.
5.35 p.m.

CONTENT	COMMITTEE OF SUPPLY
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(7) Duties, Taxes and Other Payments (Exemption) (Stantec Consulting International Limited) Order, 2002.	Hon. Miss M. A. Mottley, 39.
(8) Statutory Board (Pensions) Pensionable Offices) (No. 2) Order, 2002.	
FIRST READINGS OF BILLS	HEAD 31 – MINISTRY OF PHYSICAL DEVELOPMENT AND ENVIRONMENT 40
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Standing Orders Nos. 6, 16, 18, 20, 42(5), 43 and 44 were suspended for the remainder of the day's sitting.	Hon. Miss M. A. Mottley, 40.
GOVERNMENT BUSINESS	SPEAKERS IN THIS ISSUE
ORDER NO. 11 – THE FAIR COMPETITION BILL, 2002 2	EASTMOND, Hon. R. C. (St. James North) FARLEY, Hon. R. R. (Christ Church East) GREENIDGE, Hon. R. N. (St. Philip North) KELLMAN, Mr. D. St. E. (St. Lucy) LYNCH, Hon. N. A. (St. Michael South) MILLER, Hon. Miss B. A. (City of Bridgetown) MOTTLEY, Hon. Miss M. A. (St. Michael North East) THOMPSON, Mr. D. J. H. (St. John) TOPPIN, Hon. R. St. C. (St. Michael North)
Hon. R. St. C. Toppin, 2, 36; Mr. D. J. H. Thompson, 11, 37; Hon. R. C. Eastmond, 14; Hon. R. R. Farley, 16; Hon. Miss B. A. Miller, 19; Mr. D. St. E. Kellman, 22; Hon. R. N. Greenidge, 26; Hon. N. A. Lynch, 27; Hon. Sir Harold St. John, 30; Hon. Miss M. A. Mottley, 32.	