
THE House of Assembly Debates

(OFFICIAL REPORT)

SECOND SESSION 1999 - 2000

Thursday, October 24, 2002

RESUMPTION

MR. SPEAKER:

This Honourable House is resumed.

MR. D. CARTER:

Mr. Speaker, I would first like to thank the constituents of Christ Church Central who have given me the opportunity to come to this Honourable House to represent them for two years and I will continue to work on their behalf as long as they give me this opportunity to stay in this Honourable House.

I must first congratulate the Prime Minister for delivering his Financial Statement on Tuesday of this week. For the past year I realised the Prime Minister was getting better and better with his presentation but this is the best one given because prior to 1994 the Opposition said they had prepared the wicket so well that any person who took over would have no problem but on this occasion the economy of this country dipped by 2.7 per cent and the Prime Minister was able to pull out all the stops necessary to make it an excellent Budget.

Prior to 1994 I patted myself on the chest when the Prime Minister said that the economy had grown every year by 3 per cent, that we were able to bring unemployment from 27 per cent to below 10 per cent and that the foreign reserves were in good standing.

The last few months, the Opposition was criticising the Government because they said it was borrowing money despite the fact that the economy was in a sound state. I believe the Prime Minister saw what was happening prior to September 11th and put his house in order because he realised that internationally the economy was dipping so he made sure that the people of Barbados were in a good position in case things got worse.

Sir, the Prime Minister borrowed \$300 million on the capital market. I was a bit worried myself when he borrowed that money but after speaking to him I realised he was in control. Mr. Speaker, I say that he is a driver who can drive and we are following him.

Mr. Speaker, the Prime Minister pulled out all stops in relation to this Budget and the \$300 million borrowed to reinforce the reserves helped us considerably. The people of Barbados have experienced good living since 1994 and they do not want to go back to pre-1994 when they were losing jobs, houses and money. Sir, the people of this country know what they have but they do not know what they will get. I say to them to continue with this administration because it is right on course.

Sir, it appears to me that every 10 years there is a fallout with the economy in this country. It happened in 1981, 1991 and in 2001. The Prime Minister was aware of this and made sure that the economy was stabilised to such an extent that we were able to breathe more easily than before.

Sir, I want to touch on taxes. It was good to see that the Prime Minister was able to drop corporation taxes in this country which give conglomerate the opportunity to reinforce their pockets, reinforce jobs in this country and be in a position to employ people.

In relation to income taxes, I know it will not take effect from now, that it will come down over a period of time but I know that people in Barbados are happy with what the Prime Minister has done and all in all, will be in a position to cope with the situation. Mr. Speaker, as Chairman of the National Sports Council, I want to thank the director, staff and board members for working hard to carry out Government's programme.

The Prime Minister made a statement in this Honourable House that he would like to see that all constituencies have pavilions and by extension playing fields. At the National Sports Council we assisted the Prime Minister with his wishes and to date the National Sports Council has built 16 pavilions and 21 hard courts in eight years. I can also tell you that lights are attached to 16 of these hard courts in this island.

Sir, we have problems with the young people doing deviant things and the Prime Minister was right to make sure that those young people who are not gainfully employed should put their energy into the sports and hence these and pavilions and playing fields. I would like to see the crime rate reduced and this is certainly the right direction to help to reduce it.

10:10 a.m.

Thursday, October 24, 2002

Continuation of MR. D. CARTER:

Sir, I would like to endorse the comments made by the Honourable Minister and Parliamentary representative for St. Philip

North when he made the comment to the House yesterday that we were barely saved by one man who went to the Commonwealth Games and was able to bring back the Bronze Medal. I refer to Mr. Greenidge who has worked very hard and I hope that he continues to work because the Commonwealth Games is the next closest thing to the Olympic Games.

I believe that we at the Sports Council would do all in our power to make sure that Mr. Greenidge is well compensated. I know that the Barbados Labour Party will honour Mr. Greenidge on Sunday. I think that it is very good thing and it shows that the Government is meeting the various athletes halfway in their bid for success.

I also want to congratulate Shaka Henry who recently won a title in the lightweight division in boxing. He is now thinking about obtaining a title at a higher level very soon. I believe that if his trainer and advisors treat him well, the time will come when we would also take our hats off to Mr. Henry. Sir, I must also congratulate Mr. Barry Forde who was unfortunate to be disqualified at the games which were held in Manchester earlier this year. However, he came back to the West Indies and was able to obtain two gold medals in cycling.

Sir, finally, I cannot leave out the cricketers of this country because everybody knows that I was a former cricketer, a former professional and I am very close to the cricketing fraternity. I would like to congratulate the Under 19 team who did very well for themselves and Barbados. Congratulations also go to the senior team who won the One Day competition in Jamaica. I believe that it is thirteen years since they have reached that pinnacle. I think that I was the last manager in 1988 when we attained that status.

Mr. Speaker, I believe that the Sports Council

is there to guide sports in Barbados. Only yesterday the Minister made a passing remark, whereby he intends to bring in some coaches from Cuba. Things have not yet materialised but I believe that the Director is working feverishly to making it a reality.

I believe that when foreign coaches are being employed to coach our sportsmen, the coaches seem to get more acceptance by the players than our own coaches. I am going to be the first to say that although we are bringing in eight coaches from Cuba, I hope that we in Barbados would be able to emulate the coaches and use it for the benefit of the sportsmen of Barbados.

Mr. Speaker, I now turn to my constituency. Every five years the Opposition Parties in this country ask what has the incumbent done for the constituency, and in my case the last eight years. I believe that those words would be used by whoever is going to be running against me. I also believe that all the Members on this side would have done sufficient work in their constituencies to represent themselves.

Sir, I refer to the five-point plan that I have in Christ Church East Central from 1994 and I am happy to report that the road from Rising Sun to Six Road, St. Philip, which I refer to as a second motor way, although it took a long time to be completed, although it caused the people of Fairview and St. Patrick to have many uncomfortable days, this is the time where everybody in that area is happy with the road work done. I believe that although they were asking for compensation before, they are so happy with the road that I do not think that they are thinking about that anymore.

Sir, I must also thank the Honourable Member for St. Andrew, when he was Minister of Transport and Works, for preparing the road works starting from Cable and Wireless through St. Davids, Cox Road, Edey Village

and ending at the roundabout at Rising Sun. It was a big programme and I believe that the infrastructure in these areas must be maintained. I sincerely hope that the people in those areas are more comfortable with a good road to ride on.

Mr. Speaker, I must thank the workers at the depot near the South Point Lighthouse for fixing the road in Yorkshire in such a short time. Two weeks ago I attended church at St. Patrick and I was approached to fix a series of potholes in the Yorkshire development. I was informed yesterday that the work was done and I take my hat off to you because within a week you were so kind to make sure that I look good. Sir, they not only fixed the road at Yorkshire but the roads by the Christ Church Parish Church, at Cane Vale and Gall Hill. The people in these areas are now very happy to have good roads to drive on. Mr. Speaker, unfortunately, I shall be losing those areas the next time General Elections is called. However, the Barbados Labour Party is in a position to keep doing the good work and we will make sure that everybody is more comfortable.

Mr. Speaker, over the years Christ Church Boys' School, it is known as Water Street Boys' School, never had a playing area. There was a gully behind the school and every Saturday morning I roamed the area looking for filling to be placed in the gully. Over a period of six months the gully was partially filled. At this stage I had to bring in engineers because I was told that you cannot stop the flow of water but you have to make a course for the water to flow.

Mr. Speaker, for the first time in the history of that school we now have a playing area for the Christ Church Boys School.

Asides

Mr. D. CARTER:

Sir, there is a playing field being erected by the Sports Council and the Government of Barbados at Cane Vale and I asked the Minister of Housing and Lands how far have they got in relation to that project. The technicality on that project is that the first part of the field was about to be acquired by the Sports Council which would cost half a million dollars, When we decided that we would purchase the whole lot, the owners of field decided that the other half of the field would cost \$1.5 million. I must say that the Honourable Prime Minister said no way would he pay \$2 million for that land. I believe that the Minister of Housing and Lands should compulsorily acquire that piece of land so that the people of the surrounding areas, the football teams, Bayer Pride of Gall Hill, would have a home of their own.

10.20 a.m

Wednesday, October 24, 2002

Continuation of Mr. D. CARTER:

Mr. Speaker, in the year 1994, many letters were written to me asking for natural gas for the people in Kingsland, Newton and Regency Park areas. I remember knocking on the Prime Minister's door and asking for help and he said to me that you have to be fair in politics and do the right things. Fortunately, the people in Kingsland had got in their applications in first and we proceeded to have natural gas installed in half of Kingsland, including all of Water Street, Gall Hill and Wotton areas.

I am conscious of the fact that the other side of Kingsland needs natural gas and, certainly, I will use my office so that in the very near future the problem will be rectified and all the people in that area will have natural gas.

In the year 1996, the Government took to the idea of rebuilding the Club Randall house to provide areas where young entrepreneurs, I believe they were eleven, could have their businesses on the ground floor and the first floor could be kept for entertainment. Sir, when I asked the Prime Minister, the Right Honourable Member for St. Peter and Minister of Finance for this, he said to me that you have to be innovative, gone are the days when you just build dancing houses for the people to dance, you have to do something more. That is the reason why we came up with such a venture. At that time, I believe the Honourable Member for St. James North was the Minister of Agriculture. He and the Prime Minister helped me, greatly, in making this a reality.

I can say that the Club Randall taught many people from Christ Church, St. George and even St. Philip how to dance. I learned my first few steps in the Club Randall. Unfortunately, this new building is not fully utilised. I hope that the Minister of Agriculture would revisit the Club Randall to make sure that everything is right there for the people of Gall Hill and the surrounding areas.

Lastly, I come to the Wotton Playing Field. Sir, this same time last year, as Chairman of the Sports Council, I made it possible to have lights installed in that area. I can tell you that before the year 1994, nothing was done in Christ Church East Central. The infrastructure was nil. The last time anything was done in Christ Church East Central was by the Honourable Member for Christ Church South, who actually made it possible to have the playing field in the Wotton area. Since then, I was able to put lights on the playing field for the basketball players. The people of that area are happy and are enjoying the playing facilities. There are many young entrepreneurs in that area. I believe that shortly, we will have a football competition in the Wotton area and,

certainly, I will be there to give my support.

I must take this opportunity to congratulate the Wotton Team for reaching the Finals in the Intermediate Division. I think they will be playing against Bristol on Sunday, and although I may have another engagement, sometime in the evening I will make time to be there. I have offered the Wotton Team a little fillip. It may be only a meagre amount of money. I would not say how much but I have offered them that little money so that it would enhance the position of the Club and give them the motivation to finally win the cup.

Mr. SPEAKER:

The Honourable Member has two minutes to conclude.

Mr. D. CARTER:

I am a bit wary and feel uncomfortable that I have given the Leader of the Opposition lights and repaired the pavilion in his constituency two weeks ago and he had the gall to write in an article that the Barbados Labour Party had not done anything for him. I would say this, the Leader of the Opposition of thanked me, but he is giving the impression that the Barbados Labour Party is not helping his constituency.

I would also say that I gave lights to the constituency of St. Lucy which, I think, were turned on only last week.

Throughout the life of this Parliament, the Honourable Member for Christ Church West repeatedly asked me to make it possible to give lights and a hard court to the people of Bonnetts. Sir, all I can say is, please get in the queue.

I hope that my colleagues would forgive me, but it is hard going when you are in this position. I am confident that in the near future all the MPs would have the Prime Minister's

wish, that is, to have hard courts, pavilions and lights for their people.

Mr. Speaker, I thank you.

Rev. J.J.S. ATHERLEY:

Mr. Speaker, I rise to make my contribution to the debate and to support the issue before the Honourable House. Sir, as usual, I think all of us are impressed with the soundness and wisdom of the measures and terms expressed in regale, in the presentation of the Minister of Finance just two days ago.

Mr. Speaker, I would like to begin by referring to the contribution which was given in reply from the Opposition thus far. Substantially, it amounted not to necessarily critique, and I do make a distinction, but infusions of criticisms, from beginning to end, of policies which are quite obviously finding favour in the wider Barbadian community and among those who lead in the important sectors of this economy, both social and economic.

Perhaps, Mr. Speaker, the central theme of that reply was the issue of wastage. Now, the Honourable Member for St. John spent a lot of time on this subject of wastage but I do not think that anybody in this House or outside the precincts of this House who is honest, would be of the view the Honourable Member for St. John was able to establish in his thesis. He spoke about wastage with reference to a number of different areas under the governance of this present administration and with respect to many of its policies.

Mr. Speaker, the one I would like to pick up on has to do with the reference to wastage at the St. Leonard's Boys' School. Mr. Speaker, you have a history of relationship with this institution. Therefore, I am sure that you have a very high sense of appreciation for the role this institution has played in the national development of Barbados and within the

context of our educational system.

St. Leonard's School, as you would know, Mr. Speaker, lies right in the heart of Richmond and Richmond lies right in the heart of St. Michael West constituency, whose residents have given me the honour of representing them and for which I am very, and sincerely so, appreciative.

10:30 p.m.

Thursday, October 24, 2002

Continuation of Rev. J. J. S. ATHERLEY:

How can one establish a position of wastage with reference to what is happening at the St. Leonard's School? In visiting that site one can clearly establish in one's mind that what is going on at the St. Leonard's School is tantamount almost to a rebuilding of the facility. If to spend a few million dollars in practically rebuilding an educational institution, which in terms of its historical context, stands at a pivotal point in the history of the development of an educational infrastructure and opportunity in this country, is to be called a wastage of money, then something must be wrong and one must be totally unfamiliar with the circumstances of the Project because you are practically rebuilding the facility which when it is finished, I dare to say, will be the envy of the secondary school community in Barbados.

If supporting those who have not done as well as others have done at the Common Entrance level is a wastage of money, then what is happening at the St. Leonard's School is a wastage of money. If to fund the further

education of those who have not perform with the same degree of excellence as others at the 11-plus stage is a wastage of money, then I would have to agree with the Honourable Member for St. John that what is being done at the St. Leonard's School is a wastage of good money.

If you try to improve a government facility which is part of our longstanding educational infrastructure which is in a community which historically have been a depressed community and showing all the evidence both economically and socially of a depressed state of existence and if to support the upgrading of a facility in such a community which because of its presence would lend further opportunity to the people of that community is a waste of funds, then the money being spent on the St. Leonard's Secondary School is a waste of funds.

If to enhance the environment and the aesthetics of the whole Richmond community which is quite apart from the present institution is a waste of money, well then Government is wasting money at the St. Leonard's School.

If to support the further development of excellence in sports, and the school has established its mark and a tradition in this field, is to waste money, then Government is wasting money but I cannot find a point of agreement on that with the Honourable Member for St. John.

If to support the development of further industrial skills, this is a school with a record of which it can boast with reference to that industrial arts skills, is a waste of money, then the few million dollars being spent on the St. Leonard's Secondary School is a waste of money but I cannot find a point of agreement on that with the Honourable Member for St. John.

If one can conclude that what is happening at the St. Leonard's Secondary School now is a waste of money, well then one does not appreciate the importance that education has played in the national development of Barbados. In fact, there are those sitting in this very august Chamber who are products of that educational institution both in terms of their academic development as well as in terms of their professional development. We can look all across the landscape of Barbados and indeed the global landscape and find those who went to that institution who has taken their places in the world and who are excelling in their chosen field. So if to support that tradition and to encourage its further manifestation is a waste of money, then we are wasting money at the St. Leonard's Secondary School.

If to support that effort at St. Leonard's Secondary School is a waste of money, it means that people, like you, Mr. Speaker, have been misplaced in terms of your judgment by ensuring that your services have been rendered to this country through your very able teaching skills demonstrated during your tenure at the St. Leonard's Secondary School, so if that is a waste of money, well then, the Government is wasting money.

If it is a waste of money to improve the newer secondary schools, then what we are doing at the St. Leonard's Secondary School is a waste of money but I cannot find a point of agreement with the Honourable Member for St. John on any of that.

The Honourable Member for St. John, I cannot be totally parochial, spoke with reference to wastage by the Urban Development Commission (UDC). I have serious problems with that and I am sure that the Honourable Member St. Michael South East, the Honourable Member for St. Michael East as well as the Honourable Member St. Michael South Central, in fact, all Honourable

Members who happen to have the honour of representing urban constituencies, will concur that this cannot be a wastage of money. The work of the Urban Development Commission (UDC) principally addresses the plight of the poor. You cannot tell me that money spent in the interest of the poor people in Barbados is a waste of money. If to replace and repair over 800 houses by the Urban Development Commission (UDC) from which the poor in Barbados have benefited substantially is a waste of money, well then, Government is wasting money.

If people must be made to continue to live in substandard housing in Barbados while others live in splendour and luxury, then perhaps we ought not to waste the money, but I cannot agree that we are wasting money. It is the plight of the elderly, your parents and mine, Mr. Speaker, which is being addressed through the developmental, remedial and the rehabilitation programmes of the Urban Development Commission. Lending dignity to our seniors in their elderly years cannot be waste of taxpayers' money. The plight of the landless which is being addressed through the work of the Urban Development Commission (UDC) and the transfer of tenantry titles under the Urban Development Commission (UDC) cannot be a wastage of fund.

Just last Sunday, I had the honour of sharing a few hours with the many residents of St. Michael West and a few from the City, if the Honourable Member for the City would also take note, because their interest, the need to come into land ownership, is common within the urban context of Barbados. This Government has facilitated that by clearly established policies which are well-known across Barbados.

The Urban Development Commission (UDC) is the principal agency for ensuring that Government policy is given effect and that the

transfer of titles actually takes place. This gives my heart a great measure of joy to note that there were 60 persons who have benefited from Government's subsidies under the tenancies transfer of title programme amounting to almost a quarter of a million dollars and that is just in St. Michael West. People in Parris Gap, Bank Hall, Hindsbury Road, in the middle of the constituency in the Richmond Gap area have all benefited from this programme. So it cannot be a wastage of funds by anyone's measure to make sure that these people are brought into ownership and that they are enfranchised in this way in this country.

So I cannot support the thesis offered on the other side by the Honourable Member for St. John who perhaps dwells in rural splendour and cannot adequately identify with the unfortunate plight of the poor in depressed circumstances in urban Barbados and therefore perhaps on that basis can easily come to the view that we are wasting Government's money. I did not hear anybody at the meeting on Sunday talking about wastage. I heard applause for Government, I heard applause for the policy and I heard applause for the benefits the people are receiving.

I was at the St. Leonard's Secondary School yesterday morning and I did not hear anybody talking about a wastage of money. I saw pleased looks on the faces of the staff whereas in the past there were views that the school was being discriminated against and neglected. I saw happy children about their studies and about their play but I did not hear anybody talk about wastage, so I cannot concur with the views from over there. I have spent a long time on that but I had to get that off my chest, Mr. Speaker.

10:40 a.m.

Thursday, October 24, 2002

Continuation of Rev. J. J. S. ATHERLEY:

Mr. Speaker, the Minister of Finance, in his presentation, has reflected on the fact that Barbados has gone through the longest period of growth in the past eight years wherein this Party led the administration of Government in this country.

Sir, I think unfortunately as it appears in the written document and, maybe the level of appreciation in the minds of those who have listened, it seemed as though we were merely making a reference to an episode in history.

Sir, the fact of the matter is that we are reflecting on what the experience of Barbadians has been over the past eight years and, therefore, in effect, we are saying that the last eight years have been the brightest and the best days that we have ever had. It is not simply an episode in history, neither is it coincidental, that the BLP happens to be the Government at this time. It is by deliberate planning. It is by deliberate policy. It is a product of great vision and leadership which has allowed us to come through an experience which we will never forget, eight years of sustained growth, the brightest and best ever done in this country.

Mr. Speaker, it coincided with record lows in unemployment. It coincided with record highs in Foreign Reserves. It coincided with increased level in home and property ownership. The Honourable Member for Christ Church East, being privy to such information, has given us some details about these things. He is more privy to such information than we unfortunate souls on the Back Bench but we speak with the same voice and sing the same tune. We talk, therefore, of a period of increased levels of ownership with reference to

home and to property. We speak of increased levels of domestic savings while, at the same time, realising increased levels of domestic investment. That is not an easy achievement but it has happened.

We have seen a period of increased levels of foreign investment and increased levels of investment interest during the past eight years. It is simply not an episode out of history. It is, therefore, an experience which we have lived and which the BLP and the Honourable Minister of Finance has led.

Mr. Speaker, as was mentioned, there has been no increase in bus fares, road taxes, NHC rents, nor license fees. Mr. Speaker, contrast the best and the brightest days with the eight years prior to that, 1986 to 1994. Again, it is not a coincidence that the DLP held and led the reigns of Government, again, not simply an episode in history but in fact what we are talking about are some of the darkest days this country has gone through since the 1930s. That is a fact, even to members on the Other Side, who, today, feel the effects of divided opinion and sentiments around that sorry episode in Barbadian history.

Mr. Speaker, contrast these last eight years of record lows in term of unemployment with record highs of unemployment for that period 1986-1994. It was up to 27 per cent when this Party came to the management of these affairs.

Sir, compare a country with record Foreign Reserves highs with Foreign Reserves lows in that period. It was down to a point of \$11 million with that of a country on the brink of starvation, unable to pay its way in the world and under the management of the fractured party from the Other Side.

Mr. Speaker, we have experienced a reduction in the social provisions and a loss of credit worthiness in the international

marketplace but we have come through the dark days into brighter and better days. I believe, with all my heart, that the best is yet to come.

I think the presentations from the Honourable Minister of Finance, over the past number of years, have been consistent in their thrust towards bringing Barbados to a point where we are able, as a nation, to realise our best potential and to make and to leave our mark in this world.

The Prime Minister speaks to a new context in which we must operate. The new next context of national development and efforts towards that cannot proceed along the lines of the past. The world has become a changed place even before September 11th last year.

Competition in regional, hemispheric and international quarters is the reality of the day. The old foundations for survival have been swept away or are being swept away. Comparative advantage on the basis of one's size and the vulnerability of the economy, trade preferences, protectionists strategies, concessional finances and foreign aid, these are all vanishing planks upon which the traditional Barbadian economy has been constructed. They have been swept away or will be swept away in the next few years. We are now operating in a new environment which requires that there be a new vision, a new approach to leadership and a new style of management.

The new platforms in this day must find their motoring energies in the competitive quality of what we produce. The reality is that in this present day system, it cannot be comparative anymore but competitive and that our national economy must be thrust forward on the basis of our production efficiencies and non-traditional products and services. This is where the Barbadian economy has been repositioned to go. These are the waters upon which we are

now embarked to sail. We have a Leader with a vision who understands clearly the times in which we live and who understands the requirements for those times. I think that we are moving forward with a certainty as a country, that we are being very well led.

Mr. Speaker, if one looks at the Financial and Economic Statements over the past several years, one would see that the Minister of Finance is possessed of the view that the institutional profile of our country must be amended to suit the times in which we live. Our institutions must find their modern fit. Existing institutions must be revamped or be totally removed and new institutions must be created.

Sir, at page 41 of the presentation, the Honourable Minister of Finance refers to a new role for the BADMC. It will be converted into an institution that provides services and facilitates greater investment in agriculture, performing roles similar to and beyond those that the BADMC provides to manufacturing and the Barbados Hotels Association and Barbados Tourism Investment Incorporated to the tourism industry. Elements of the new BADMC will include making strategic investments on joint venture basis in certain areas of commercial agriculture; coordinating and organising the exporting of fresh agricultural produce; establishing a market intelligence to cater to the domestic and export markets; assisting the stakeholders in meeting the benchmarks and standards established by the sector; assisting the BAS in organising a farm and wholesale market; generally spearheading the implementation of the Scotland District Development.

Sir, at page 45, a similar thing is said with respect to the marketing and sale of the 100 per cent Bajan products on the overseas market, calling into being new mechanisms to serve the interest of this country and the people of this country in the new environment in which we

are forced to live.

10:50 a.m.

Thursday, October 24, 2002

Continuation of REV. J.J.S. ATHERLEY:

I look forward with tremendous excitement to the establishment of the University College of Barbados and to new institutional mechanisms to take us forward in the various sectors which dominate our lives.

Sir, the Prime Minister has a clear understanding of the role of the state. Some people hold the view that the state must take a retreating position but this is undesirable in a developing economy with limited natural resources and which is dependent upon foreign financial investment so it is absolutely critical that the state plays a pivotal role in the stimulation of the national economy in that type of circumstance. The state must always have an economic and social presence which helps to provide a safety net for those who fall through the cracks.

Mr. Speaker, over the years you would have noticed the Prime Minister's avoidance of fiscal recklessness. He has carefully managed the movement of the deficit every financial year. Capital works expenditure was not for narrow partisan political gain or advantage but was in the best interest of the country to ensure that unemployment level are kept constant and to ensure that the economy continues to turn in a situation where there is a dip or depression in the international community. Sir, contrast that with the use of corporate generosity exhibited by the Democratic Labour Party in the 1980s when there were a lot of giveaways and the buzz words then was the word 'now'.

Sir, I heard the word 'now' even as I rest on my bed because it was an expression of poor thinking and desperation. Clearly, the policy of giveaways was unwise because there was the limited plant, the limited productive base and capacity and to thrust money on the corporate sector was an error. The inevitable result was that the excess finances available to the corporate sector were used for narrow profits, the embellishing of consumption patterns rather than investing in an economy which was not in a position to make demand upon a productive base which was weak and unable to produce.

Sir, we did not see any increase in employment. In fact, we had the sceptre of jobless growth for the first time in this country. We saw no increase in the export potential and capacity of the country as a result of that type of generosity. The motive for this generosity was misfounded, therefore, the policy was misplaced, ill-advised and destined to fail. Sir, you do not see that kind of recklessness on this side.

I hear the Minister of Finance talking about the entrepreneurial state which I support. Sir, the state in a developing economy like Barbados in the context of this competitive world cannot simply be a regulator or facilitator but must be an entrepreneur developing the concept of public and private sector partnership and making sure that all sectors benefit in Barbados.

There must not be a limit to mere management of social services by the Government. There must be the development of productive capacity in terms of developing our foreign exchange earning potential as is the case in the tourism sector and the GEMS. The Government must be an entrepreneur which develops institutional viability and capacity to take the country forward.

Sir, I started by making reference to a school

in St. Michael West and I will finish by making reference to St. Michael West. I am grateful that in a situation of recession, St. Michael West is still the beneficiary of a Government programme which is totally enhancing the St. Michael West community. Sir, existing roads are being fixed and new roads are being put in for the first time. I am grateful to the Ministry responsible for urban and will be more grateful to the Ministry of Public Works and Transport when the additional works are done.

Mr. Speaker, while you were in bed this morning at 2:00 a.m I was called from my bed because there was a serious flood in Nurse Land and Barbarees Hill in St. Michael West. The 300 feet of road had water about six feet high because of a burst main, which was accidentally done by an excavator. Sir, that situation was remedied and the work is continuing.

Sir, Honourable Members on this side talked about the natural gas programme and we wait with excitement for St. Michael West to benefit from this programme. We hope to be among the first to benefit or we will be thoroughly disappointed because this will bring relief in price and in terms of the inconvenience caused when one has to go with a cylinder to the service station.

Mr. Speaker, this is my contribution and I am very grateful.

Mr. M.Z. WILLIAMS:

Mr. Speaker, at this point I would like to make my contribution to the financial statement made by the Honourable Prime Minister in this Chamber. Before doing so, I would like to give God thanks for giving me the privilege to be able to put a case for the people of St. Michael North West, and also to thank them for placing confidence in me from January 20, 1999, as their elected representative.

I would like to say that it is certainly a privilege to be able to sit in this Parliament among people whom I can learn a lot from because of the high level of presentations.

11:00 p.m.

Thursday, October 24, 2002

Continuation of Mr. M.Z. WILLIAMS:

Sir, this Chamber may be seen as local but when we look at the calibre of people in here, we would see people who have represented Barbados at the international level and some who have excelled to become chairpersons to be the voice of the region and the Commonwealth. For example, the Prime Minister was the Chairman of the Commonwealth Heads of Governments and the Deputy Prime Minister who is seen as an international person. When we look at this Chamber today, we must recognise that we have a serious Government.

Mr. Speaker, I listened to the contribution of the Leader of the Opposition yesterday and it leaves one to wonder whether he was the Leader of the Opposition. I have been an admirer of the Leader of the Opposition for many years for his debating skills. Those of us who remember the Leader of the Opposition as a youngster debating on the Caribbean Broadcasting Corporation (CBC), the Leader of the Opposition could have been considered as one of the best debating orators in Barbados. After listening to him yesterday, I am wondering if it was him or the paper which he was reading. In my opinion, it was presented by the President of the Democratic Labour Party, the Senator.

Sir, I have reasons to believe this after listening to a call-in programme where someone was dealing with a serious matter and the President of the Democratic Labour Party

made a statement before the Prime Minister made his Budget presentation. The President of the Democratic Labour Party said that he was about to e-mail the Leader of the Opposition what he has in mind as a reply to the Prime Minister.

Sir, what came from the Leader of the Opposition, I do not believe that the Leader of the Opposition was in his true stride. I believe that he was representing the voice of the President.

Sir, one must understand that the President of the

Democratic Labour Party has a voice of doom and gloom. When you look at the success of a Government that took over office in 1994, with a foreign reserve of \$346 millions and compare it with the situation today where the foreign reserves stand at over \$1.4 billion, one must ask if the guidance of the Honourable Member for St. Peter and Minister of Finance is not well thought out.

Mr. Speaker, we have a situation today where Barbados does not have to worry about its foreign reserves for purchasing for approximately six months. However, we had a situation in 1994 where the civil servants of this country were doubtful whether they would be receiving their salaries. We must give credit for the direction of this Government.

Sir, in 1994 we had an unemployment situation in this country which stood at almost 28 per cent. Today we have an unemployment situation which is almost in single digits. Again, credit must be given to the Government and the Prime Minister for the direction which he has taken this country over the past years.

Mr. Speaker, in 1994 the roads in Barbados were deteriorating. Sir, a country can be judged by its road network and today Barbados can be

extremely proud about the network of roads that have been done over the past eight years. Barbadians have been inconvenienced with the road works but now they are driving on silky roads now. I am hoping that in a few years Barbados can boast as being one of the countries within the region that has the best network of roads.

Mr. Speaker, we have an Opposition, led by their President, who believes that this Government thinks only of the future. Sir, you have to think of the future for your children, grandchildren and whatever tomorrow holds. I am convinced that the Minister of Finance is not thinking of only now, as the Opposition is thinking, but he is thinking of the future.

Sir, I liken the Leader of the Opposition and the President to a tea bag.

Asides

Mr. M.Z. WILLIAMS:

Sir, those of us who know the use of a tea bag would tell you that a tea bag has only one use. When you are finished with a tea bag it is thrown away because it cannot serve another purpose. I have also likened the Leader of the Opposition to a tea bag because everything to him seems to be instant and everything must be done instantly. Things cannot be done instantly because there are other things that have to be done.

Sir, the President, at their Annual Conference, listened to the Chairperson of the Barbados Fisher Folks Association, Ms. Watson, who spoke about fishing. The President then took his cue from Ms. Watson and he spoke about 'JAWS', out to sea and everything relating to fishing because he took his cue. Sir, if you were following him over over the last few weeks he was on a ship. Somewhere along the line, we have a person who seems not to understand that the public

relation exercise that he is carrying out will be devastating when the time comes.

Sir, I am extremely proud of this Government. I said earlier that the unemployment has fallen to almost single digits. Mr. Speaker, we know that when people start to work they start thinking in terms of property ownership. Yesterday I listened to the Leader of the Opposition reading from what I believe to be the President's Manifesto. There were excerpts from the President's Manifesto 'Housing for All'. We have not waited in the year 2002 to put a proper housing programme in place. They are more young people owning properties now than before.

I would like to appeal to the young men of Barbados, those who have now moved into the workforce, not to be critical of the women who are owning properties because the women of today seem to have made a direct beeline towards owning a property. As men we have to understand fully that we cannot be critical of them. They are thinking about owning a property, so you have to think of it as well.

Mr. Speaker, we have to be proud that the women of Barbados are foreleaders in property ownership.

11.10 p.m.

Wednesday, October 24, 2002

Continuation of Mr. M.Z. WILLIAMS:

Sir, the other thing they think about is that as soon as they work, they want to be mobile. They want a form of transportation. There are many vehicles on the roads of Barbados. Mr. Speaker, when you look at the ownership of these vehicles, you see that they are young men and young ladies who are able to take themselves to and from work and take their

families on exercises through Barbados to enjoy our beautiful island.

This is a Government of progress. This is a Government that is journeying towards a betterment for our children and our children's children, not one of an instant impact.

I am extremely happy when I talk about St. Michael North West. Some people ask me how can I do so many things. The reason is that I have asked God for the energy to do them. Sir, I love what I am doing to help the people of my constituency.

This Government has made it possible for better roads and housing in St. Michael North West. The only problem I have at this moment in the with is maintenance. I am asking the National Housing Corporation (NHC) to deal with the issue of the maintenance of houses in the constituency.

Sir, as long as the NHC fulfills my requests, and the other parliamentary representatives who have estates within their constituency that require maintenance, then we would be in a position to say, we have delivered.

Aside.

Mr. M.Z. WILLIAMS:

Yes, a lot of work has been done by the NHC in the constituency. Windows have been changed and other repairs have been done but there are still many repairs needed to be done. I hope they would be done in the near future.

Mr. Speaker, I turn now to the Urban Development Commission (UDC). I heard people say that this Government is giving houses to the young people and women who are wearing jewelry, such as rings and chains. This was said by the Opposition. Sir, because you are wearing a ring or a chain, does not mean that you are not on the poverty line.

Poverty does not deal with age. There are some young people in this country who, because of certain situations have found themselves in a very serious poverty situation. They need assistance and if this Government, under the UDC, has found it right to assist the people who are poverty stricken, whether they are young or old, you cannot condemn them for helping.

Sir, the Democratic Labour Party does not seem to understand the meaning of poverty or social transformation. They might understand that if they had won, they would have built the development that would have been placed on the East Coast Road with some of their associates with properties that worth over \$250 000 because they did not care.

Aside.

Mr. M.Z. WILLIAMS:

They were supposed to build a massive programme of houses on the East Coast Road but it has not come to fruition. God Bless one of the real estate men as he lay in his grave.

Mr. Speaker, as I address you, I am extremely comfortable to see the development of this country and the progress of the small business people.

I heard that this Government is doing nothing for the manufacturing sector and the small business people. This is not the energy crisis of 1975 when a lot of them had to go out of business because of inflation. More young people now are thinking about being entrepreneurs. They want to work for themselves. Urban and the many funding agencies provided by this Government have assisted these young people to where they can become independent.

Over the last couple of months I have been

hearing on the call-in programme of some of these people who travel overseas and bring in merchandise complaining about the 60 per cent that has been placed on duties. I am comfortable and proud this morning that this 60 per cent has been removed from certain goods. The request that those people asked for has been given so that they can continue their businesses.

I am comfortable, Mr. Speaker, that in the area of manufacturing, the Opposition cannot accuse this party of neglect. We have assisted the manufacturers by setting up a building which is known as the Small Business Association to assist them in establishing their businesses at the level which is expected of them. This Government has provided that initiative.

Mr. Speaker, the 100 per cent Bajan Campaign, has done a lot to identify the goods that are manufactured in Barbados. Many people were not aware that certain things were manufactured in Barbados and because of that, they have come to respect and appreciate those things which are now made here.

Sir, I see that there are a lot of good things for the future in manufacturing. For example, some of the furniture that people take on hire purchase, at many of the leading stores in this country are locally made. They look as though they came from overseas.

We have to give our manufacturers and artisans the credit for the work they have done. We also have to give them the financial support so that they can develop and continue to make Barbados one of the most productive, progressive and successful countries within the Caribbean and world.

Mr. Speaker, we talk a lot about technology and developing minds for technology. I am sure that under the EduTech Programme

Barbados has a lot to gain in the future. The younger generation will be exposed to matters that will improve them tremendously. Sir, when one criticises the money spent on education, one is not serious. There is no limit to the spending of money on education or health as far as the Government is concerned.

A Government must be seen as assisting in the area of education and developing its programmes. It must be seen as providing the necessary health programmes for those people who are less fortunate. But, you have an opposition who is critical of the Government's spending.

Sir, as we go back and talk about the 100 per cent Bajan Campaign, yes, I heard that the Government is looking into privatising the Caribbean Broadcasting Corporation (CBC). I agree with it but there are certain things, Mr. Speaker, that I hope would be put in place. Sir, radio is educational and it is where everything functions. I am saying as far the CBC is concerned, I hope, whenever the appointment is made, the person who becomes the manager would be rounded and not only in the area of television.

We have seen the management of CBC station strictly dealing with television and as a result of that, radio has been failing. I do not think radio should fail because it is educational. However, we at CBC have been able to develop the MultiChoice television, where you can sit in your homes and see many different programmes on television.

11:20 p.m.

Thursday, October 24, 2002

Continuation of Mr. M. Z. WILLIAMS:

Since we have a local channel, I personally

believe that eventually we would be able to present local productions. We have the FM stations, 100.7 and 98.1 and we have 900 AM. I am saying that as far as the Caribbean Broadcasting Corporation (CBC) is concerned it can be just as good as Cable and Wireless or BARTEL or any one of them in terms of making money, so I am making that recommendation here now even though it might be privatised.

In terms of radio, they are losing revenue and I am drawing to the House's attention that this can be rectified. It does not make sense to pay for a commercial to be aired on television at over \$600 at prime time and having that same commercial being aired on 900 AM and also on the FM stations, you are losing revenue. I believe that 100.7 FM should be the local station to have local programming and it can be a vehicle for the 100 per cent Bajan programme. Mr. Speaker, as far as that is concerned, it seems as though we have support from the other side.

As I move from the Caribbean Broadcasting Corporation (CBC) aspect of things, I am hoping, since this is a journey for the betterment of our children, to see as far as the FM station is concerned that it be identified as 100 per cent Bajan not only 100.7 FM.

Mr. Speaker, as I come back to St. Michael North West to share the goodies with you and Honourable Members of this Chamber, I invite you to come and see for yourself... Within another couple of weeks the residents of Pile Bay, as I read here in the document that the refinery is on hold... I read a couple of weeks ago that the Ministry of Housing and Lands is in the process of making provision to acquire lands along the coastline of Pile Bay to provide not only housing but windows to the sea. So those people who live in the Pile Bay area who have been neglected for almost 19 to 20 years by the Opposition will see changes come to

Pile Bay in terms of better housing programmes and better living conditions.

Mr. Speaker, the residents of Pile Bay will also be able to get natural gas. At one time the cost of installing natural gas was \$518 and the service was placed outside of your home where you then had to employ a plumber to take the service to your house. Today, there have been tremendous improvements at the National Petroleum Corporation (NPC) and the service is now taken right to your utilities within the house. Further to that, the cost has been reduced to \$215 which is almost 50 per cent for the benefit of those people who want to install natural gas.

I am saying to the residents of Brandons who are listening that their cries have been answered and that they will have their natural gas very soon but there will be a little bit of inconvenience. You have a bus service that takes you at your door but there is the possibility when the service for natural gas is being installed that there are likely to be some disruptions in that area. This Government, this Party, this Minister of Finance is looking after this whole society.

The President of the Democratic Labour Party has accused the Urban Development Commission (UDC) of providing work for contractors whom he said does not even know a spirit level but if you check in most businesses across Barbados there are people who are directors of business who cannot do certain things but they are capable of running the administration and there are people who are contractors with the Urban Development Commission (UDC) who can mobilise people to work and get the work done.

Mr. Speaker, I have driven through your constituency, St. Michael Central, and I have seen some beautiful homes which are built by Urban Development Commission (UDC) and I

am confident that those homes are a credit to the residents. However, when you can have the President of a political party criticising the contractors who are building homes for the poor people in this country you have to ask yourself if he is serious about representing people.

Mr. Speaker, as I look at the young people of St. Michael North West there is an aura of freshness about them, they are moving on and is willing to make a contribution. In another couple of weeks we will see other things being done in the constituency. Over the years, people were saying that they could not drive through the Farm Housing Area but right now people from all over Barbados are driving through the Farm Housing Area because there is safe and comfortable zone. Mr. Speaker, people who were scared of sending applications to business places in Barbados with the address of the Farm Housing Area or Deacons Road on them can openly say now that they are gainfully employed and are still living at the same address at which they were living all of those years. I am extremely happy to say that there has been a complete transformation within the constituency of St. Michael North West and this Government should be given credit for it as well as the parliamentary representative who is the voice for St. Michael North West.

The young men and young ladies of the Farm Housing Area were pleading and begging for lights for their sporting facilities for 21 years. I am comfortable as I stand here in this Honourable Chamber to say that within another couple of weeks that request of 21 years will be answered. For over 40 years, Mr. Speaker, the residents of Deacons Road and Goodland were appealing for better roads and I am comfortable to say today that those roads have been done. So one cannot come at this time and accuse the Government of spending money in the wrong direction because it is spending money for the

benefit of the people.

Mr. SPEAKER:

Honourable Member, your time has expired.

Mr. M. Z. WILLIAMS:

As I close, Mr. Speaker, I am extremely comfortable with this financial statement that has been laid here by the Minister of Finance and I am sure as we look down the road at it that our children's children will benefit from this financial statement which was presented here on October 22, 2002.

I thank you, Sir.

Mr. T. A. PRESCOD:

Mr. SPEAKER I am indeed grateful once again to say a few words in this Parliament as the representative of the people of St. Michael East. I do not only want to give credit to the people who are responsible for my presence here but I want to give special praise and respect to the divine, to the ancestors who went before me and to those elderly persons, people who can be my grandparents and my parents who felt that I was a fit and proper person to represent their interest.

11:30 a.m.

Thursday, October 24, 2002

Continuation of Mr. T. A. PRESCOD:

Mr. Speaker, I believe I have a special responsibility to give to you my perspective as an individual who represents the interest of all but I hold strong to the philosophy that a Government will be judged by the manner in which it treats the poorest people in the society.

All other things are secondary because, at the end of the day, any Government in a post-colonial or post-slavery society, has a

responsibility to redress the imbalances and to resolve all those criminal activities that affect a happy life for the people of Barbados, those people who have worked the hardest within the society.

I believe the Honourable Prime Minister has his heart in the right place and that he is functioning in an environment which has its limitations. An environment which is not always friendly to the genuine objectives of a progressive Government because that progressive Government is forced to respond to the external factors that influence the society.

Sir, although there is a concept with objectives to achieve social justice and to cure the social ills in society there are always major challenges in order to achieve them because this society is heavily influence because of its dependency on what is happening in the external markets.

Sir, that is why, from time to time, great West Indian thinkers who understand the complexity of this society will say that whenever the United States sneezes, the Caribbean territory catches pneumonia.

That is exactly what has happened to the Caribbean in recent times in its political and economic history. We have good plans. We have men of sound intellect. We have produced men of genius. Sir, before the Right Honourable Prime Minister, the representative of St. Peter, we had the late Right Excellent Errol Walton Barrow and Sir Grantley Adams. We have not been fortunate to have any others since those two but we are at a point where we are now experiencing a sense of ingenuity and genius manifesting itself in the most troubled times in our history and for that, the Honourable Prime Minister must be respected.

Sir, the global recession has brutally impacted on this country. All small states

without an industrial base will experience some of the rough rides which this country is going through. We have been doing extremely well in comparison to other small states in the Western Hemisphere. With all the criticism that one has heard, we have been able to sustain those mechanisms and instruments in place for the protection of the most vulnerable people in this society.

However difficult it is, none of those provisions has collapsed in the last 10 years under this Party and, therefore, the Prime Minister must be complimented for that. It calls for ingenuity. It calls for creative thoughts. It calls for a clear vision of what objectives are achievable. Everybody can dream. John Lennon dreamt - not the best example of a black man - but he also dreamt and imagined there was no country. He imagined there was no heaven.

We know the Leader of the Opposition seems to be in the mode of an outdated dreamer - not even a contemporary dreamer but an outdated one - caught up in the confusion of old Aristotelian philosophy believing that the masses of the people are ignorant and do not understand what is going on.

I would like to believe that the Honourable Member for St. John has reached the level of political maturity that he understands better and that all the offers he is making about increases, if one is still aware - and I know you are, Sir - of the history of that dispensation which was displayed in 1994 and 1999. You would have known that from their functioning at the administrative level of the state that if they were in office today, many people would have died and they would have all been charged for an exercise of genocide in this country.

Many poor people would have died, not only because of depression not being able to pay their mortgage rates, but the manner in which

people were unceremoniously dismissed from the private sector and state institutions, is a clear example of how one must judge men when they speak. We might not be able to judge them on what is currently happening but one understands their history. When a prisoner is being summoned before the court, the court always go back to the antecedents to see if that person is a habitual practitioner of the art. If that is so, then the sentence becomes more severe.

They want us to believe that something miraculous has occurred in their character in the interim between their defeat and now. They want us believe that they are now more competent than ever to create a better quality of life for the people of Barbados.

I do not know who they could fool because I am not one of those persons who subscribe to the Aristotelian philosophy that the masses are ignorant. I believe they are equally as analytical as we are and that whatever that was presented to them a few days ago, they too sat, applied a sense of objectivity and asked if, in the present global atmosphere, the expectations could be so wide that one could expect more within an economy which is contracting as a consequence of what is happening on the external market. That is what is meant by, 'when the United States sneezes, countries like Barbados catch pneumonia'.

We have to operate within the limitations of our own polity. The political economy must adjust itself. We have to use more innovation in order to move this country out of the difficulty in which it has been. It has always been the task of black Government since 1951 in resisting oppression where we can, restructuring and repositioning ourselves and manoeuvring through the difficult waters in order to find a happy room and comfort for this society. We have to place it within the ambit of a framework of an exercise of striving for

relative social justice in this community.

We want to see the unemployed being employed. We want to see people who were receiving less than a reasonable salary, receiving a reasonable salary. We want to see those who are homeless receive a home. That is why the state policy remains.

11:40 a.m.

Thursday, October 24, 2002

Continuation of Mr. T.A. PRESCOD:

The state continues to build low income houses with facilities equivalent to what the private sector calls apartments and condominiums with rent below \$800 which a person will pay for a one-bedroom apartment. If you go inside to any of the houses or apartments like the London Bourne Towers, the new St. Barnabas project which is coming on stream very soon, the project in the Pine, you will find that the infrastructure and facilities are far superior to what you receive in the private sector. Sir, this Government must be complimented because it responded to ensure that there are planks to transform the society out of its colonial experience where we lived in chattel houses with mud or red brick floors and, sometimes, there were no floors because there were no houses. We still assist children with uniforms, books and preserve free secondary education which the Democratic Labour Party boasted about.

We also introduced new relevant programme to the changing times in the society so that the influences of technology that changed the structure in our labour can allow us to bring our children together and prepare them for the world of work by allowing them to master that technology.

Sir, we do not make the technology but we have to use it so the adjustment has to be made in the society. Government must make the adaptation and be responsible enough to know when changes must be made. This is why we are seeing throughout Barbados that secondary and primary school children are into information technology because it is essential.

Sir, the people of the Opposition live in Mars and the Leader of the Opposition seems to be immune to anything that makes sense. The Leader of the Opposition and the Honourable Member who represents St. Michael West in the Other Place dismiss the importance of EduTech yet every child and adult are willing to respond to that technology but they are saying to this country that EduTech is not important. Sir, if the only factor relating to EduTech was the computer technology, it would still be relevant to the entire western world and beyond yet the Opposition dismisses it as being unimportant at this time in our history.

Sir, can you imagine a Government that wants to represent this nation saying that there should be no information technology in schools in Barbados?

The constituency of the Minister of Social Transformation, the representative for St. Michael South East constituency abuts and abounds my own constituency and we recognised early the importance of the Community Technical programme where people in the society who were not fortunate to exploit the opportunities in secondary system are given the opportunity, in the post-secondary stage of life, to go to the Government Resource Centres and have the opportunity to exploit and learn about information technology in the Community Technical programme. They are also able to use e-mail, internet and the fax machines.

Mr. Speaker, you are not one of those who came to Parliament first and then try to demonstrate to the society that you can do something for them because you were doing things for the poor way in advance of becoming a parliamentarian and that is why your constituents responded to you so well but, we have a new set of people coming into politics today who have not made any contribution to the general development of Barbados, their parish or neighbourhood. They have not even contributed to the upliftment of their immediate families yet they believe that overnight, because of the secondary education provided by this Government, they can use academia as a means of impressing upon people that they are fit to represent the interest of the poor.

This is the type of propaganda and distortions that we have to deal with in Barbados but, Sir, people know the difference between propaganda and genuine information. This is where these people usually fall down because the unemployed young men and women on the block have no confidence in them because they go on the block, learn the jargon and talk like Rastafarian but as soon as they leave the block they condemn these same men and women they have just socialised with. Sir, we have a responsibility that is more profound than that and we do not have to mislead anyone.

The present situation at this time in Barbados and throughout the Caribbean is not conducive for any Prime Minister, regardless of how endowed he is with academic capability, to design a programme for any massive expansion in the economy that will enable him to have full employment with everyone living at optimum standard in the society.

11:50 a.m.

Thursday, October 24, 2002

Continuation of Mr. T.A. PRESCOD:

Sir, there will be cycles when the economy would be booming and expanding to the point where there will be more employment, higher salaries and an intensification of all the programmes in housing but it cannot happen at this time.

Sir, we have to identify how the wealth in this country is being distributed. Is it being distributed equitably? What are our major objectives in attempting to achieve these things? These are the questions

that we have to ask. We have seen our society forced into contraction through the OECD with their negative initiatives. We used to struggle with the IMF but we now have to devise objective systems to deal with distribution. How are we going to change the ownership of land? How are we going to break that old plantation ingenuity where people control all the land in Barbados, black people reside only on minuscule plots of land with less than 4 000 square feet, and their offspring scattered all across this country?

There are cases where your brother is living in St. Thomas because there is no land available close to you but on the other hand, someone has hundreds of acres of land in the same location but your family has to travel to foreign lands in order to survive. These are issues that we have to talk about. Sir, we have to talk about transforming the ownership of those people who have been hard workers.

Sir, they are those people who worked on the Belle Plantation, they sweated and their grandparents had hump backs because of the criminal infliction of the plantation owners. Then, all of a sudden somebody, who claims to be a social scientist, comes up with a study in the year 2002, which says that these people are living on the zone one pocket and everybody wants to criminalise them overnight. These

people lived there long before the study came into being.

Sir, recently we had another study. We have had so many studies done that it is unbelievable. There is a saying that too much studying is likely to send you mad.

Asides

Mr. T.A. PRESCOD:

The Belle represents the people who I spoke about and the country will judge this Government by the way it treats the poorest people in the society.

The recent survey says that those poor people spend 90 per cent of their earnings on food. How can any man with a social conscience or any Minister, whose Ministry impacts on this particular community sleep comfortably at night, when 6 000 people in a constituency are suffering because they do not have toilet facilities or running water and houses are at the lowest level of deterioration? Those are the issues that are important. How do we distribute wealth? Are we going to spend it to develop the aesthetics on the South and West Coast of Barbados, or are we going to spend it on coming inland and giving some of the pie to the people whom I represent in the areas of Licorish Village, My Lords Hill and Odessa McClean?

Sir, my constituents want to know that the taxes that came from their parents, grandparents and children are utilised for the development and enhancement of their quality of life. It is an embarrassment year after year to hear people speak pejoratively, inside and outside of this Parliament, of these people as though they are criminals.

Sir, I tried to agitate and advocate, now I am asking, what do you want me to do? Do you want me to genuflect? I am asking you to

represent the interest of these people as a Government, not to hold them as a vote any longer. I need immediate action on behalf of the people in the zone one area. I have to live and socialise with them.

Sir, I am saying that the Government must be very careful of what its objectives are. There are things that we cannot do because we have no industrial base. When we make sugar, we export the sugar to Europe in order for it to be refined and returned to us. This country was never made for black people to become wealthy and powerful. Black people came here as labourers and most of them are still labourers. This country offers very few opportunities for the vast majority of people to move ahead, not because of the lack of proper administration but because of the post-colonial system and its structures which still remain post-colonial. Sir, there are symbols of the society which we are frightened to touch because they still remain colonial symbols.

Mr. Speaker, every time we talk about ourselves in this society and we call the word black or African, men shiver. They are 99 per cent of African decent and they shiver every day as soon as we speak of people of ethnic backgrounds. They classify it as racism, even though it is not, because they do not even understand the common definition of racism.

Sir, I am making this plea on the behalf of those who are helpless in my society and constituency. I want to say to this Government again that whatever large erections or structures made of wall that one points to as development, the average man who is poor, suffering, unemployed and living in sub-human conditions will still judge you. No matter how large, long or smooth the roads are, no matter how many bathrooms, telephones or televisions you have, you will still be judged and you will still leave a legacy that says that you never responded to the concerns of those who were

most vulnerable in this society.

In conclusion, I sincerely believe that no other man, made of a woman, could have any more at this time in the history of Barbados. I want to compliment the Honourable Prime Minister, the representative for St. Peter, for doing the best that he can within the present circumstances but I am pleading for greater equity in the system.

Thank you very much, Sir.

His Honour J.M. EDGHILL:

Mr. Speaker, I rise to make my contribution to this very important debate especially coming at a time when the economies of countries like Barbados are at the crossroads. Over the last few years we have had a contraction in our economy and going through the Economic and Financial Statement of this Government, as prepared by the Right Honourable Prime Minister and Minister of Finance, I would like to commend the Prime Minister for the great amount of thought that was put in this document and for coming up with such financial and economic policies which would not only affect Barbados in the short-term but also in the medium and long-term.

12:00 noon

Wednesday, October 24, 2002

Continuation of His Honour J. M. EDGHILL:

In the financial year of 2001, the Barbados economy had contracted by about 2.7 per cent and by the end of this financial year, it is expected to contract by about 1 per cent, thereby making a contraction over the two years of 3.7 per cent.

I must say that this country had a very difficult period over the last year or two, and this is a result of many factors. There is no doubt that the events of the 11th September 2001 would have had a negative impact on our economy. As a matter of fact, it has had a very negative impact on the economies in the Caribbean. However, it has had a slightly less negative impact on our economy. I would say that this has resulted from Barbados being able to understand what was going on, in the very early stages of what happened on 11th September, 2001 and we were able to make some corrections.

Sir, as a matter of fact, during that time, the hotel sector which is very important to us, has been given many concessions. They have been able to do reasonably well, if you look at what has transpired in the Caribbean area.

I would also like to say that the Prime Minister has been very innovative in that, over the last eight years or so, we have been operating at a fiscal deficit of about 2.5 per cent to 3 per cent. However, in the last year, we have been operating at a slightly higher fiscal deficit. Therefore, by the end of this financial year, we are expected to have a fiscal deficit of about 5.1 per cent.

At this time, it is about 3.7 per cent. I am quite sure that as a result of the innovation of the Prime Minister, we have been able to weather the storm. I think to some extent, this has resulted from the fact that we have been able to cushion the negative impact of what has happened over the past year, because we had approximately \$1.5 billion in foreign reserves. This has been able to buffer the serious economic decline that could have occurred in Barbados over the last year.

There is no doubt that the OECD has done some damage to our economy, especially to our

financial sector. We have been feeling the impact of the World Trade Organisation (WTO). Sir, having made our commitments, we are now recognising that it has dealt a severe blow to our manufacturing, as well as to our agricultural sectors. However, in his financial statements, the Prime Minister has made very concerted attempts to deal with these situations.

Mr. Speaker, it was good to listen to the Honourable Member for St. Philip South yesterday, who gave an excellent presentation as to where agriculture is going over the next few years. I also listened to the Honourable Member for Christ Church East and he was able to deal with how the economy should be going, especially matters relating to the OECD countries and other areas in which he has been dealing over the past few years.

I have no doubt that under the astute management of the Minister of Finance, Barbados will do reasonably well. If you compare Barbados' position to other countries' position, I would say that on a comparative basis, Barbados would have done well.

We also must remember the ill effects of globalisation. I remember reading a magazine recently where globalisation was referred to as a phenomenon which has been very devastating to millions of people throughout this world. As a matter of fact, the World Bank has also stated that globalisation has not only devastated millions of people throughout this world, but it has also caused a contraction in the economies of even countries like Russia and, especially, most of the countries in the ex Soviet Union block, which over the last five years have had a decline in their output of about 40 per cent.

There are also many other countries in the developing world which have had a fall-off in the output by about 15-30 per cent. This is somewhere in the vicinity of 100 countries.

Many of these countries have had a decline in their economy over the last two years.

I was also looking at the decline which has occurred in many countries over the last ten years. Barbados has been fortunate that over the last eight years, we have had a decline so far only in the year 2001 and in this financial year going to 2002, we should have a decline of only about 1 per cent. I think under the circumstances this in itself is very good.

Globalisation is good for some but it is not so good for most countries. I see globalisation as a form of colonisation or to some extent as a form of imperialism. If you look at what is happening in this world today, a lot of these imperialists countries are using multinational corporations as a vehicle for what they want to do. Right now, about 0.3 per cent of these multinational corporations control about 30 per cent of the world's investment.

Sir, if you look at what has been happening, a lot of these G7 countries have been acquiring almost all of the investments. If you look at the developing world, you would find that only ten countries of the developing world have been getting any type of substantial development. Sir, of those countries besides Venezuela, Argentina and Brazil we have had Russia, for example, getting quite a bit of assistance.

They have had so much money from the World Bank as well as the International Monetary Fund (IMF) that they have actually caused the IMF to become insolvent. Recently, the United States of America (USA) has been responsible for propping up the economy of Russia and as you know, the USA is a very big supplier of money to the World Bank.

I also wish to say that this is a very funny world in which we are living in at this stage. If you follow the stock markets and you understand what is going on worldwide in the

stock markets, you would see that even Barclays Bank has liabilities in excess of £900 billion which are 80 times more than its asset base. You could imagine if there is crash on the stock market what would happen to many of the shareholders of Barclays Bank, as a matter of fact, what would happen even to places like Barbados and the Caribbean. All of these things have a rippling negative effect on our economies.

12:10 p.m.

Thursday, October 24, 2002

Continuation of His Honour J. M. EDGHILL:

Mr. Speaker, I would like to become a bit more parochial because I think I should let the people in my constituency know exactly what has gone on in the constituency over the last two years or so. During the last couple of years there have been great improvements in the infrastructure of Christ Church West Central. Over 150 lights were installed in the constituency over the last two years and it is now a very bright constituency. I do not think that there are very many places in Christ Church West Central where one could say that there is any darkness. Therefore, I want to commend the Urban Development Commission (UDC) and the Honourable Member for St. Philip South for ensuring that the financial resources are evenly distributed throughout Barbados.

I would also like to talk about the amount of roads which have been done by the Urban Development Commission (UDC). There are about seven tenancies roads which have been fixed or done in the last two years and they are on the verge of starting a long road in Vauxhall

which is immediately above Evelyn Concrete Works. From this year's Estimates there are another two roads which will be done and as a result of that I cannot really complain because I do not believe in getting everything for myself. I believe that other people have to get something as well.

I listened to the Prime Minister over the last two days and heard him said that the Government is investing about \$25 million so as to resume the drilling programme. I am very glad to hear that the drilling programme is being restarted and I am hoping that when it restarts that I would be able to continue with my natural gas supply project to the whole of Silver Hill going right down to Kendal Hill and parts of Maxwell Hill. I would also be able to give the people in Warners Park natural gas because the service stop just opposite Sheraton Centre which is just a stone's throw away from Warners Park.

I would also like to commend the Minister of Sports and the Chairman of the National Sports Council (NSC), who were very much behind me, for giving the people of Maxwell Hill a pavilion in Briar Hall which is a fairly fast developing area. This pavilion is close to places like Vauxhall, Maxwell Hill, Kendal Hill and Graeme Hall Park. That Maxwell Sports Club is a relatively good managed club and I am looking forward to more of those persons from the area using the facility. It is a fairly spanking new facility which is almost finish. There is going to be a computer resource centre downstairs of this pavilion as well. This will help many of the poor people in Vauxhall, Kendal Hill, Maxwell Hill and Silver Hill as well as the very poor people of Sargeant's Village whose parents cannot buy computers. So I am looking forward very much to the completion of this centre.

I was assured by the Honourable Member Christ Church East Central that the playing

field will be regraded and lights will be installed within the next six months. There are also plans to put a fence to the road-side of the pasture so as to avoid anyone being injured as a result of the cricket ball going into the road.

I also want to talk about the complex at Cane Vale which was brought about as a result of the unavailability of a playing facility for the people of Gall Hill and the surrounding areas. For a long time now the Gall Hill Sports Club has been at the mercy of the principal of the Foundation School. Sir, I want to thank the former principal of the Foundation School who has allowed the Gall Hill Sports Club, of which I am the President, to practise their football and netball at that facility for a number of years. There is a new principal there now at that school and I do not know how he will respond to that. However, I also recognise that the facility is being used quite a bit especially in the evenings by the students of the Foundation School and as a result of that the Gall Hill Club Sports Club is finding it very difficult to use those facilities. As a result of that we have had to go to Maxwell, to the Deighton Griffith School and to Wotton and we have had to share these playing field with other teams.

I know how the people of Gall Hill feel about the fact that the pasture has not yet been finished but there were some unforeseen circumstances which we are now getting over. Having spoken to the Minister of Housing and Lands yesterday he has assured me that by November, which is only within another month or so, legislation would be coming to this Parliament for the compulsory acquisition of about five acres of land at Cave Vale which should make this facility a much bigger facility. Gall Hill is more or less a very central part of Christ Church when it comes to sports generally and we feel that it should benefit in a big way from the improved facilities which they have not had for a very long time.

So I am looking forward within another year to have the completion of the sporting facility at Gall Hill as well as the regrading of that pasture so that this will redound to the benefit of not only the people of Gall Hill and Silver Hill but also to the people of Cane Vale, Church Hill, Oistins and Water Street. There are some people from Wotton who play football for this Club.

12:20 p.m.

Thursday, October 23, 2002

Continuation of His Honour J. M. EDGHILL:

Mr. Speaker, there are just two areas of concern to me. I think I heard it being mentioned yesterday where I got the impression that some small people who would like to get money, sometimes find it very hard to access small amounts of money.

I must say that this Government has made a great onslaught on poverty in this country over the past few years. I know that already a lot has been done but it may be necessary to think in terms of helping some of these small businessmen who, in most cases, only want a small amount of capital in the amount of \$5 000 to \$10 000. If these businessmen are going to find difficulty in accessing these small sums of money, I think Government should think in terms of putting \$5 million at the disposal of these people in the form of risk capital so that these persons who have no money or collateral would get a chance to develop or to own small businesses.

There are persons in my constituency who would like to be able to get money in order to expand or to go into the ital foods operation or into agriculture but who do not have the money with which to start. I will like to say that there

are persons who would like to be able to sell vegetables and fruits and who only need \$5 000 or \$10 000 to start. They too have been finding it difficult to access fund.

Mr. Speaker, going by what I have heard from the Honourable Member for St. Philip South, I am hoping that these persons would be able to access money from the Agricultural Fund more easily.

However, I think that when they are going that way, a number of these persons do not like dealing with these organisations. I suppose it is a matter having to deal with some of the workers at these organisations. I have had the occasion where some of these people who wanted to access funds have told me that because of the way they were dressed, some of the workers at these departments do not think they are important.

As long as these young people can get the money to open their business, it would be good for the country's agricultural sector because some farmers have been complaining that there are some supermarkets that do not take their produce from them, so it will be important to have these small business people operating so that they could buy the produce from these small farmers. This will benefit Barbadians in many ways. It will also benefit us, the fact that more Barbadians will be able to eat more fruits and vegetables, giving them the chance to have a healthy diet and, as a result of good eating habits, some of them might be able to live longer and enjoy a better quality of life.

Mr. Speaker, we could see the long-term effect this would have on the population of Barbados. I look forward to the Prime Minister seriously thinking in terms of making funds available at risk capital to these persons.

Sir, knowing the Prime Minister as I do and knowing him to be a man of the people, I am

sure the Prime Minister will listen to me in a very serious way.

I would also like to commend the Minister of Housing. Over the last few years, this Government has been able to build a number of houses and make land available to the poor and especially low and middle income persons of Barbados so that they could build their houses. I am very much, looking forward to the day when I would at least be able to receive another 200 spots in my constituency.

Only recently I had a meeting with the Prime Minister and the Minister of Housing and I think they are very receptive to my idea. It is only a matter of time before the people of Christ Church West Central will get what they truly deserve.

One must recognise that land in Christ Church has become very expensive. Land in certain parts of Christ Church is being sold between \$15 to \$20 per square foot and, therefore, anytime Government has land in Christ Church, I believe it should be cut it up and sold to the poor people at \$5 or \$6 per square foot, so that the small man will be able to say that he owns a piece of Barbados.

Mr. Speaker, I am very impressed with the economic and financial policies which were given to us by the Right Honourable Prime Minister. As a result of these policies Barbados is being put on a path of sustainable and sustained development. I am quite sure that over the medium term we will have some degree of improvement in our economy. As a matter of fact, we are hoping that between 2003-2006, we would have a 3 per cent growth in our economy which would put us on the path of sustainable development.

Sir, I thank you very much and I look forward to hearing from other contributors in this Debate.

Hon. R. St.C. TOPPIN:

Mr. Speaker, I want to begin by congratulating the Right Honourable Prime Minister for the measures which were introduced in this Chamber on Tuesday.

These measures, as usual, were very reasoned. The Prime Minister did not seek to give more concessions than are manageable at this time. I think the Prime Minister also has to be congratulated for the way in which he has handled the management of this economy over the last eight years. The clearest evidence of the quality of his leadership can be found in the fact that, although for the last twelve months, we have gone through very turbulent times, we have done so without having to resort to getting assistance from any international lending agencies, or without having to resort to the taking of any economic measures of the magnitude of cutting civil servants salaries, et cetera, both of which were previously done by a DLP administration.

Mr. Speaker, I am also pleased that, despite the weaknesses in the international economy, the Prime Minister was able to report that, in fact, we have regained our position on a sustainable growth path in the third quarter of this year and that we should be experiencing a growth in the coming years.

Mr. Speaker, I want to make a number of comments in relation to the small business sector. Nowadays we find that everybody is watching far and wide in relation to small business issues. Some persons from whom one would expect better and some from whom one does not expect any better. I am not going to say in which category I place the Leader of the Opposition but he has been watching far and wide in the area of small business development.

Sir, only recently on CBC television, there was a comment being made by someone who I

do not know to the effect that the Government need to seriously look at the funding agencies it has established and asks itself if the agencies are actually working.

Mr. Speaker, to answer that question, I decided to take a simple look at the cold, hard facts and, therefore, decided to focus on the same three agencies that were referred to when speaking to the issue of funding provided by this Government - namely, FUNDACCESS, the Urban Development Commission and the Rural Development Commission.

Mr. Speaker, the facts that I have found are incontrovertible: With respect to FUNDACCESS, from inception to the end of September 2002, FUNDACCESS has approved 358 loans to a total value of \$4 660 703.25 and have created jobs in the amount of 410. With respect to the Urban Development Commission, from inception to date, it has created 428 loans, total value, \$3 838 987 and have created 332 jobs.

12:30 p.m.

Thursday, October 24, 2002

Continuation of Hon. R. St.C TOPPIN:

Mr. Speaker, to date the Rural Development Commission has made 454 loans totaling \$3.76 million while creating more than 300 jobs.

These three agencies have today disbursed 1 240 loans to a value of \$12 million and created more than 1050 jobs.

Mr. Speaker, the answer to whether these agencies are working is a simply yes but I do not believe that an answer of one word would do justice to the work done by this Government to assist the small business sector and to let the people of Barbados know from where this

Government has taken the small business sector.

Mr. Speaker, prior to 1994, the small business sector in country has been existing in an hostile environment and I am not referring to the treatment they received from the Democratic Labour Party in 1975/76 when they introduced an indiscriminate regime in relation to price control that wiped out more than 600 small businesses. Sir, I will not elaborate on the fact that between 1986 and 1994 while excluding the small business sector from any benefits the Democratic Labour Party was providing wonderful concessions to Royal Westmoreland and the Cruise Terminals Corporation.

Mr. Speaker, I am talking about the hostility from the traditional lending agencies and the commercial banks in particular who always saw the small business sector as very high risk, refused to extend credit facilities and if they did it was at very high rates of interest with stringent collateral requirements.

Mr. Speaker, in 1974, this Government, through the Central Bank of Barbados, implemented a Credit Guarantee Scheme for small businesses whereby the Central Bank of Barbados was offering a guarantee to financial institutions, in particular commercial banks, on behalf of small businesses which approached commercial banks but found they were not in a position to provide the security requested by those commercial banks. Sir, this scheme was never embraced by the commercial banks who refused to lend small businesses even when the Central Bank of Barbados was willing to guarantee the loan. Mr. Speaker, this shows how selfish and short-sighted commercial banks really are because they fail to realise that a vibrant small business sector means the betterment of the economy as well as for the commercial banks.

Sir, the attitude of hostility of the commercial banks for the small business sector is so strong that recently at a breakfast seminar, Mr. Carlos Holder, the Deputy Governor of the Central Bank spoke and urged commercial banks and other financial institutions to make a greater effort to assist small businesses wishing to use the guarantee scheme. Mr. Holder virtually begged the commercial banks to let the Central Bank of Barbados know if they had any difficulty with the particular Credit Guarantee Scheme so that they could work together to ensure that the sector got the benefits which were intended for them.

Sir, the Central Bank of Barbados has now decided to include credit unions under the Credit Guarantee Scheme so that the funds will be easily accessible for the benefit of the small business sector.

Mr. Speaker, there can be no clearer indication of a lack of social conscience than when commercial banks refuse to give loans to small business entities when the Central Bank of Barbados is willing to provide guarantee for these loans. I am saying that an institution of the stature, imminence and integrity of the Central Bank of Barbados simply cannot get through to the commercial banks.

Mr. Speaker, I said all that to demonstrate the hostility faced by the small business sector and to show that the major problem has to do with access to funds and that the obvious solution was to set up agencies to provide funding. The Government sought to do this and provided \$12.5 million to 1 200 small businesses that provided more than 1 000 jobs.

Mr. Speaker, I do not see this as a trivial achievement. I am aware that persons might have approached these agencies and have been declined or had to wait inordinately long periods of time, because I have had complaints

from a few of my constituents where loans have been approved but it has taken a long time for them to get the funds. I am satisfied that this is not the norm and we can be very proud of the achievement and performance of these lending agencies.

Mr. Speaker, last week I launched the Innovation Fund which I would label "the fund for the times" because it recognises the changes that are taking place in the international trading environment and the fact that Barbadian products will now have to compete with products all over the world. It also recognises that innovation is necessary to provide our producers with the competitive edge to survive and thrive in these times.

The fund will be started with \$5 million and will provide funding and technical assistance for people who have novel and innovative ideas with potential for high returns. Where a business plan has to be prepared to obtain additional funding, the fund will also provide technical assistance by way of preparing that business plan.

Mr. Speaker, I urge young people, in particular boys on 'the blocks' to take advantage of this fund because a good idea knows no social barrier and anyone can come up with a good, creative idea.

Sir, over the years the boys on the block in my constituency have come up with good, creative ideas and this fund will facilitate these young people.

This fund will be used in the area of environment management, culture, energy conservation, waste management, tourism product diversification and non-traditional agriculture.

Mr. Speaker, Government has not been simply taking money and throwing it at

individual or small enterprises because all these funds carry a technical assistant component as well. I heard the Honourable Member for St. John saying that we need to nurture small businesses and these funds are designed to nurture them. In order to access funds at Fund Access all applicants must agree to participate in a training seminar and no funds are disbursed until the training is successfully completed. Training covers cash management, record keeping, costing, pricing, marketing and those things that would assist a small entrepreneur to successfully engage in business activity.

12:40 p.m.

Thursday, October 24, 2002

Continuation of Hon. R.St.C. TOPPIN:

Sir, the Honourable Member for St. John seemed to be out of synch with what is happening because he did not know that the Innovation Fund, yet he professes to be a Leader of the Opposition who is up-to-date with information.

Mr. Speaker, I want to deal with the area of state enterprises, which was raised by the Prime Minister in his presentation, and the new enterprise culture that he mentioned as necessary for the restructuring of the Barbados economy. The Prime Minister said that an important part of the restructuring of the Barbados economy must entail the creation of a new enterprise culture, within which commercial or quasi-commercial enterprises owned by the State will be made to function. Those enterprises such as the Transport Board and the Barbados Water Authority that are providing goods to the public in a monopoly situation, must do so in an efficient and cost-effective manner. He also said that any request for adjustment for fees and charges of these enterprises must be made via submission to the Fair Trading Commission and only after public

hearings that facilitates a full public evaluation of all aspects of the operation of the enterprises.

Sir, we are talking about a new enterprise culture in relation to monopolies that provide utility services in this country. Mr. Speaker, this new enterprise culture is a new way of doing business which is part of Government's thrust in the area of changing the face of commerce in this country and radically changing the way in which business is done in this country.

Sir, this country has implemented a number of measures by way of legislative enactments to radically transform the way business is done in this country. We have already put measures in place to start the process. I can speak to this of my Ministry. I have brought an Electronic Transactions Act to this Parliament which means that the same legal recognition is given to documents, transactions and contracts that are generated by electronic means as is given to ordinary paper base transactions. A new Bankruptcy and Insolvency Act was also brought and it provides a number of things. The primary one is, it gives a company or individual that becomes bankrupt or insolvent, through no fault of its own, a change to file a notice of a proposal and in effect has six months grace period within which it can seek to reorganise and restructure its business and basically get a second chance at life. This is important legislation which would the route of the way in which business was is in this country.

Mr. Speaker, the legislation that really radically alters the way that business is done in Barbados and addresses the repositioning and the sustainable development of the Barbadian economy, is the Fair Trading Commission legislation. We have already enacted in this Chamber, the Fair Trading Commission Act, Utilities Regulation Act, Fair Competition Bill and a Consumer Protection Bill have been laid in this Parliament for debate. Sir, that makes a

total of six pieces of legislation to radically transform the way in which business is done in this country. Mr. Speaker, that is a record that this Government can defend and I can defend that record.

Sir, I want to digress for a moment. Sir, every time the Honourable Member for St. John speaks in this Chamber, he is quick to point his finger over this side and he talks about a Government that does no work, ministers that do not produce legislation and that they do no work. I have just mentioned six pieces of legislation that I brought and I did not even include the Small Business Development Act. However, there were seven pieces of legislation that came from my ministry alone and the other ministers in here can defend their performances as well.

Mr. Speaker, even if it were correct to say that this side was not doing any work, it cannot come from the mouth of the Honourable Member for St. John because he was a Minister of Finance in this country... In fact, yesterday he seemed to have hallucinated to the point where he put himself in a position of former leadership of this country. He referred to a number of former Prime Ministers on at least three occasions and on each occasion he said, and me. He even saw himself as a leader of this country, which he never was.

Sir, more important, he was Minister of Finance and I want him to tell this Honourable Chamber the one Bill that he ever brought to this Chamber from the time that he was Minister of Finance.

Asides

Hon. R.St.C. TOPPIN:

Mr. Speaker, I am advised that he may have brought the Bill that cut the civil servants salaries by 8 per cent, that would be his claim to fame.

Asides

Hon. R.St.C. TOPPIN:

Mr. Speaker, you mean that he did not even do that? Sir, you mean that the only Bill that he would have brought was a \$20 bill?

Sir, he stands up in this House every time and seeks to lash the Government that has the record of the kind that I just outlined. If he were in here, I would have sat down for a minute and given way to him so that he could have stood up as a man and tell us of the only Bill that he ever brought in here when he was Minister of Finance of this country.

Sir, this culture in relation to monopolies, that the Right Honourable Prime Minister spoke about, would be brought into being by virtue of the operation of the Fair Trading Commission. It is not optional. These state enterprise monopolies have no choice but to function in a new environment and in a new way. One of the main reasons for bringing the Fair Trading Commission into existence was to ensure that there was a modernisation of the way in which rates and standards of service are set in relation to utility companies as long as they remain monopolies or until such time that there is effective competition in the particular sector.

Mr. Speaker, as a matter of policy, it was decided that at the same time that the Fair Trading Commission was brought into existence, a new incentive rate setting approach would be used to determine the rates in relation to utility companies and services, for example price caps, profit-sharing et cetera, where a utility company would be quite content to make huge profits, only if there are prepared to be efficient. If they make huge profits, the intention is, whenever possible, some of those profits will be passed back to the consumers in the form of lower prices.

Sir, when the Prime Minister announced in 1998 that a Fair Trading Commission was going to be established, the position then that within only two weeks coming into being regulated, those were the Barbados Telephone Company and the Barbados Light and Power Company, whose books, records and accounts were being subjected to public scrutiny whenever there was a hearing. The other companies that were not regulated by the Public Utilities Board, there was no chance whatsoever for the public of Barbados to have an insight into what their operations were like. Rates were set in a very arbitrary and unsatisfactory manner where by law, in some cases, Ministers or the Boards of the entities are the ones that would have been entitled to determine rates and the public of Barbados was excluded entirely from the process of setting rates.

Sir, that was very unsatisfactory and it did not serve the interest of the productive sectors or the consumers to have to pay rates in which they played no role in setting such rates; especially in a monopoly situation where they have no alternative to choose and they have to take what they get.

Mr. Speaker, that situation could no longer exist and that is why a decision was made that all utility companies would now be brought under the purview of the Fair Trading Commission to ensure that everyone in Barbados would have a right to object, if they so desire, at a rate hearing and play a role in determining their cost of living. It is important that an individual be allowed to play a role in his cost of living. In fact, it is also prudent to let him do so because when an individual plays a role in determining his cost of living he cannot reasonably object to it after. The intention is to open the system so that everyone can get involved in the rate setting process and play a role.

12.50 p.m.

Wednesday, October 24, 2002

Continuation of Hon. R. St.C. TOPPIN:

Mr. Speaker, the Fair Trading Commission is also going to determine standards of service. The Public Utilities Board never had the power to do that and I am not going to single any utility at this point but, clearly, we know of the several times we had to make complaints about the quality of service provided by the utility service providers in Barbados.

Mr. Speaker, the important point is that with this new enterprise culture which has to be created, inefficiencies are out and efficiencies are in. There is no point in utility companies, henceforth, applying to the Fair Trading Commission for an increase, if it has a lot of inefficiencies in the system. Under this new system and the new enterprise culture, consumers are not going to be asked to underwrite these inefficiencies in the system.

Mr. Speaker, I want to conclude by taking a look at some of the entities that currently are, or are to be regulated by the Fair Trading Commission and to make a few observations in terms of what is my thinking.

Mr. Speaker, the intention is, of course, as indicated by the Prime Minister that the Barbados Water Authority and the Transport Board will have to follow the ambit of the Fair Trading Commission.

I would just like to raise some issues which, I am sure, on any application to the Fair Trading

Commission for adjustment in rates, would be raised by the consumers and the Fair Trading Commission itself.

Mr. Speaker, an application for the Barbados Water Authority would, in my case, merit a look at the issue of leaks, leaks in the system, leaks in relation to mains and leaks in relation to reservoirs. In evaluating a situation and determining whether there is a justification for adjustment in rates, you have to know the assets that are used and useful in the provision of the service.

The question may well be asked, if there are mains and reservoirs that are leaking. I am not saying this is the case, but if this were the case, is this something that would increase our losses and affect profitability in the entity. If so, who should be underwriting that sort of loss in that situation.

With respect to the Transport Board, Mr. Speaker, it is going to be tremendously complex and difficult to regulate the transport sector. It must always be realised that you loosely say, regulating, and you name the company but, you are really regulating the service, and not the company. Sir, in terms of the transport issue, you are going to be regulating transport services, not the Transport Board itself.

Sir, it is going to be tremendously difficult and very challenging to actually regulate the transport sector. Of course, the complexity of a task would not make it impossible and certainly, if it is a policy directive, it would have to be done.

Mr. SPEAKER:

The Honourable Member has one minute to conclude.

Hon. R. St.C. TOPPIN:

Thank you.

I cannot get much further into the points I want to make, Mr. Speaker, and obviously, I would have to do so at another opportunity.

I want to conclude by congratulating the Prime Minister for the very excellent presentation which he made in the circumstances on Tuesday. I think that we in Barbados can hold our heads with some pride about our performance, despite the world wide situation, whether we look at our net international reserves, whether we look at our manufacturing sector - which recorded an increase this year, our inflation rate and more important - Mr. Speaker, when we look at our performance vis-à-vis our neighbouring countries. I have a lot of information to give on that as well. It shows that in almost every area, we have managed to hold our own, far better than they were able to hold their own which speaks volumes to the quality of leadership in this country.

Mr. Speaker, I thank you.

SUSPENSION

Hon. Miss M. A. MOTTLEY:

Mr. Speaker, I respectfully ask that this Sitting be suspended until 200 p.m. this afternoon.

Hon. Miss B. A. MILLER:

I beg to second that, Sir.

The question that the House be now 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.

Thursday, October 24, 2002

RESUMPTION

Mr. DEPUTY SPEAKER:

This Sitting is resumed.

Mr. G. W. PAYNE:

Mr. Deputy Speaker, I rise to give support to the financial measures presented by the Honourable Member for St. Peter and Minister of Finance.

Mr. Deputy Speaker, prior to 1994 the wailing of gloom and doom by former Ministers of Finance could have been construed then as a figment of their imaginations but the volatile international climate since then has brought some reality to these assertions and it has not stopped with September 11th.

Whilst Ministers of Finance in the Caribbean would not want to admit it, the pressures to small economies in the new global environment will predictably inform and dictate the substance of future presentations. Notwithstanding what the Leader of the Opposition has said about this not being an election budget, for some reason or the other, I think that we must admit that we are coming to the days when an election budget will be no more.

Ironically, Mr. Deputy Speaker, as we speak, the Parliament in Trinidad and Tobago is presently debating the financial measures for the year 2002, the Budget of the Minister of Finance and the Prime Minister, Mr. Patrick Manning. The editorials, the independent economists and certain segments of the business community have concluded that the Prime Minister is guilty of the charge in their own words of providing instant gratification to the electorate at the expense of the introduction and the promotion of economic strategies

geared to safeguard the programmes of self development and entrepreneurship.

Much of the income which will be needed to satisfy these measures which have been implemented by the Minister of Finance in Trinidad and Tobago will obviously have to come from somewhere. It has been speculated that that income has not yet materialised since it is dependent on the state of the world economy. Unlike Trinidad and Tobago, we do not have the oil to rely on to service the national debt and to provide for future borrowing. So, notwithstanding the fact that what the Minister of Finance of Trinidad and Tobago has done could be construed as a post-election budget in this particular instant, at some point in time the belts would have to be tightened. So the charge that Ministers of Finance would be constrained in the future because of the new global environment is still a very valid one.

However, when one listens to the rhetoric, the speech, coming from the Leader of the Opposition, it is fairly obvious that he is in agreement with the fact that this is not an election budget and that the Prime Minister has been very careful in drafting these measures to come before this House because by the Leader of the Opposition's admission, he has stated that the only reason the Prime Minister did not call election in October was because of some trivial event or some trivial rumour that has taken place during the past few weeks. So by his own admission this is not an election budget. So the Prime Minister has, therefore, follow the charge for the future.

Also in acknowledging that this is not an election Budget, the Leader of the Opposition has acknowledged that the Prime Minister needs to prepare this country for the new global environment. I think that he should, therefore, join with the business community in complimenting the Minister of Finance in

laying the groundwork for a more competitive economy.

The reduction, Mr. Deputy Speaker, in the rates of corporate and income tax and the move to a common rate of tax for all business activity certainly sends the right signals to the international community. However, while these are welcome measures we must certainly do more. It is no use complaining of the confluence of the global economy, global recession, the Organisation for Economic Cooperation and Development (OECD) threat, the negative impact of trade liberalisation, the effects of the events of September 11th, the hazards of corporate inversions and the tenth year recession cycle, unless in addition to these measures we give potential investors the confidence of feeling welcome, doing business with us. In this connection, it means that the Minister of Finance needs to do more not only in terms of our taxation measures but certain departments of Government like the Town and Country Planning Department and the Immigration Department must be given the tools to process applications in a timely manner.

Mr. Deputy Speaker, it is fairly obvious that we need to look at certain aspects of our legislation. There are certain pieces of legislation that have no right on our statute books as we move into this new global environment. In the budgetary proposals, the Prime Minister has indicated a waiver of the property transfer tax payable on the lease by private owners of arable land, the land for the landless farmers and any private arrangement registered with the Ministry of Agriculture and Rural Development where the lease is for a minimum of ten years.

Mr. Deputy Speaker, I believe, and I have said it already in this House on more than one occasion, that very often we have a tendency to deal with legislation in an ad hoc manner

without actually doing a proper assessment of the reasons that inform the particular legislation and when certain measures have been spent, when the climate has changed, actually making the necessary legislative amendment.

The property transfer tax is one piece of legislation that has been abused by every Minister of Finance and the present Minister of Finance has been in that position now for over eight years. I think it is about time, and I hope that this would be the last occasion, that we see a tampering of the property transfer tax legislation.

If my memory serves me correctly, Mr. Deputy Speaker, even before the Property Transfer Tax Act was introduced in 1969, there were certain calls in Barbados for certain measures of redress because foreigners were coming in and buying properties. At the time, as I have indicated in this House before, we did not go the way of the Alien Landholding legislation as pertained in many other countries of Caribbean. When the property transfer tax was first introduced in 1969, we stated then that as an alternative to capital gains it would be a useful mean or an alternative to the imposition of going the way of the other territories in the Caribbean, at least its purpose was properly spelt out then. It was 2½ per cent.

Mr. Deputy Speaker, over the years there were 24 amendments, including this particular change, to the Property Transfer Tax Act since its inception. If you are going to amend an Act 24 times over a period of 33 years it is obvious that something is wrong, therefore, something needs to be done in respect of that piece of legislation and I think the time has come for us to seriously look at this legislation.

2:10 p.m.

Thursday, October 24, 2002

Continuation of Mr. G. W. PAYNE:

Sir, this amendment with respect to the waiver of the Property Transfer Tax is just a trickle. On the last occasion when, on an amendment to the Property Transfer Tax Act, we decided that there would be no discrimination in terms of people buying property in Barbados, we made a flat 10 per cent imposition to vendors that are buying property and all that did was to increase the cost of land. It also brought a serious burden on persons who had already entered into agreements with the purchase of land because all agreements could not have been completed within three months.

There are instances where there is an agreement, subject either to the perfection of a supreme court title or subject to an application being concluded at the Town and Country Planning Department where on occasion one has to wait for about two years before that transaction is completed. Therefore, that particular amendment wrecked havoc on persons who had already entered into agreements, whose agreements were subject to these particular conditions.

Mr. Speaker, to show the damage that was done - and I will allude to it whenever it is necessary in this House - one must read the Property Transfer Tax Act and its provisions as it relates to property and the Land Valuation Act in the assessment of valuation.

There is a situation which the Commissioner of Land Valuation now seems to feel that he must compete with the real estate agents in determining the value of land. There was a time when the provision with respect to land taxes were first instituted, the site value was only a fraction of the market value. Now there are many instances where the site value is way in excess of the market value. So that, in a

situation where one makes an agreement to purchase land for \$100 000 and the matter has not been completed for about two years thereafter, the Commissioner of Land Valuation, in his arbitrary manner, assesses the value because of certain sales in the area, then instead of paying the 5 per cent Property Transfer Tax payable by the vendor, one is now asked to pay a Property Transfer Tax which is even in excess of the land value.

Mr. Speaker, if we are going to come in an ad hoc manner and deal with certain aspects of a legislation in an attempt to prepare Barbados for the global economy, we have to examine these legislations in total and not bring provisions which would continue to create problems in the business environment.

I must say that with respect to the Land Valuation Act, we also need to have a proper definition of improves value and site value. This is something not done within the Land Valuation Act.

There are certain aspects of the Financial Statement and Budgetary Proposals which must be welcomed, particularly at the parochial levels.

I welcome the measure to bring natural gas to 5 000 homes in seven parishes in Barbados and even though the parishes have not been spelt out, I am sure that

St. Andrew and St. James are included in this measure. Mr. Speaker, I know there are certain areas in

St. George that would not necessarily be included because those people do not use natural gas. Seriously, Mr. Speaker, natural gas has its origins in St. Andrew and of all of the provisions in this measure, I welcome this particular one.

I see successive Members of Parliament in St. Andrew for example, Mr. Lionel Craigg, Mr. L. B. Brathwaite, Mr. Joy Edwards, on the political platform and promising the people in Orange Hill that they would get natural gas, making such promises and not being able to deliver. Sir, I have learnt my lesson from their omission and did not make such promises and though the Minister responsible did not say that Orange Hill or St. Andrew was included, I am pleased by this provision.

Mr. Speaker, I am also pleased by the provision to grant additional funding in the Scotland District area but I am concerned at the neglect of the Scotland District by Government and by successive administrations.

I speak specifically to the road improvement and the land rehabilitation programme, dealing with the land slippage in the area. Very often roads are built in certain areas but are not maintained for some time as much as ten years.

During the period as Minister of Public Work and Transport, there have been a number of roads that have been rehabilitated, areas such as Turners Hall and White Hill. Since these roads have been completed no one from the Ministry of Public Works has seen it fit to go and do the necessary maintenance to these roads.

I would hope that this provision would not only give us the opportunity to do the soil stabilisation in the Scotland District so that we could have more agricultural produce coming from that area, but I would hope notwithstanding the fact that the substance of the provision has not been spelt out, that the road infrastructure would be drastically improved in this area.

Mr. Speaker, there is one other area to which I must express some serious concerns. When I was Minister of Housing, we embarked on a programme whereby lands on the periphery of

existing villages were acquired for a variety of reasons. In St. Andrew, land was acquired to assist persons who had been affected by land slippages. In the City, land was acquired for persons who were below the poverty line and who could not have afforded to buy land at the normal price. It was felt, at that time, that Government should come with a residential development programme which would complement this peripheral development that was taking place throughout the length and breadth of Barbados.

Mr. Speaker, the plan itself was against a background of providing an orderly and sustainable development, including adequate provision for social and community facilities and infrastructural services in order to supplement the public and private sector residential component of housing.

Sir, a large area of land was acquired in St. James for this particular project. The plan was sent to Cabinet but, notwithstanding, that, it was agreed that this development would take place within a five-year period. The Deanes Town terrace units have been completed and also the playing field. This development called for the provision of the recreational of certain facilities in the area.

I am disappointed that since leaving the Ministry nothing has been heard of the Deanes Town Development project. I would like to hear from the Minister of Housing, the status of this project, in that lots had been acquired in areas since the acquisition of these lots at Deanes Town. With development taking place in these areas, it is about time that the people in Orange Hill area see the type of development which they were expecting as a result of this project.

Mr. Speaker, this project calls for, not only additional recreational facilities Barbados Union of Teachers for commercial facilities,

shopping areas, gas station, police station and road widening project. What has angered the residents of Orange Hill more than anything else, is the fact that we have seen the road improvement in that area taking place at a time when that development called for the widening of the road. We have a road which is being built by Government at a time which calls for the complete development of the area whose population has grown at four times in excess of the national average. Nothing has been done by the Ministry of Housing in order to coordinate the road building programme with what has taken place in this particular area.

Mr. Speaker, I would hope that the Minister of Housing would be able to shed some light on this particular project. Certainly, it would please the residents of Orange Hill and St. Andrew who were banking on the benefits of this project. For instance, the road side garages, persons who ply their businesses in that area or who would have a burden in the reallocation, the Town and Country Planning Department would be able to utilise the facilities of this particular project and the land for them.

2:20 p.m.

Thursday, October 24, 2002

Continuation of Mr. G. PAYNE:

In closing I would like to thank the people of St. Andrew for giving me the opportunity to serve them during the last four years. I would also like to assure them that I would spare no effort in ensuring that all of the measure for which I fought hard in this House would come to fruition during my next term in this House of Assembly.

Mr. Speaker, I am obliged to you.

Hon. Miss C.Y. FORDE:

Mr. Speaker, I want to extend gratitude to the people of St. Thomas for this wonderful privilege to be given the opportunity to represent them at the highest level of this country.

Mr. Speaker, this is my first opportunity to speak to the Budgetary Proposal and Financial Statement. I want to say that I am happy to be here with the Barbados Labour Party and to give my wholehearted support to the presentation given by the Honourable Member for St. Peter on Tuesday.

Mr. Speaker, I want to congratulate the Right Honourable Prime Minister and Minister of Finance, the Honourable Member for St. Peter for the vision he has shown in presenting this Budget that is all encompassing. These proposals are real and there must be no innuendos surrounding this presentation because it is a serious matter and the lives and future of Barbadians heavily rely on the presentation made here on Tuesday.

We are here in support of all the initiatives outlined and we encourage Barbadians to continue to give us the necessary support in fulfilling the mandate that was given to us in 1994 and again in 1999. I trust that the people of Barbados would continue to be wise in looking forward to lending further support to the Barbados Labour Party which has a team of individuals with a vision, the ability and capacity to carry Barbados even further in this new century.

This Budget speaks of the continued existence of Barbadian people. It speaks to good health standards, welfare assistance, good social upliftment of our people, good road infrastructure, the continuation of the delivery of quality education, the continuation of good housing and good recreational facilities that are

necessary because we cannot give social services and leave out the other activities that are therapeutic, which develop the human body and are integral to the existence of any human being.

Mr. Speaker, this is what the Budget speaks to. Every five years political parties have been presenting Manifestoes which outline principles and policies that the particular political party wishes to present.

2:30 p.m.

Thursday, October 24, 2002

Continuation of the Hon. Miss Y. C. FORDE:

Sir, we are aware that within the recent past when a Budget was being presented, Barbadians were told that their Manifesto is not a social contract. Mr. Speaker, we hold our Manifestoes as social contracts because these outline the guidelines that not only help us to plan for now but for the future existence of our country. We bind ourselves to this and we use it as our guide so that when we make promises, we look at our performance, we analyse where we came from and where we are going in order for us to be able to plan for the future. The future is not only about next month or next year but, indeed, for generations to come.

Mr. Deputy Speaker, there were so many issues raised by the Honourable Member for St. John, the Leader of the Opposition, that I was amazed because I felt that a lot of what was discussed we heard it in September 2001, during the by-election in St. Thomas. A lot of it was what we heard at the 'Under the Street Light' forum that the Democratic Labour Party used, and I felt that the opportunity would have been a golden one for the Leader of the Opposition to speak to the landless projects that

would help those people in Bath, St. John and other areas. It was an opportunity to speak of the housing units in St. John, noting that over the years the people of St. John have been neglected, even though they would have had leaders for twenty-five years in the persons of the late Right Excellent Errol Barrow and the then Minister of Finance, the Honourable Member for St. John. The people of St. John have not received the kind of representation that they deserve and the Barbados Labour Party chooses to put the resources not only in St. John but across the length and breadth of Barbados to ensure that everybody, despite what stratum of the society that person is at, receives the benefit of the taxes that we pay in this country.

Sir, I thought that it was a little unfortunate that more emphasis was not placed on the Budget and the kinds of initiatives that Government has sought to put in place to further cause our people to advance.

I am sure, Sir, that when we look back in history, starting from the late Sir Grantley Adams, Errol Barrow, Tom Adams who played their part. Sir Lloyd Sandiford played his part to some extent, and now we are in the hands of our astute leader, the Honourable Member for St. Peter and Minister of Finance.

Sir, when we travel or visitors are here on this island, they ask how is your leader able to manage this country with the efficiency that we see every day. We know that we have our human beings that we call our human resources. We do not have natural resources like some of the other Caribbean countries and other countries of the world but we take advantage of the opportunities through our people and the services that we offer to ensure that Barbados remains stable and remains the country of preference for most people.

Mr. Deputy Speaker, when you hear people

in Canada ask what is happening in Barbados that keeps Barbados so stable as a Government. You hear people from the Caribbean say that they wished that they could live in Barbados and that they love the good quality of life. Mr. Deputy Speaker, those countries have not yet sought to put computers in the health system or agencies that are needed at this time of technology.

Mr. Deputy Speaker, the students at Sharon Primary School are taking to school their laptop computers and are doing homework on them. They are not taking them to learn to use the keyboard, they are pulling down information from the computer and using it for their homework to help them to be on the cutting edge of the future. Mr. Speaker, when students travel, they take with them their laptop computers and other forms of equipment because they have to present their assignments on typewritten pages.

2.40 p.m.

Wednesday, October 24, 2002

Continuation of Hon. Miss C. Y. FORDE:

Therefore, there is need for technology and the need for them to be aware of what is happening in the world, at their fingertips. I want to thank the Government for the initial \$350 million and for whatever resources must be put in place because our children are in the new millennium and they must take advantage of every opportunity so that we in Barbados can, as a service oriented society, continue to offer the services to train our people and the rest of the world. We should keep the best of them here to help to continue the legacy of quality education that we have here in this country.

Mr. Deputy Speaker, when we look at those

past pioneers in the names of those individuals I called before, and we see the free education, the milk and biscuits and then the school meals, the Deep Water Harbour, the good network of roads, the health system with the polyclinics where people can go and have their teeth cleaned, get their medication and all the other important things to do with their health, the culture and heritage development, the effective welfare programme that helps to put many of our children in school and helps people to get meals on the table. This Government and past Governments must be commended for the vision that they have had in ensuring that whatever is done, trickles down to the ordinary man in the street and gives him a home that they too can take advantage of situations and improve their lifestyles.

Mr. Deputy Speaker, when I sit and reflect on the years of 1990, 1991, 1992, 1993 and early 1994, I smile because the leading spokesperson of the Democratic Labour Party had a plan, according to him, they called the 5-4-3 that helped to bring Barbados to almost a demise as a result of his economic guru tactics, if you want to so call them.

Mr. Deputy Speaker, the result of that 5-4-3 Plan is now history but it did not leave us before it left scars on the people of Barbados, where almost 3 000 people were out of employment. The threat of raising the bus fare, house rents, people losing their houses and other properties because they could not make the mortgage payments because of an 8 per cent cut. I think it is interesting that the Honourable Member chooses to use the number 543 on his car registration. I do not know what is good about that to be remembered.

Asides.

Hon. Miss C. Y. FORDE:

Mr. Deputy Speaker, I do not know that it still carries the number in recognition of the 5-

Thank God that our astute Leader, the Prime Minister, the Right Honourable Member for St. Peter and Minister of Finance, sought to bring Barbados back onto a route of stability, by putting systems in place to ensure that the people of Barbados reap the benefits. Hence, the various social programmes especially those in the Ministry of Social Transformation, including the Rural Development Commission and Urban Development Commission which, over the last five to six years, have been helping to make the difference.

I heard the Honourable Member for St. Michael East this morning made mention of the working-class people and their needs. I am happy that those two commissions have been working in close association with the people in the small and large communities across the length and breadth of Barbados to ensure that those below the poverty line are given a helping hand to enable them to reach a level where they can look after their own needs and feel that there are not two Barbadoses. All Barbadians can benefit from the programmes that have been put in place.

The implications of the Budget is not the 'here and now' Budget, as the members of the Opposition would like it to be, but it is futuristic. Plans were made in our various Manifestos of long ago and even now, we have to plan for the future. Any organisation, even if it is a small community group, Mr. Deputy Speaker, whenever it is ready, has to set out its aims and objectives. Some will be short term, some medium term and some have to be long term, if that organisation is to continue to exist.

I have a tremendous difficulty in understanding why the Opposition would want to be referring all the time to the here and now. Yes, we must have a quality life but it must be sustained.

Hence, the Government is looking at the tax regime to ensure that those who are not paying taxes are brought on stream and those who are paying the taxes are doing it in such a way that they can get the benefits when they reach old age. Also, that there will be benefits for those generations to come when they go down the street of old age.

It is important, Mr. Deputy Speaker, that Barbadians work towards becoming senior citizens. It is an extremely costly exercise. I am a firm believer that in the same way we are building day nurseries for little babies so that mothers and fathers as well as others can go out to work, we have reached the stage in Barbados where we need to reflect on what plans we have for the aged. We need to start building day care centres for senior citizens so that those who are able to go out to work and be productive, can still do so with a measure of hope of knowing that they can leave their parents, grandparents and others belonging to them, in homes where they can receive quality care.

Mr. Deputy Speaker, that comes with a cost. There is nothing wrong with any organisation, particularly a Government that has to manage millions of dollars of taxpayers' money, making plans for the present and the future. It gives me even more hope that I am supporting a political party that has the interests and the needs of the people, namely Barbadians, at heart.

I was very disappointed, Mr. Deputy Speaker, with the presentation by the Honourable Member for St. John in respect of some of the comments he raised in criticising the Budget. He lambasted the social partners for their guidance and support. He called them the 'How Great Thou Art Choir'. He spoke about how disappointing the presentation was and said that it was poorly written. He said the

language was empty, and the stated objectives did not mesh. Sir, I do not know which world the Honourable Opposition Leader lives in, but he also spoke of projects, which in his estimation lined the pockets of a few.

I would wish for the Honourable Member for St. John to make mention of that anywhere outside of this Honourable Chamber, Sir, so that the public will know, because those aspersions are not cast on any of these Honourable Members here. We do not handle the Government's funds here.

Mr. Deputy Speaker, it leaves a lot to be desired, if we are going to hear about somebody building a house out of EduTech. This bothers me because I deal with EduTech too and I do not have that knowledge. Therefore, for the people of Barbados to be satisfied that the taxpayers' monies are well spent, I would want to charge the Honourable Leader of the Opposition to please inform the public of Barbados what he is talking about because we need to know.

Sir, wherever we find that there are breaches in the regulations this Government, under the leadership of our great Leader, the Right Honourable Member for St. Peter is willing to say, go to the public authorities and do whatever you have to do, put it in the hands of the police because we have nothing to hide on this side.

We have all come in here with our integrity intact and I trust that Honourable Members would want to choose to leave like the past Honourable Member of Parliament for St. Thomas, with their integrity intact. Mr. Deputy Speaker, that is my objective and it is futuristic.

Mr. Deputy Speaker, the Leader of the Opposition charged that the Government spent funds in a cavalier fashion. If that reference is

about the funds put into our social programmes, then I am sorry to hear the Honourable Member for St. John say that because his constituency benefited from the social services which are spread across the length and breadth of this country.

Sir, mention was also made by him of misplaced priorities, 'pork-barrel' politics and election propaganda. Mr. Deputy Speaker, the Barbados Labour Party has a legacy of proper representation for the people of Barbados and any time that the Barbados Labour Party deviates from that, I would humbly pull out. I am here to serve the people and I am sure that all the Honourable Members on This Side are here to look after the needs of Barbadians first, and everything else that comes after.

It is amazing, Mr. Deputy Speaker, and the Honourable Member for St. Philip North mentioned it yesterday, that while all of this discussion is going on that moral support is necessary, and we did not see the spokesperson for the Other Place. He did not come to even listen to the presentation of the Opposition Leader, and not even a little tap on the table from the other Honourable Member who sat beside him.

Mr. Deputy Speaker, if that is what the alternatives that were offered to us yesterday refer to, I have a tremendous difficulty, because I heard my foreparents say that a house divided by itself cannot stand, a fowl with his head cut off cannot go far, a ship without a rudder cannot follow any course. Sir, if there is no leader in the Democratic Labour Party, I want to know what alternatives the Opposition can offer to the people of Barbados, as an alternative Government. I think, and as the young people say, they have to 'reel and come again'. Mr. Deputy Speaker, these are some of the alternatives: Taxation overhaul and relief will cut out this squandermania, will put a roof over every head in Barbados, education for life

will be offered to the people, safer communities - it is better to be safe than sorry, social renewal - giving 'at risk' groups a sense and feeling of love - and landing of fruits and vegetables from CARICOM at an affordable price. He called on Bajans to wake up and see what is going on. I trust all Barbadians will, Mr. Deputy Speaker. Finally, he said, The Democratic Labour Party will send out a lifeline. Who would hold on to a line that does not have anybody on the other side holding it?

Asides.

Hon. Miss C. Y. FORDE:

Mr. Deputy Speaker, as I said earlier, the presentation by the Honourable Member for St. John was nothing new and it could have been presented in an 'under the street light' forum.

Mr. Deputy Speaker, I want to place my emphases, for the next few minutes, on the good people of St. Thomas and to let them know that they will always feature in this Barbados Labour Party. The people of St. Thomas have given unswerving support to the Barbados Labour Party and they are benefiting day after day. Everybody cannot benefit at the same time because Rome was not built in a day. I am sure that whatever social services are available, the people of St. Thomas will get their share. I trust that those who are receiving those benefits will continue to take advantage and use them wisely and the ones they are not yet reaching, they will trickle down to them as well.

I am glad that the Honourable Member for St. Lucy has taken his seat because his constituency also benefits, as this Government seeks to bring tourism ventures into St. Lucy at the Harrison Point. I am sure that he did not get the airport but the tourism venture will help in generating employment in that area and bring more life to St. Lucy. Sir, rather than having to go down to Moon Town alone,

people will be able to go down to the hotel and bring some other funding in St. Lucy because it is a wonderful part of Barbados.

Mr. Deputy Speaker, I spoke about accountability, transparency, as well as the sound leadership and quality service that are the hallmarks of the Barbados Labour Party. I also want to say that the management of this country, as I said earlier but I am going to reiterate it, calls for astute leadership and vision.

It does not rely on the expounding of secret deals or fictitious names of companies or about speculation, innuendos and scenarios. It relies on promises and those pledges that are turned into performance and the delivery of goods to the people. It is about policies and programmes that will impact on the quality of the lives of our people. It is about hope and prosperity for all in society. When I say hope, Mr. Deputy Speaker, I am talking about the future as well.

Mr. Deputy Speaker, the Budgetary proposals that were presented to us, helped to expand what is happening at this point in time in this country. There is no real threat right now about job losses and high rates. The reserves are up. There is stability in the country. Businesses in Barbados have developed their confidence in the marketplace. There is no threat or any reason why the Leader of the Opposition sought to think so and I hope that the 'other leader' would not be leading down that road, but there is no threat at this point in time. I hope there would never be any, and that we would not have to pay more money for school meals, text books, house rent, bus fare, licences and road tax, et cetera.

Whenever we heard about a Budget in the past, we wondered, are they going to put up the money for passports now, is bus fare going to be raised and things of that nature. There is absolutely no thought in anybody's mind at this

point in time, Mr. Deputy Speaker, about those issues.

Mr. Deputy Speaker, the presentation on Tuesday was well coordinated and presented. The policies that have been outlined are useful. The Right Honourable Member for St. Peter did not ask the question what shall we touch, instead, he looked at the programmes that are in place and said, how can we extend them or bring in new ones that will benefit the people of Barbados. Sir, that is why we, on This Side are here looking after the interests of the people because we are to satisfy that mandate which was given to us in 1999.

2:50 p.m.

Thursday, October 24, 2002

Continuation of Hon. Miss C. Y. FORDE:

Mr. Deputy Speaker, I spoke about the lack of natural resources but we pride ourselves on our human resources. We speak with pride about our people, the sand, the sea and the land, therefore, we must strategically plan for those in mind every time. We must train and retrain our people as well because we must prepare them for the job market. We must use the land we have to the best of our ability. We must ensure that our educational system meets the needs of the population to which it caters.

Therefore, Mr. Deputy Speaker, the criticisms about EduTech bothers me. I know that the community ventures in the form of the resource centres will empower our parents and others across the length and breadth of Barbados to be able to get information on the internet and to use it to their advantage. As was said earlier, when we go to the gas station, the technology is there. When we are at the hospital, the

technology is there. Wherever we go, the technology is there, therefore, our people must be brought on stream.

Everybody is not in a financial position to be able to have a computer in his/her home but when we put them in the community centres, Barbadians are such caring people they will treat them as though they are their own, and will take advantage of the opportunities that will be offered. So the community resource centres are an extension of the EduTech Programme.

Mr. Deputy Speaker, we also know that the Samuel Jackman Prescod Polytechnic (SJPP), the Barbados Community College, Erdiston Teachers' Training College and the University of the West Indies are all unable to facilitate the number of requests they get yearly from our people who want to have higher education. I am happy that the University College of Barbados will be - it is in the planning stages - able to cater to the needs of Barbadians so that they can do diploma and certificate courses and to further their degrees. It is important that we have a higher percentage of our population receiving tertiary education so that we can use our various skills and be able to take advantage of those opportunities.

Mr. Deputy Speaker, I am going to have to skip a little because I want to be able to speak to my people a little further. I know that the sea and the sun which I spoke of earlier is being incorporated into the tourism exercise as well as the agricultural exercise. When we talk about the sea, we are referring to fishing. When we talked about tourism, we are referring to the hotels and the places of interest in Barbados.

I want to place a little emphasis on the land. The sugar industry is now a dying sector but the lands still remain like when we first had them, so they must be used to the advantage of all Barbadians. So when I see the hedgerows

that are cut down totally and there is no khus-khus grass that is so necessary to hold the topsoil in place in St. Thomas, it bothers me. I want to take this opportunity on behalf of all those initiatives that have been included in the Budget, to encourage owners of property, whether they be the land for the landless farmers, the plantation owners or private property owners, to use some more khus-khus grass to put that hedgerow to the agricultural land to ensure that that topsoil is kept intact because we need the land. That is what is going to help us now more than ever to get back on our feet again. If the sugar industry is dying, that does not mean that agriculture must die.

The Right Honourable Prime Minister with the guidance of the technocrats, the social partners and others have been able to inject funds into the system so that we can look at other aspects of agriculture diversification. Barbadians need to get back the taste for eating breadfruit, bananas, yams, eddoes, potatoes and all of the other foods that have served them well in the past. It is not enough for us to be using whatever funds we have to be buying apples which are grown in Canada and England. I am not saying that there is not an opportunity for that to be done but I am saying that we should be using more of our local foods.

Mr. DEPUTY SPEAKER:

You have one minute left.

Hon. Miss C. Y. FORDE:

I just want to make a final point to say that we need to use our land to our best advantage. The people of St. Thomas are happy to hear of the initiatives of this Government where their landless farmers will be able to access land to grow food. Those plantations that are now out of circulation can be properly divided so that people in the country can get an opportunity to plant food so that our young people can be

attracted to the recipes that will be made by the various people across the length and breadth of Barbados so that we can cut down on our import bill.

The pig farming project with the Rural Development Commission is certainly going to help the people of St. Thomas as well. There are many other initiatives that have been registered. Let me finally say that the vendors' mall at Redmans Village and the one that will be built in Jackson which will serve St. Thomas and St. Michael North East should help to make a difference because if the landless farmer can rear the chickens and the pigs and people can use the 'ping wing' and the 'cane-lily' from Airy Cot and Apes Hill to plait baskets to make souvenirs, the proceeds can be ploughed back into the country where the reserves can be kept and beefed up because we would not have to spend so much foreign exchange to buy what we need from overseas.

Mr. Deputy Speaker, I want to thank you and the people of St. Thomas for this opportunity and to let the people of St. Thomas know that 30 minutes in this Budget debate is not enough time to speak to the various things that impact on their lives but that a golden opportunity is coming where they will get the representation that is necessary so that they will be able to receive just as much of the pie that is being offered to the people of Barbados as anywhere else when that Harrison's Cave Project gets off the ground and when the Highland Adventure Tours continues to flourish. So whatever benefits are given in tourism, the people of St. Thomas will get it too through the creative skills they will use in doing their own little businesses alongside the streets and in their homes because they too are important to this Barbados Labour Party.

Mr. Deputy Speaker, the people of Barbados have a choice to make. Whatever is happening here today, Mr. Deputy Speaker, will help them

to make that wise choice and I hope that those who would be disappointed know that they have asked for it because they have not served the people of Barbados adequately.

I thank you, Sir.

Mr. L. R. TULL:

Mr. Deputy Speaker, last evening I spent a considerable amount of time reflecting on the direction in which Barbados must be taken at this era in our history.

I do this sometimes because when one is wrapped up in politics on a day-to-day basis one tends to think most of the time of the medium to short term needs of the people in one's constituency and indeed, on the wider level in the country.

When I heard the financial statement made by the Minister of Finance on Tuesday afternoon a number of concerns rose to my mind but when I heard the Leader of the Opposition speak, I felt a certain emptiness as he delivered his two-and-a-half hours contribution.

3:00 p.m.

Thursday, October 24, 2002

Continuation of Mr. L. R. TULL:

On the last Budget when I spoke, I reflected too, on the circumstances in which Barbados found itself. I talked of the historical experience of not only Barbados but countries like Barbados, countries that have gone through a period of political imperialism. We suffered long and hard as a colony. We went to a further stage of economic subjugation.

The structures set up by the Bretton Wood

Agreement after the last World War wrecked havoc on the economies of countries of the world and more particularly the developing countries. I talked particularly about the strictures of the IMF during the period of the 1980s and 1990s. I said then that we had learnt a lot from our experience - that is a good thing about Barbadians, they learn from their experiences - and were able to cull the best that they had experienced and the way in which we have dealt with the experience in both situations and use them to confront the problems of the present.

The problems of the present, Mr. Deputy Speaker, are the twin scourges of liberalisation and globalisation and I use the word scourges advisedly. I remember a few years ago when, in this Parliament and in this country, sectors were mouthing the Reaganism and Thatcherism, the magic of the marketplace and the wonders of the private sector. They talked about the diminishing role of Government in the affairs of its people. When they talked about that, I was moved to get up and to say that I really do not understand what they were talking about and that, unless there was a gap somewhere in my education, it did not make sense. Then the chicken came home to roost. They quickly changed directions and now everybody is talking about liberalisation and globalisation. Not that both concepts are new, they have been around for a while but have picked up greater intensity in the last few years and now everybody is talking about them. Most of us who talk about them do not even understand the twin concepts.

There are many writers, many people who have worked in the World Bank, the International Monetary Fund, in the Ministries of Economic Affairs, Ministries of Finance and in many of the developed countries who are now saying that the International Monetary Fund and the World Trade Organisation, through the number of the policies of trade

liberalisation, have brought many of the developing countries economies to grief.

There is a book that I read sometimes last year by a Joseph Stiglitz, a member of the Clinton Economic Team and also the World Bank.

3:10 p.m.

Thursday, October 24, 2002

Continuation Mr. L.R. TULL:

I read the book with absolute fascination about what a man on the inside had to say about how the twin scourges were operating on economies of the wealthy countries and since Barbados must ride out every storm it faces, it must use all of its intellectual and other resources to put ourselves in a position where we can survive in this very difficult world.

Sir, we can sit back and grumble that we are small and vulnerable, that we are being blown and buffeted about on the ocean and that we have no power to do anything to carve out a decent living for ourselves or we can do like the Barbadians of old and meet the challenge however daunting it may be. We have to organise our people at all levels, bring all our resources to bear on the problem and come up with a conclusion that is satisfactory for all citizens.

I was disappointed to hear the Leader of the Opposition speak because in all the harangue I did not see the glimmer of a vision of the way he would like to see Barbados and how he would get us to that position. I have been involved in more than 20 Budgets and it can be soul destroying because it is the opportunity for the political leaders of the country to look

beyond the corners of the streets, the villages, the nooks and carve out a grand vision of where this country should be going.

Mr. Deputy Speaker, one of the most important things we have to grapple with as political leaders in this country, at this stage in our development is to look at knowledge industries and move to a new stage where we market our ideas, concepts and the products of our creative intellects. Sir, this is the area where countries will have to put their resources and we are out front, in a way, because Barbados has always had an excellent educational system. We have trained and educated our people, we have the best basic and formal education of any country in the world and we are in a position to take advantage of the post-industrial sale of ideas, concepts and knowledge.

Sir, I read about agriculture and manufacturing in the financial statement but Barbados has no great future in agriculture or manufacturing and the people of this country need to be told this. We cannot compete on even terms with countries across the world when all the protections offered are gone. No matter how much wastage we cut out and how efficient we become we will still not be in a position to compete.

Some years ago I was in China and I visited a shirt manufacturing plant that took up the space of two New York city blocks. Sir, about ten years ago, they were producing shirts for the western market for \$4.25 per unit. Sir, when all the protections of local manufacturing are taken away and we are forced to compete, how are we going to make it? This is going to happen the iniquitous rule of a WTO dominated by United States of America and developed countries who care only about themselves.

This is why I say that we should develop and

train our people for the knowledge industries that are going to be the thing of the future. We have to look at the structure of our educational system, what it is delivering and bear in mind that more and more throughout this world there is movement away from the old liberal arts education and more towards science and technology. Sir, old universities are not as popular as they used to be and polytechnics and technical colleges are preparing a new generation of people for the kinds of jobs that will be thrown up in the new environment. Those are the kinds of things that the Leader of the Opposition should speak about but he wastes time talking about a man in swimming trunks.

Sir, I am concerned about the loose talk about wastage and mismanagement and most of all I am concerned with the gratuitous insults he tosses about that have not been called to count. He talks about corruption and graft but if there is corruption and graft in Government, I want to hear about it and I will be the first to denounce it in strong and strident terms. The Leader of the Opposition gratuitously tosses out these phrases about people who are trying to serve the public in the best way they can and, to me, it is doing a serious injustice to the people who elected them.

The Leader of the Opposition also said that public wealth is being converted into private pockets. Mr. Deputy Speaker, that is one 'hell of statement'! Is the Honourable Member really speaking about Barbados?

Mr. Deputy Speaker, I am disappointed because I believe these larger issues, the building of a new Barbados and what we have to do, all of us should concern ourselves with these things.

This business about the training of our people to meet the new demands of the post-industrial age is going to require a new orientation in the

thinking of everyone and it cannot be done by Government alone. Now more than ever there will be the need for collaboration, the pooling of human intellectual and other resources from the Government, the private sector and the people from the University of the West Indies. Sir, we all have to get together to work collaboratively to map out a route for a new Barbados which will be ready to meet the exigencies of the dynamic new post-industrial age.

Singapore has done admirably well and are the leaders in the Third World for preparing their society for the demands of this so-called digital age and, Sir, this is where Barbados has to go.

I do not understand a lot about EduTech because information is not always available in the way I would like to receive it but EduTech is the beginning of an understanding and appreciation of where Barbados is going in technology and I applaud the Government and the Ministry of Education for taking that step. But, we have to go a lot further and become involved in lifelong education, the ability to continue to develop ideas and concepts. We should not be the prisoners of outdated, archaic system that teaches us to memorise and regurgitate but we should create a community of people who think as well as put these thoughts into action.

Sir, budget debates cannot be a repetition of the talk that was heard 20 years ago. Some thing that was said yesterday jogged my memory and when I look at the Hansard debates of 20 years ago, I realised that the more things change the more they remain the same because in 1974, the predecessor who represented the parish of St. John 'washed his mouth' on every respectable institution and person in this country and I heard the Honourable Member for St. John doing the same thing yesterday and it was purely

reminiscent of 1974.

3:20 p.m.

Thursday, October 24, 2002

Continuation of MR. L.R. TULL:

He touched on the Bishop, the President of the Bar Association, the Social Partners, the private sector and everybody with a loose and uncontrolled tongue, that is what he brings to this debate.

Sir, I am not like some of my colleagues who have written him off as a lost cause but I feel that he could do better. I hope that in the future, with the many challenges facing this country, that the level of political debate would rise and that people will grapple, in a serious way, with the problems that confront us.

Asides

MR. L.R. TULL:

Sir, you cannot win with The Honourable Member for St. John. He said that the Budget did not contain anything and that it was an election Budget. If you brought a Budget that give away everything, we would have heard the Honourable Member for St. John say that it was an election Budget and that we were giving away everything, to sweeten up the people and that the Government was behaving recklessly and irresponsibly the same way that they behaved in 1991 election where things went from good to bad overnight, that is what they said.

Sir, now the Minister of Finance took the high road. He endured all that was said about trying to sweeten people with unsustainable promises and said that he had a larger purpose. We are working our way out of a difficult situation, international recession, a recession in

Barbados, problems facing tourism because of problems in other countries, hostile international financial environment and the problems with OECD countries. However, we are trying to take all of this into consideration and come up with plans and strategies to combat these situations to keep Barbados from going under.

Sir, we have to face the new realities that are developing internationally and we have to be prepared for them. In the meantime we have to keep our small industries going because people have to be employed but we have to look at the larger picture. Therefore, the Budget does that. It is a Budget with a vision of where this country must be and where any responsible set of politicians must be looking. Sir, we got no help at all from the Leader of the Opposition.

Mr. Deputy Speaker, we have to learn that we cannot live in the past. Sir, there was a time when we believed that industrialisation by invitation was the universal panacea and everybody spoke to it as though it was a religious belief. Nowadays, all modern thinking is, that is a waste of time in this environment.

Asides

MR. L.R. TULL:

Sir, if Sir Arthur Lewis had to write about it today he would not write the same thing because human ideas are living organisms, they do not remain static. Sir, the moment that ideas remain static we are lost.

We also used to talk about a regional agricultural policy as if there was something very special about it. Nobody is talking about that any more because it does not meet the reality of the Caribbean at this stage.

Sir, there must be new ideas and the societies must pay for new realities and this is what is

happening in Barbados with this Government. The Financial Statement addressed very seriously those concerns. I am going to disappoint the Honourable Member for St. Michael South and others. I am not going to say a word about Bulkeley today.

Asides

MR. L.R. TULL:

Sir, in the fullness of time wisdom will prevail. As they say, mark my words.

Asides

MR. L.R. TULL:

Sir, it does not fit well in the mouth of the Opposition to be critical of the Barbados Labour Party Government now that they are coming out of this recession. When there was a recession during the Democratic Labour Party Government, I remember children in St. George going to sleep at night very hungry. They were crying from hunger pains because both their parents were put out of work and they could not find employment anywhere. The same Democratic Labour Party Government cut all the votes to the social services so the parents could not get any assistance from the Welfare Department, the Child Care Board or the National Assistance Board.

I remember when men were humiliated, almost deprived of their manhood because they could not support their families. Nothing humiliates a man more than not being able to provide for his woman or his children. I remember in those days where there was an increase in psychiatric referrals. We have come through a period where things were just as bad, if not worse, in the international environment, and we have managed to ride out the worse excesses that there could have been if there were a Democratic Labour Party administration.

Mr. Deputy Speaker, I will conclude by saying that new situations and realities require new thinking, new ideas, new concepts and foresightful judgement.

I am grateful to you.

3.30 p.m.

Wednesday, October 24, 2002

Sir HENRY FORDE:

Mr. Deputy Speaker, the speech just made by the Honourable Member for St. George South certainly, exactly mirrors my thoughts and the eloquence with which he spoke reminds me of those great classical orators. I am very pleased to have been in this House with him. Like him, I have had the privilege and Honour of participating in, and listening to several budgetary speeches.

I have been in here now some 31 years and I believe, Sir, in that time we have had more than 31 presentations on the Budget, including a mini-budget given by the then Honourable Member for St. John, the late Right Excellent Errol Barrow. We have also had a fireside chat given by the same Honourable Member and we have had some attempts at Budgets delivered by the Other Side, who are now on the Opposition.

Sir, I have had a long look at how these matters are managed. I think that any right thinking person would want to say that the criticisms made by the Honourable Member for St. John of the manner in which the Budget was delivered and the contents contained in that Budget were totally unfair and unfounded.

Sir, I made a quick note of what I thought was the summary or the main points the Honourable Member for St. John made in his

speech. He said that the language was wooden. He said the speech was badly written. There was no correlation between its objectives and the methods used to achieve those objectives. He said that the measures failed to meet the challenges of the people. It did not speak sufficiently to the questions of health or poverty or the rise in the cost of living. He said that there was an action on the part of Government to implement budgetary measures in former years. Then he turned around and said that the measures were too abstract. I could not follow that one, Sir. He also said that the measures were merely brought to satisfy the social partners, the 'How Great Thou Art Choir', according to him and he said, Sir, that there were a lot of unfulfilled promises and no impact.

He then dealt with what he called the mismanagement of the financial affairs of Barbados and listed about eight or nine specific matters which he addressed. He ended his speech, Sir, by saying what the Democratic Labour Party is going to do. I do not know when and I really do not know which Democratic Labour Party and I still cannot speculate under which leader. If that is all that the Democratic Labour Party is going to do, of which he spoke, then the people of Barbados can well call for the election now and, unfortunately, the Democratic Labour Party will not be in the election.

Sir, I find it difficult to understand how, in two or three minutes, he can give some generalities: to earn you have to learn, as though if the glove fits, though to quit. Sir, those were the sort of aphorisms.

Mr. Deputy Speaker, what we needed from him this afternoon was to show to the people of Barbados that he understands the challenges facing Barbados, particularly the economic challenges which are confronting us. He has the knowledge and skill to be the leading

negotiator for us, in an uncertain international environment. He can give the guidance, strength and foresight needed in order to refashion Barbados and to position it to move forward and to advance. I regret to say, Sir, that his speech was very poor and lacking in the objectives that I would have thought would have come from a Leader of the Opposition.

There is one thing however, Sir, in which he has boomed very well and he has now become, I think a pioneer, but not in the same spirit of Bill Gates in bringing anything new. He is now the main manufacturer of scandal.

Aside.

Sir HENRY FORDE:

He really is a pioneer in that, Sir, and I am going to deal with this when I get to the GEMS Project. The innuendoes that have come from the Honourable Member for St. John, he is now too old in this House, some fifteen years, to be using innuendoes and political invectives in such a way to make belief that Honourable men and Honourable women, particularly he said Honourable Members of this House, have been using or misusing their positions in order to get private gain. I regret very much and, like the Honourable Member for St. George said, he is a person who obviously has some talent but has not yet learnt how to use his talent properly, in order to help his Party and to help the country.

Sir, the Prime Minister, the Right Honourable Member for St. Peter spoke in this House on the 11th March this year and I have a note of what he said. Sir, one of the main points he said is that his statement on the Estimates, he was treating almost as if it were a budgetary statement and he looked forward to the time when both the debate on the Estimates and the debate on the Budget would be combined. I would hope that this would happen before I leave this House.

Sir, one of the things he said, he was bringing his Estimates in the context of the year 2000 where that year or this year is likely to be a major watershed year in the development of Barbadian society. He said that the events that occurred in the last six months before he spoke, were delaying his objective for making Barbados a fully developed society, by the first decade of the Twenty-first Century. This Budget must be seen in that context.

Two things, Sir,

1. An international recession that has occurred.

2. The clear objective of this Government to move Barbados into being a fully-developed society in all senses of the word, by the first decade of the Twenty-first Century.

Sir, he also warned us then, that our immediate domestic development must now be set within an international environment, characterised by new and dangerous uncertainties.

Sir, here is a Prime Minister and Minister of Finance who can sum up, so graphically and so well, what was happening in the world's international development, and how it impacted on the small society of Barbados.

Sir, when you look at us in terms of GDP in the world, or in terms of trade, you begin by .00000001 per cent, we are so small. It is obvious to any right thinking person that what is happening in the international economy would affect us. This is a fact.

Sir, every economist, every person not only economists but anybody with common sense who listens to the radio, television or reads the newspapers would realise that the global economy has gone through one of its periodic cycles.

3:40 p.m.

Thursday, October 24, 2002

Continuation of Hon. Sir Henry FORDE:

The year 2001 into 2002 was a pretty rough time for us. The United States of America economy, the strongest economy in the world, went through a recession. The German economy is still fighting its way back to a position of growth where at one stage, and I think up to now, their unemployment figures are higher, percentage wise, than the unemployment figures here in Barbados. That is the reality that we are facing. Sir, the global recession has continued longer than many of us expected because of the problems in the United States of America economy which accounts for almost half, 50 per cent, of the growth in the world.

We know, Sir, that the Leader of the Opposition has a duty to try to put the best case for his side but he must not try to put that case in such a way as to pull down the country in the process. He has to admit that our economy faced three difficulties, the tremendous decline in the world economy or the global economy as we call it, the serious effect which the selfishness of the Organisation for Economic Cooperation and Development (OECD) caused to our international business environment - despite that, you heard the Honourable Member for Christ Church East, the Minister of International Business, spoke last night of the recovery which has already started - and the fact that Barbados, like every other country in the world, is caught up in and has to be part of trade liberalisation.

Trade liberalisation has impacted on our manufacturing sector even within the Caribbean Single Market and Economy

because the reality is that Trinidad has oil and natural gas which are very important ingredients in manufacturing. The reality is that the Trinidadian and the Jamaican dollar, unlike the Barbados dollar which is pegged to the US dollar, fluctuates and, therefore, their dollar is softer than our dollar. The reality as well is that wages in Trinidad and Tobago, Jamaica, Guyana and elsewhere are lower than wages in Barbados so they can produce even here within CARICOM at a lower cost than we can. So when you have large countries like China with a workforce of 1.3 billion people, they can produce goods in China cheaply, sell them to our CARICOM neighbours well below the cost that we can produce them at and flood our market. Those are the realities that this Government has had to be grappling with.

Sir, this Government has grappled with recession very well. I believe that our citizens, if they are not putting on partisan caps but are really being true citizens, have recognised that this Government has handled the recession of 2001 better than the government of the 1970s, the then Democratic Labour Party Government, the Barbados Labour Party Government of 1981, which had a recession and the worst one which performed was the Democratic Labour Party Government of 1991 under the then the Right Honourable Member for St. Michael South who thought that he could have spent his way out of it. He spent so much money at the time to win an election that that spectre of what they did wrong in 1991 is still haunting them today. They let go their hands and spend large sums of money to win an election against me as Leader of the Opposition. They said I was lying about what the International Monetary Fund (IMF) was saying about them and within three months after the election Barbados was in the hands of the IMF. More than 4 500 civil servants were sent home. Unemployment climbed to 27 per cent and our foreign reserves plummeted from \$389 million to \$12 million. The country must remember that and the

country must bear in mind that eight per cent was cut from the salary of every civil servant and the stabilisation tax came on. In this year alone, despite the recession, the Prime Minister and the Government has had to put into the Budget the effect of two years increase in wages for the civil servants.

Sir, we have taken action in time to isolate ourselves from the worst consequences of a recession unlike the Democratic Labour Party in 1991 to 1993 period. The Honourable Member for St. John is quarrelling about the foreign reserves of Barbados because we went and borrowed ahead of time on a good market in order to hedge against the bad times but even without borrowing our foreign reserves have increased as compared with the serious position that occurred under the Democratic Labour Party. There has been some increase in the deficit but we have maintained minimum deficit spending in the last seven years. Look at the percentages under the Democratic Labour Party and you will see what has happened particularly under the then Minister of Finance, the Honourable Member for St. John who was the last Minister of Finance under the Democratic Labour Party Government. They have created our balance of payments problems for us. We have not seen that here. We have not seen in 2001 the tremendous rise of unemployment to 27 per cent. It has moved up slightly. The last figures I saw from the Central Bank it was at 9.8 per cent. It is now, I am told, closer to 10 per cent which is just about the same as the percentage in Germany. Under the Democratic Labour Party, it stood at 27 per cent.

We have not seen the tremendous rise in inflation. We have managed to stabilise and keep inflation at a low rate. We have not seen the tremendous rise in interest rates. I recall that people were unable to pay their mortgages in that period. Interest rates here have gone down. There was a scarcity of resources in the

banking system under the last Democratic Labour Party Government in recession. Here there is liquidity, I will even say too much liquidity, in the banking system and although there have been slight rises in prices we have virtually kept prices stable.

Sir, this country has to use its judgmental cap and Barbadians are capable of that. Let us get out of the school for scandal and find out tonight who are the people and who is the person among those people with the capacity, the understanding and the strength to take the tough decisions and to understand our economy and to move us forward. The clear answer to that is the Barbados Labour Party under its present members and leadership.

Sir, am I to believe the international people who mark our economy? Am I to believe Standards and Poors who give us a high rating? Am I to believe the International Monetary Fund (IMF)? Am I to believe the Deputy High Commissioner for the United Kingdom who spoke only a couple of days ago that the Barbadian economy is basically sound and has in place all of the fundamentals necessary to cope and to move forward out of this period of recession.

3:50 p.m.

Thursday, October 24, 2002

Continuation of Hon. Sir HENRY FORDE:

Mr. Speaker, during the period that we have been in office, we have had prudent fiscal policies and have pulled the country back. We have moved it forward at the same time, putting it in a position where it could weather the storms that would come while, at the same

time, have carried it forward with a social conscience.

I would say that we have actually stabilised the country, that this Budget has disappointed the DLP because they were willing to get on the platforms, not to talk seriously about the economy, not to give the people a rational programme for the future but to scandal the BLP. They were practicing but the practice shots have gone astray, therefore, the Honourable Member for St. John is seriously disappointed on the situation.

Sir, I have given the reasons for the slow-down in the economy. Let me say that we had to take some decision, not only for now but for the future. That is the difference between the DLP and the BLP. When we were doing the Deep Water Harbour, there were the snipers who had said it was going to be a white elephant. When we built the ABC Highway, the DLP criticised us across the length and breadth of this country. I want to hear what they are going to say now that we are going to make it a four-lane highway because, if the BLP had continued on the path at that time, we would have had it in place and the cost today would have been lower.

Mr. Deputy Speaker, that is the character of the DLP. I do not believe that any right-thinking person, particularly a Party that boasts that it has done something for the people of this country in relation to education, would be against EduTech.

Sir, can you see a small economy such as our surviving without our people having the skills and the technology of the 21st and 22nd Centuries? Can you tell me today when the United States can by satellite trace a voice in Afghanistan among the billions of people in this world and could say it is the voice of X or Y, when today in outer space, the United States could understand what is happening in one's

country, that we must not position our children that we could understand what is happening in the United States?

Sir, EducTech is a bold but right programme. The Honourable Member is complaining that we had to spend \$76 million more in order to put right, buildings that are old and that have not been repaired for over 100 years.

I live next door to the Society School, St. John and I saw the workmen working on Saturdays, Sundays and during the nights. I listen to the noises - and it would disturb people who want to complain - but it did not disturb me because I felt happy for the people of Society, College Land and College Savannah, whose children are going to understand and be able to use computers like my children and other more fortunate children in this society.

The Honourable Member does not seem to want that. I want it very much for the people of St. John and for the people of this country that I went ahead with the Resource Centre at Bonnetts because I did not see it as only for the children, I want it for the mothers, the grandmothers and the fathers, so that they could understand and could share with their children and could get across the borders of knowledge so that there is an equality and a sense of our worth.

The Honourable Member does not have that vision but comes to Parliament nitpicking and quarrelling about the fact that we are building schools in his constituency and elsewhere.

Sir, I bet one would not hear the Honourable Member for St. Lucy complaining about that. The Honourable member would want more in his area.

Mr. Speaker, on the issue of tax reform, I cannot understand what the Honourable Member is saying when he said that we have

not given anything. The DLP last week, thinking they were anticipating the Budget, said they wanted tax reforms. The Honourable Member for St. John sat down and has not said to which degree he is going to bring tax reform. The Prime Minister has accelerated all programmes for tax reforms. There are several reasons why we have to do it. We have to do it because we are in a single market and obviously competition would want us to be in that position. We also are doing it because we believe that we must encourage our corporate people, as well as our people in general, to go into heavier savings. A greater proportion of income must go into savings. Every person should be dedicated every day to making a saving.

Saturday night I spoke at the 42nd Anniversary Charter of the Lions Club of Bridgetown and made the point that we have no qualms about giving our children \$1 per day to spend on buying a soft drink. Do you know there are some people in our community who have to pay \$1 per day for water rates and yet complain? Let us assume that each one of us in Barbados, instead of buying a soft drink on a Thursday, would take that dollar and put it into a pool to build up and to help the poverty in this country and let us see how far we would go.

Therefore, the Prime Minister foresees that as he brings in tax reductions and tax reforms at the same time that we are hoping to generate enough savings - not to make corporate Barbados or the trade unions rich as the Honourable Member seems to think.

I do not understand why the Honourable Member has launched a broadside at the General Secretary of the Barbados Workers Union (BWU) and the National Union of Public Workers (NUPW) whom we have more and more involved in the concept of Governmental and other policies in this

country.

Sir, we want savings to be able to stimulate the economy and that is why the reduction in corporation and personal taxes. We have started the position in January and have quickly accelerated the position.

I do not understand the Honourable Member's failure to address, or even his criticism when he did address the subject of the reform of the National Insurance system. We have to reform it now. Not that the system at present is not strong, it is strong only for a time but we have handled family planning so well and our health services have improved so much that the combination of a low mortality rate and a low birth rate means that we have an aging population. The effects of that combination is that we will have fewer hands in future to provide a pension that is necessary to keep our people going. Hence, the need for a change and we must be able to accommodate that change.

Sir, I want to deal with the Gems of Barbados issue because when one allows a lie to run around and it gets too far, people mistake it for the truth. The Honourable Member was at his infantile best when he wants us to understand that we have wasted \$190 million on Gems of Barbados and that it does not worth anything.

Sir, if one does a balance sheet, Gems must have an asset and it does have assets which are rising in value, whether it is the Savannah Hotel or the Dover Convention Centre.

4:00 p.m.

Thursday, October 24, 2002

Continuation of Sir HENRY FORDE:

Sir, I would bet my last dollar that GEMS has assets of more than \$150 million. Yet, the Honourable Member for St. John wants to make us believe that GEMS is worth nothing.

I want the people of Barbados to understand that the south coast needed to be upgrade and that part of it is now being done by the private sector. I also remember all the hoteliers on the south coast complaining that they were losing money so how could they manage GEMS in such a way as to make a profit.

Sir, the Honourable Member for St. John indicated that Honourable Members of this side have made money from selling land to GEMS. The Honourable Member for Christ Church South is not here but he and his family had the guts to place their shares into GEMS so if GEMS is making a loss, they are losing as well.

Sir, the Honourable Member for Christ Church South has served this country with honour, distinction and integrity and no one can say that he or the former Honourable Member for St. Thomas, whose family business also became part of the project, has ever got a cent from any corrupt act. Sir, if the Honourable Member for St. John has his eyes on my late adopted mother's land next door, tell him it is not for sale to him, GEMS or anyone else. Mr. Deputy Speaker, I want the Honourable Member to come clean because I do not like these slurs and innuendos.

I felt great disappointment because the Honourable Member should educate the young people of this country, uplift the standard of debate, look at how the Government has tried to help the poor, the lame and those with AIDS, look at how the Government has tried to improve the environment in my constituency of Hastings and the Rockley Beach and look at how the Government is saving the beach for everybody which the Minister of Physical

Environment will tell us more about later.

Sir, the Honourable Member for St. Philip South in charge of rural development is now putting roads in St. John and in College Savannah where there were no roads before. The parish of St. John was represented for many years by a Prime Minister, who is deceased, who boasted about being the Minister of Finance and yet nothing was done for the people of St. John or its infrastructure.

Sir, I want to say to the people of Barbados that when elections come they should forget the rhetoric of these people who have cell phones to use on the call-in programme every day.

I have done almost all the roads in my constituency and I accept the promise of the Honourable Member for Christ Church East Central, Chairman of the National Sports Council, and hope it has the blessings of the Minister in charge of sports that he going to put up a pavilion and sports centre in Bonnetts this year. I am looking forward to that, Sir.

Sir, when I went to Bonnetts, under the Democratic Labour Party, 55 per cent of people in Bonnetts did not have running water and the toilets were in the yards. The Barbados Labour Party has removed that forever and, long may this Government live!

Hon. H. F. LASHLEY:

Mr. Deputy Speaker, I rise on this occasion to make this contribution to this Financial Statement and Budgetary Proposals as enunciated by the Right Honourable Prime Minister who, in his contribution, charted a new economic and social development course for this country which will basically help us to stave off the threat of globalisation and an unstable world economy.

Mr. Deputy Speaker, where there is no vision the people will certainly perish and the Prime

Minister has clearly used on this occasion to safeguard our children's future.

On page 21 of the delivery of the Prime Minister's statement he says:

"There is always the tendency to dismiss the seriousness of a policy focus and orientation such as I have just specified as having nothing to do with the small man or about the eradication of poverty. But the interest of the small man and the eradication of poverty are all bound up in how we generate first of all more production and output, how we make ourselves more competitive in the global economy, and how we create more sustainable jobs to afford more people sustainable livelihoods."

Mr. Deputy Speaker, the issue of poverty is a very important one to all countries across the world especially small island developing states like Barbados. In 1986 the world leaders met in Copenhagen, Denmark and signed a charter to eradicate poverty or put programmes in place that will reduce the impact of poverty in their respective countries. The following year a follow-up summit was held in Port-of-Spain in Trinidad and the leaders of this hemisphere were charged with a responsibility to put forward programmes to show where and how they would reduce poverty. Hence, in the Barbados situation, a course has been carefully chartered and mapped out to reduce and eventually eradicate poverty from the shores of Barbados. Sir, some people are viewing this as a contentious issue and they believe that this Government is not serious in terms of how we view our poverty reduction strategies. I want to use this occasion to look at what we have done as far as our strategy is concerned.

4:10 p.m.

Thursday, October 24, 2002

Continuation of Hon. H.F. LASHLEY:

Sir, there is a Poverty Committee in place and that Committee is Headed by the Director of Finance. Recently a new Board was installed for the new financial year. Over the last three years the Committee was doing yeoman service to this country. I am going to make this paper a document of this Honourable Chamber. In a period of three-and-a-half years, the poverty fund has assisted 833 individual at approximately \$25 million. Each year individual figures have increased and it shows the Ministry's commitment through training and other forms of social assistance.

Sir, you might want to know who are the NGOs and other groups that benefited from the poverty fund. These NGOs include the Salvation Army, Business and Professional Women's Club, YMCA and several other organisations. As I said, this paper will be laid for easy reference.

Sir, it shows that his Government is very committed for the eventual eradication of poverty in this country. I want to use this occasion to say that our poverty fund is the only poverty fund in the Caribbean that is not funded by external agencies. For example, the St. Lucia Poverty Fund is funded through the World Bank and other external agencies. This Government has funded the Poverty Fund. In addition, there is also the Social Investment Fund. Basically, we are taking this bold drive to eradicate poverty from Barbados.

Sir, we have put the systems in place and we are working. The Ministry of Social Transformation cannot do it alone. Poverty reduction is everybody's business. Therefore, it cannot be treated as a partisan issue. It is not a Barbados Labour Party, Democratic Labour Party or National Democratic Party issue but rather an issue for each and every single person in this country. Until we stop playing cheap partisan politics, until we, according to Joseph Niles in his song 'Stop Scandalising', this fight

to stop the scourge called poverty, it will always be with us.

Sir, I always tell this story of a young man who came into my office when I was at the National Assistance Board. He said to me: "Hammie La", I came into this world naked and hungry and things beginning to get worse."

Asides.

H.F. LASHLEY:

Sir, that was a sudden dramatic statement and I realise that when I reviewed my own circumstances as a youth growing up in Barbados, I always remember the struggle that my mother had, without a father and as a single woman, to support us. I know of the days of having to go into Queens Park and lining up for food. I know that on Wednesday when soup was on the menu and you had to travel home with it, by the time you get home, because of the pot holes in the road, the only thing that you had inside of your container was the dumplings and the potatoes because all the soup fell out in the bag.

Asides

Hon. H.F. LASHLEY:

Sir, I know of having to go into the dump at Gall Hill, Christ Church, when I used to live there, and take out the best of the rotten potatoes to make a meal. I know what poverty is. I also know the taunting that you get when you are poor. As a boy when I used to walk up to the Pine, there would be people echoing "look the park food people, park food, park food."

Asides

Hon. H.F. LASHLEY:

Sir, I also know about having to go into the yard in the middle of the night to sit on a pit toilet and the vermin of the night who normally

ran amok would make a mess of your rear.

Asides

Hon. H.F. LASHLEY:

Sir, I know of these things, so you cannot tell me that I do not know about poverty, the social ills of poverty and the suffering. Therefore, we cannot treat it as a separate issue.

Sir, it is unfair that this Government put strategies in place to reduce poverty and have placed \$9 million out of the hard earned money of tax payers into the Poverty Alleviation Fund without the assistance of any foreign organisation, and the private sector and other agencies in Barbados cannot match the Government dollar for dollar.

Sir, if we are talking about a holistic society and a caring society, I want to issue a challenge for the second time in this Chamber. If all the constituency branches, including the constituency branches of the Opposition Party, were to contribute at least \$500 towards the poverty fund, we would be able to repair more houses and give the poor more assistance.

Sir, why is it that we are trying to conjure up in the minds of Barbadians that the only people that are poor in Barbados are old people. It bothers me because poverty transcends age. They are single mothers of large households who are very poor and they have old people who are very rich. In fact, if you tip the scale, you would find that there are more young people who are poorer than older persons because the older persons have been careful to financially plan for their old age.

Hence, when we start to talk about the young people getting help and not the old people, what are we really saying? Are you asking us to reveal why we assisted a particular person? Sir, the level of confidentiality between client and the Ministry is of paramount importance.

We have to stop confusing the minds of Barbadians. We have to set a level playing field and realise that poverty is not a partisan issue. I would like to see the day when all of us in this country, including the church, lend assistance to the poverty alleviation fund. Some churches leave a lot to be desired.

Recently, we had a storm in Barbados and there was only one church, on record, that contributed to the alleviation effort and that is the Adventist Church.

4.20 p.m.

Wednesday, October 24, 2002

Continuation of: Hon. H. F. LASHLEY

Sir, if all the churches and civil society, and all of the NGOs and CBOs decided to join this Government and let us together fight this scourge called poverty, then it would not be trivialised as a partisan issue.

Sir, we have to be very serious because the decisions that we make today and the mouthings we utter in this Chamber. We are going to be judged seriously when the day of judgement comes and the good Lord comes down from Heaven. If you want to gain everything now on this earth by any means necessary, therefore, when that time comes you have to pay the price also by any means necessary.

Sir, I want to turn to the Urban Development Commission (UDC). The things that I have been hearing, I strictly call them political mischievousness. Not only that but I always judge a person by the things that person says and does, Sir.

Now, there is a very dread allegation which was made by the Leader of the Opposition. I

read it in the newspaper this week. I could not believe what I was reading and to some extent, it was reiterated in this Honourable Chamber during the Leader of the Opposition's delivery.

Sir, the allegation was that the UDC is giving contracts mainly to Barbados Labour Party's supporters. Now, that cannot be true because the UDC has given work to 261 contractors, out of a total of 515 contractors. I have never seen a single contractor come with a card and said that, this Minister sent me, I must get work now.

Sir, it is ludicrous to believe that you have a Governmental institution that is only giving work to people of a particular party. It is very wrong because I know that there are supporters of the Democratic Labour Party and to a lesser extent, the National Democratic Party who are getting work. It is wrong because when someone goes to the UDC no officer, to my knowledge, asks them which party they are supporting. It is very wrong to proliferate on this idea.

Sir, there is some clause where we amend laws and amend the rules of Government. I think there should be an apology clause where Honourable Members who make these wild statements should have to apologise, in a church, to the people of Barbados. The apology should be done with long tears coming out of their eyes, if not, they should be banished into a political jail.

Asides.

Hon. H. F. LASHLEY:

Sir, I really want to clarify the whole issue of contracts. It was also said that some persons get contracts who do not know a chisel from a hammer. Sir, in some cases there might be a semblance of truth in it but I will say this, under the law as it presently is, any person in this country could go to Corporate Affairs with

his/her \$104 and be as innovative as possible, create a company for themselves, and go to the UDC and apply for a contract.

Now the emphasis is, and I want to explain this to Barbadians very carefully this evening, that a contractor does not necessarily need to have the skills to be a contractor. A contractor has to be a manager first of all because the contractor is the person who has to answer to the UDC.

Let me explain it a little further. If the contractor is unskilled, he contracts a number of persons. First of all he contracts a carpenter, plumber, mason, labourer, electrician, painter, et cetera. Sir, let us say, as appeared in the newspaper, that there is a change in the contract because there were technical difficulties on a particular project - I was a technical officer so I could talk like this until tomorrow morning - and you had to change the scope of work on that particular site, obviously, there is going to be an effect in cost.

Let us use the figure that I saw in the newspaper of \$21 000. You would believe that the person on this project was deliberately overrunning the cost and this contractor made \$21 000 profit.

Sir, I will break down the \$21 000. At a minimum an unskilled contractor would have to pay the carpenter one third of the \$21 000 which is \$7 000. Additionally, he would have to pay separately, the painter which is graded between \$2 500 and \$3 000, the electrician another \$1 500, two labourers at a minimum of \$500 each which is \$1 000 and all these are minimum costs. He would also have to pay the plumber and the mason. In actual fact, when you really look at it, an unskilled contractor would really end up with something like \$3 000 or \$4 000 from a contract.

Sir, I want to explain something else. There

is this thing about women. Gone are the days when every area of work is dominated by men. I have absolutely no problem with any woman entering a male dominated area, once that person could handle herself.

Sir, women are so bandied about that they are only a few women at the UDC who are getting contracts. Let me say this, Sir, really there are six female contractors and I want to wish them well. They are Mastermind Alleyne Inc., Second Chances Building, Belgrave Building, Lingo Enterprises, Bradwin Enterprises and Miller Building Development.

Sir, these are all women who have entered a male dominated area and decided that they are going to enhance the quality of life for themselves and their families. We do not know their social circumstances. We do not know if they are single women that are heads of large households and have to support their families.

Sir, why are we getting into this? Why do we want to speak broad issues about women only when it is convenient? I want to know what are we coming to. Would Hamilton Lashley do anything to retain a seat or to get into Parliament? No. I will not sacrifice my independence and my integrity for a seat in Parliament.

Asides.

Hon. H. F. LASHLEY:

I would not do absolutely anything or tell a lie to come in here, for as the Bible says, what should it profit a man to gain the whole world and lose his soul. No, not Hamilton Lashley.

Sir, if we are going to provide good governance to the people of Barbados, we first have to examine ourselves. We have to ask ourselves what kind of governance we are providing and what kind of leaders we are and if we are going to do anything, even if it means

destabilising the current Government, for political expediency. What are we really doing, Sir?

Mr. DEPUTY SPEAKER:

The Honourable Member has two minutes to conclude.

4:30 p.m.

Thursday, October 24, 2002

Continuation of Hon. H. F. LASHLEY:

Mr. Deputy Speaker, the number of houses replaced by the Urban Development Commission (UDC) since its inception are 309 and the number of houses repaired are 575 giving us a total of 884 houses that were either repaired and/or replaced. The number of business loans provided since its inception stands at 428 to a tune of \$3.8 million, out of this, 332 persons were employed.

Mr. Deputy Speaker, the Urban Development Commission (UDC) has completed 18 concrete roads so far at a cost of \$4.2 in all of the constituencies across urban Barbados except the constituency of St. Michael South East but I do not have any problem with that because as I say we deal with our needs.

Sir, as we come to this particular juncture I want to say that, and I want to end in this way because we have a whole set of things to talk about, the Urban Development Commission (UDC) has somehow brought out a passion in me because when I see these things, they really get to me.

Mr. Deputy Speaker, let me say this. The type of Barbados I want to see is when you, Mr. Deputy Speaker, and all of us could live at the political level in harmony with each other. Once we are elected to this Honourable

Chamber, all of us should function as a Government to govern those persons that have sent us here and all of us should put the national effort first.

Sir, I have enormous respect for the Right Honourable Owen Arthur because I seriously believe in my heart that the only person in this country who would have ever taken a chance and made Hamilton Fitzgerald Lashley III, the rastaman from the Pine, a Minister, is Owen Seymour Arthur. I seriously do not believe that another person would have done that and to him I am eternally grateful.

I am also eternally grateful to the people of St. Michael South East for giving me the opportunity to be here but I must say this. I want to encourage every young man and woman out there to set their dreams and their ideals and head for this Honourable Chamber because it is the final place where one can really make a difference. One day coming soon, Sir, this Honourable Chamber is going to be full of persons coming out of the non-governmental organisations (NGOs) and the community-based organisations (CBOs). As my little rasta brother Rodney Grant from the Pine would say; let no obstacle be greater than the cause.

I thank you, Mr. Deputy Speaker.

Hon. G. A. CLARKE:

Mr. Deputy Speaker, I too am eternally grateful to the Right Honourable Prime Minister for giving me the opportunity to serve at this highest level. I am also very grateful to the wonderful people of St. George North who put their confidence in me. Mr. Deputy Speaker, it is to them that I owe every thanks and I am hoping and praying that during the next election whenever it should be called that I should again represent their interest.

Mr. Deputy Speaker, the measures that were

introduced by the Right Honourable Prime Minister on Tuesday afternoon were very far-reaching and revolutionary in nature. I believe that when the history of this country is written years from now it will record that this period was the stabilising period for the Barbados economy in this century. I say so against the background of previous recessions. There were recessions in the periods 1974-1976, 1981-1983, 1991-1993 and of course the current recession. When a socio-economic comparison is made by independent economists, one would see that there are trends that persist throughout those recessions. Those recessions were marked by high unemployment, low liquidity, wages restrain, wages cut, high interest rates, low foreign reserves and high prices. That is why the Leader of the Opposition said some time ago that the ordinary man and the ordinary woman in the street look for more. Gone are the days, Mr. Deputy Speaker, when the ordinary man and the ordinary woman in the street look to the Budget for increases in bus fare, increases in petrol and increases in all types of customs duties.

This Budget must be seen in the same light as other Budgets that were produced and prepared by the Honourable Member for St. Peter. We have over the past years given both the private sector and the public sector a number of incentives and concessions to stabilise the economy. Mr. Speaker, we must understand that the time has come for us not only to stabilise the economy but to put it in its true form.

Mr. Speaker, those recessions that I spoke of earlier were marked by high interest rates, wage cuts and so on, whereas this recession must be seen against the background of one which is most frightening. I say this because when one look at the world today and when one look at September 11th, one sees a situation where the world can really go into a world war and there is a lot of fear in the world. When we

watch CNN or any of the other channels coming out of the United States of America and Britain, what we see is planted with fear. Even in today's situation we find that a terrorist attack in the United States of America can have an effect on the whole world and we must understand this.

Great economies throughout the world are feeling the pain. Great economies throughout the world are affected and Barbados is no exception. All English speaking Caribbean countries have been affected. Some of them cannot pay their civil servants. Some of the smaller countries in the English speaking Caribbean cannot pay their way and they are seeking help from Barbados. So we have put a plan in place to help some of our neighbours because we recognised that we must help our neighbours who are also buying our goods.

Mr. Deputy Speaker, as you readily pointed out today, countries are experiencing tough times and we have to understand this. The Bible speaks of seven years of plenty and seven years of scarcity and this seems to be the system of the world and we have to be able to live in good times and in bad times. We have to be able to adjust ourselves, we have to be able to weather the storm. We have to be able to put plans in place to maintain a reasonable standard of living. We have to make sure that prices are stable. We have been able to keep unemployment down to a mere 10 per cent and civil servants have just received an increase in pay.

4:40 p.m.

Thursday, October 24, 2002

Continuation of Hon. G. A. CLARKE:

Mr. Speaker, there are tough times and we have to admit that there are still a number of

unemployed persons out there and that the measures which were introduced by the Honourable Prime Minister would eventually lead to higher employment opportunities.

Mr. Speaker, I believe if the DLP were in power at this time, that faced with the same situation with which we now faced, as the Leader of the Opposition has said, he would increase wages among a number of other things. Do you remember what happened in 1991?

The DLP, faced with the same situation, not only cut salaries and sent home hundreds of workers, they also made people pay their own severance. When one looks at the policies that were introduced by the DLP during recessionary times... and I wonder if the Leader of Opposition would want to place on record that during recessionary times one has to increase imports.

The Leader of the Opposition recently said that imports should be increased. He is not talking about the 100 per cent Bajan campaign, he does not believe in that, so we should increase imports in recessionary times. We should also increase wages beyond our ability to pay. I wonder where the Honourable Member has learned his economic, if he has ever done so.

Mr. Speaker, we have to watch the DLP because they have not learnt from any mistakes they have made. I believe the DLP cannot change its colours. In fact, we remember quite recently that, when becoming the Government in 1994, we brought an amendment to the legislation for civil servants which said that we would not amend salaries to the disadvantage of the civil servants. At that time the DLP had said they would not support it because they gave themselves the right to cut salaries again. Whenever they become the Government, if they ever become the Government again, faced

with the same situation, they will do the same thing.

We have put plans in place. We have borrowed money to sustain us during this period. In fact, we have had a lot of foreign reserves but the Minister of Finance has recognised that it is better for us to bat on a good wicket and to prepare ourselves so that when the rainy times come, there is something to fall back on. Sir, that is the difference between the BLP and the DLP, the DLP do not have a plan and will never have a plan.

Sir, I want to thank the Minister of Finance for his devotion and special interest which was paid to the housing sector in particular. Housing finance is an area on which I want to spend some time. I want to say that the DLP has never understood housing finance.

I have just attended a conference in the Dominican Republic. One of the main topics that was discussed was how to obtain finance for the housing sector. When we had put forward the model which was introduced by the Honourable Prime Minister in 1983, then as Economist in the Ministry of Finance, the members readily accepted that this made the way forward.

We presented a package of programme of finances from both the public and private sector and I introduced what we now have, the Housing Credit Fund. I know the DLP has never understood the Housing Credit Fund. They came and found it but have never understood it. The Housing Credit Fund was established under the BLP Government with \$10 million which revolves. Today that Fund has now revolved and, over the last 20 years, has loaned money to the tune of \$152 million.

Mr. Deputy Speaker, this Fund is on-lent to the credit unions, the Barbados Mortgage and Finance Company, the General Workers Loan

Fund and other banks for low income housing.

Sir, we understand this is the way forward and that other countries are looking forward to this model. We have recognised that in order to sustain the housing development in this country, one has to put a package of finance in place. Housing development takes money. It takes money to put in roads, utilities, the various services and then there are the mortgages.

When the Right Honourable Prime Minister decides that the Housing Credit Fund must now go as an entity under the Central Bank, what he is simply saying is that the Housing Credit Fund would now be able to borrow funds on the open market to disburse to the ordinary credit unions, et cetera.

Mr. Speaker, the Barbados Mortgage Finance Company, (BMFC) for example, in the last year 2001-2002, have loaned over 382 loans in one year and have loaned over \$31 million.

Sir, if one looks at the period of the DLP, in 1994 they were 69 loans to a tune of \$4.6 million, whereas, between 1995 and 2001, the loans by the BMFC was over \$150 loans per year. It reached a height of 382 in 2001. Sir, presently the portfolio of the Barbados Mortgage Finance Company is \$160 million. Out of \$160 million, \$138 million was lent between 1994 and to date.

Sir, one could examine the facts. The same thing is true of the General Workers Loan Fund. Between 1994 and 2002, over \$40 million was lent by the General Workers Loan Fund to more than 3 609 people, whereas, the DLP lent 400 people in their time, less than \$5 million. Sir, what are we talking about? Yet the Leader of the Opposition would want to say that we do not have a policy of lending.

Mr. Speaker, the demand shows that in 2002,

2003, 2004 and 2005, the Barbados Mortgage Finance Company will pay another \$30 million in 2002, \$30 million in 2003, \$35 million in 2004 and \$35 million in 2005. So that the roll shows there is a demand for mortgage funds in Barbados, therefore, the establishment of a secondary mortgage market is important. We welcome that because we need long-term financing in housing.

4:50 p.m.

Thursday, October 24, 2002

Continuation of Hon. G.A. CLARKE:

The short-term funds that the banks lend cannot be used for mortgages and we know that only the Government lends at 6 per cent out of the Consolidated Fund to the General Workers Loan Fund. Sir, the Barbados Mortgage Finance Company and the Housing Credit Fund must merge together and go to the market to get this funding because Government does not have all the money to put into long-term lending.

Sir, there is more than \$460 million in excess liquidity in the market. Liquidity means there is more money than is needed to keep the banks running and this money can be drawn with Government's securities.

Sir, there is nobody in Barbados who understands financing in housing better than the Right Honourable Prime Minister. The Honourable Member put these funds in place in 1983 and we are thankful to him for revolutionising this particular fund and for putting it under the Central Bank of Barbados. Sir, from today the Housing Credit Fund will go under the Central Bank of Barbados as a new entity and it will be able to go the market

and borrow.

We need \$250 million in the long term to sustain the housing programme in the long term as we have a joint venture programme that will see over 1 500 lots developed and if this is to be achieved we need to access proper financing. In 1988, I made the point that if we are to lend at 6 per cent we need to be able to access cheap money.

Sir, this Budget is providing opportunity for the small man because if a person borrows \$100 000 at 6 per cent for 20 years, he will be able to save a lot of money every month. Sir, we are happy to revolutionise the housing sector and put it on a path of sustainability.

The Opposition says that we do not have a housing policy but the record of the General Workers Loan Fund will show that every parish benefits and that persons were able to get a small loan to repair their homes or to add on a bathroom. These statistics are documents of the House and they show that we continue to lend more money from the fund than we did in the past.

The Honourable Member for Christ Church East examined the 2000 Population Census and the Housing Census and they revealed that ordinary Barbadians now prefer wall structures to wooden ones. The Housing Census also showed that 91 406 persons now own houses in Barbados as compared to 1990 where persons owned 82 204 houses. There are 17 per cent less persons today with pit toilets as compared to 32 per cent under the Democratic Labour Party. Sir, we are seeing a gradual move away from the pit toilet and a gradual increase in wall structures.

The Leader of the Opposition knows that we have done a lot of work in housing in his constituency. Also, through the Town & Country Planning Department we have given

permission to a number of private developers to develop land at Gall Hill, St. John and mortgage funds will be made available to private developers as well as to Government.

Mr. Speaker, we have a strong housing policy based on security of tenure. We are providing opportunities for hundreds of people in the tenantry programme to buy land at \$2.50 per square foot and, Sir, Government will not disadvantage the landlord.

Mr. Speaker, we will continue to build terrace units for individuals. We have built over 120 terrace units whereas the Democratic Labour Party, in their time, only built 51 units and we will also continue to provide lots.

Sir, the sale of terrace units is a programme that will begin shortly. It will be done in two phases and we envisaged that those terrace units in Phase One will be ready for sale by next year but these concessions will have to be first approved by Cabinet. I want to assure Honourable Members that the concessions are great, pleasing to the eyes and mind.

Sir, I welcome the opportunity in this Budget to extend natural gas across Barbados. There is now natural gas at Salters, Charles Rowe Bridge and Parish Land and it will be extended to Lower Estates, Rowan Park, Walkers and the Glebe. This is the first time that natural gas is being introduced to St. George.

We will continue to develop the Glebe and Charles Rowe Bridge as town centres and the outer areas of St. George, as well as provide playing facilities.

Mr. Speaker, I thank you.

5:00 p.m.

Thursday, October 24, 2002

Hon. R.C. EASTMOND:

Mr. Deputy Speaker, I owe this privilege and honour to the good people of St. James North to whom I am eternally grateful and may God bless each and every one of them.

Mr. Deputy Speaker, the document which I have at hand is titled Financial Statement Economic and Financial Policies of Government and I want to say that between pages 81 and 91 of this document there are the rubric called Pension Reform and a number of important contents and statements thereunder.

Sir, speaking of pension reform at this time, this particular type of pension reform to which reference has been made, is pension reform in the context of Barbados' social security system. This is pension reform a la mode NIS.

Mr. Deputy Speaker, permit me to cite Section 34 of Chapter 47. Chapter 47 is National Insurance and Social Security Act and at Section 34 it says:

“The Board of the National Scheme shall, with the assistance of an actuary, approved by the Minister, review the operation of this Act during the period March 31, 1971 and therefore during the period ending 31st day of March in every third year and on each such review make a report to the Minister to the financial condition of the fund and the adequacy or otherwise of the contributions payable under this Act, to support the benefits payable thereunder, having regard to its other liabilities under this Act.”

Sir, the effect of Section 34 of Chapter 47, is that there has to be an actuarial review and report every three years on the financing and operations of the National Insurance Scheme.

I must inform Members of this Honourable House that in recent times the Ninth and Tenth Actuarial Reports have been deposited and

made documents of this Honourable House. I should now go on to cite sections of the Tenth Actuarial Review as they relate to what we are discussing and also in support of the Ninth Actuarial Review. It has become obvious that both the Ninth and Tenth Actuarial Reviews of the National Insurance Scheme have mandated that we look closely at the operations of the fund, the general condition of the fund and the future ahead for the next 16 years.

Sir, it says at page 7, using population bases, even if one considers net outward migration after the 2010, the working age population ceases to grow in the year 2012, then it declines rapidly to 63 per cent of what it would have been in 1990 by the year 2059. To cite this Actuarial Report further, I can inform and advise this Honourable House that it says quite clearly that in the year 1999 there were 5.75 persons of working age for each person age 65. There were 7.75 persons of working age for each person age 65 and over. This ridge shows that it is projected to drop to a mere 2.11 by the year 2039 and to 1.82 by the year 2059 on the principal assumption. On the same assumption, the numbers at working age will increase from 174.8 thousand in 1999 to 185 000 in 2018 and then a decline in Barbados' population, according to this report, at a level of a total population of Barbados of a mere 143 000 in the year 2059.

What is the import of all this, Mr. Deputy Speaker? Currently there is no question that 3.4 persons of working age contribute to the contributory pension of persons over the age of 65. If all people who ought to have contributed had contributed, the figure would be somewhat higher than 3.4 persons per pensioner.

However, we are advised by the last actuary that by the year 2060 a mere 1.3 persons of working age will be funding the pension of one person and this is deemed totally unsustainable, Mr. Deputy Speaker, especially in

circumstances where actuaries, who have had the benefit of looking at Barbados' National Insurance contributory pension scheme, are of the view that to achieve sustainability for every million dollars to be paid out, there must be a reserve pool of \$5 million making the reserve 5 to 1. If ever, in the context of this important social security expedient, that figure declines, it means that there is a definite threat to the fund.

Therefore, we read that it is our obligation to posterity, that the Honourable Member for St. Peter and Minister of Finance has decided that come the year 2003 and some future years, there will be an adjustment to the fund.

Mr. Deputy Speaker, I want to say a few things about some concerns that have been expressed in recent times about the state of the fund. In the Sun on Saturday on October 12, 2002, Sir Douglas Lynch was reported as saying that large sums of money, over the last 35 years, have been frittered on ill-conceived programmes. I want to respond to that, Sir.

Sir, he started, according to what the article reported, by saying that it was wrong to fund non- contributory pensions out of NIS. There is at least one person in this Honourable House right now who can support what I am going to say. The Honourable Member, who is on my immediate left, was, indeed, Minister responsible for National Insurance and Social Security during the period 1976 to 1981. In 1981 the National Insurance Scheme was used as a conduit through which the non-contributory pensions were paid.

Sir, in a recent debate in here, the Honourable Member for St. Lucy was also doubtful as to whether the right things were occurring and he seemed to be signaling the very sentiments expressed by Sir Douglas Lynch. Let it be said that whenever, since 1981, funds have been channeled through the National Insurance Scheme to pay non-contributory pensions, the

Consolidated Fund had always repaid the National Insurance Scheme. In other words, where the old-age pensioner gets a cheque sent by the National Insurance Fund, the Consolidated Fund reimburses the National Insurance Scheme.

Sir, there has not been a frittering away or as the article said a legal theft of NIS funds. The article said that there has been legal theft, what a contradiction, Mr. Deputy Speaker. There is no such thing as legal theft or legitimate theft. That was either misplaced journalism or abuse of the Queen's language or absolute malapropism.

Asides

Hon. R.C. EASTMOND:

Sir, the fact is, the National Insurance Scheme is not primarily responsible for old-age pensions. The old age pension is paid by the Consolidated Fund and if through any arrangement that NIS pays them, NIS is reimbursed.

5.10 p.m.

Wednesday, October 24, 2002

Continuation of: Hon. R. C. EASTMOND

The article also reported and suggested that the National Insurance Scheme (NIS) was used to pay civil service pensions. This is absolutely not true.

Mr. Deputy Speaker, civil service pensions, and I will make further reference to them later on in this speech, are never paid out of the National Insurance funds. Indeed, absurdity was perpetrated when there was a suggestion in the same article that Parliamentarians pensions are paid from the National Insurance Scheme. Such was indeed written, not necessarily in mischief but more perhaps in ignorance, and

published on the front page of the Saturday Sun of the 12th October 2002.

Parliamentarians are persons who have to yield some fixed percentage of their emoluments every month. Parliamentarians actually are a group of public officers who contribute to their own pensions. How many other public officers in this country contribute to their own pensions? Parliamentarians, that badly abused category which can only be cursed and abused, actually like pariahs, are compelled to pay their own pensions, among all the other risks and issues that they have to face when discharging public duties.

It would have been therefore a false demonstration and manifestation, and possibly wicked, for anybody to say that the National Insurance Fund represents a pool out of which Parliamentarians are paid their pensions.

Asides.

Hon. R. C. EASTMOND:

Mr. Deputy Speaker, I said that both the Ninth and Tenth Actuarial Reviews, affecting the NIS, suggested that with an aging population and a declining population, the time had come for pension reform.

Let me say, Mr. Deputy Speaker, that the activities of the Family Planning Association have contributed to a population growth of very slight amounts. The activities of responsible Barbadians in planning their families, have seen us come to a point where the next fifty years, our population will not rise dramatically.

Mr. Deputy Speaker, followers of an economist called Marcus might want to look at the inner workings of family planning efforts to keep populations in check. Marcus had pronounced that where populations proceed recklessly apace, poverty, disease and war would have resulted. There will very well

come a day when somebody will write a thesis supporting Marcus in his categorisation of these things for the third world in particular.

Suffice it to say, Mr. Deputy Speaker, that we have come to a stage where, if no action is taken now in respect of making adjustments to the NIS by the year 2032 - notwithstanding the \$1.5 billion in assets and notwithstanding the fact that at this point the fund is solvent - if nothing is done, the National Insurance Fund will dry up and will be no more.

Mr. Deputy Speaker, a responsible administration, aware of its answerability to posterity will not let posterity suffer, which would have to pay the national debt anyhow, as not to take care of posterity now. Sir, a Sub-committee was formed to look at this whole question of the sustainability of our NIS reserves and the way to the future.

Sir, Mr. Steven Alleyne, known by the Barbados Cricket Association as a cricket administrator, a professional actuary and a patriotic Barbadian was head of this Sub-committee. Persons of the ilk of Professor Frank Alleyne, a former Board Chairman, Senator Branston Collymore, a former Head of the Civil Service, Senator Leroy Trotman, from the social partnership and Mr. Darcy Boyce, the inevitable intellectual of 1960s and 1970s were recruited to sit as the Sub-committee looking at pension reform. They were ably assisted by the likes of a former Director of NIS, Mr. William Layne, the current Director, Mr. A. Grainger and a young lady known as Ms. Sharon Drayton.

Mr. Deputy Speaker, before I look at what they proposed, I want to say that when things happen affecting our NIS and benefits under the scheme, nobody in Barbados should be left in the dark. Sir, you will recall that in relatively recent budgetary proposals, there were adjustments to at least two types of

benefits payable under the Scheme. There is no doubt Honourable Members will recall that the Funeral Grant was increased from \$800 to \$1 400 in relatively recent times. The Maternity Grant, which perhaps I should explain, was increased from \$800 to \$1 500. Sir, these grants and short term benefits are paid from the current inflows of contributions.

Sir, let me explain the Maternity Grant. If young man 'A' has a spouse that is recognised as his spouse and he has contributed a certain amount to the NIS. The young lady is pregnant and has not worked so she has not contributed, therefore, she cannot qualify for the normal maternity benefit, but, on the basis of her male spouse's contributions, she is entitled to a grant. That grant, Mr. Deputy Speaker, like sickness and disability benefits and other grants, is paid, not from a fund reserved and kept for posterity, but it is paid from current inflows of contributions.

Sir, as long as Barbadians, both employer and employee, pay their contributions weekly and monthly, that money goes towards paying these benefits along with administrative and other expenses, which are payable in the short term. Therefore, for there to be viability for contributory pensions, we must go beyond the short term and, as will be seen, beyond even the medium terms.

Mr. Deputy Speaker, in looking at how to save the future generations of this country from the embarrassment and pain of there not being sufficient money to pay contributory pensions, this Sub-committee, to which I just referred, narrowed down all of the proposals made to three options.

However, before doing so, this Sub-committee and the Chairman of the National Insurance Fund, the current Honourable Member for Christ Church West, who has done excellent work, decided to hire a public

relations firm, Saunders-Franklyn Associates Inc. and the opinions and feedback of the population at large had been solicited. A number of important things came out of this consultation which I will refer to, if time permits.

Ultimately, looking to see if Barbados is going to be able, in the year 2030 and beyond, to pay national insurance contributory pensions, the Committee considered that contributions to the NIS, half per cent paid by employer and half per cent paid by employee, that is, one per cent of insurable earnings, should be increased each year from January 1st 2003 to a total increase of 4 per cent by the year 2006.

Another option is for the age of entitlement to an unreduced NIS pension to be increased in the year 2006 to 65 years, six months, and by a further six months every four years to a revised retirement age of 67 by the year 2018.

A third one is that persons actually retiring from work be given the option to draw NIS pensions early, as from 2003, with the reduction in the benefit of half per cent per months according to the following schedule:

Year 2003, from age 64

Year 2004, from age 63

Year 2005, from age 62

Year 2006, from age 61

Year 2007 thereafter, from age 60

Mr. Deputy Speaker, what am I saying on this last point? I am saying that beginning in the year 2003, rather than to treat one's statutory age for the receipt of NIS pensions as 65, a new approach is going to be used to allow people to draw progressively, from 2003 drawing down,

earlier than age 65 beginning at age 64 in 2003. But, if they draw at a younger age than 65, they will get a reduced pension.

5:20 p.m.

Thursday, October 24, 2002

Continuation of Hon. R. C. EASTMOND:

However, if they go on and defer drawing their pension until after age 70, they will get an increased pension above rate. This now allows for a measure of flexibility. Before I proceed further, Mr. Deputy Speaker, I want to mention two things that are intriguing and probably problematic and troublesome. There is the legal situation where public officers who were appointed before September 01, 1975 can draw full public officers' pension without having contributed and the fullest possible national insurance pension they can get having contributed to the National Insurance Scheme. What this means is that there is a cadre of persons in Barbados who are in this happy and fortunate position, whose two combined pensions will be higher than any salary they have ever worked for when they were working. That clearly has to be looked at.

I will repeat that, Mr. Deputy Speaker, and I am sure that the Honourable Member for the City who was Minister on this understands this. Before September 1975, there was this fortunate cadre of public officers who were legally entitled to draw a full pension based on the dictate of appointment and the fact that they were civil servants. They were also entitled to draw the fullest possible national insurance pension to which they would have been entitled. Therefore, when you combine the two pensions, they ended up getting more money than they got in salary when they were working.

The second thing that Barbadians are going to have to exercise their minds on, Mr. Deputy Speaker, is that there are some smart people out there, some of whom work in the informal sector and some of whom are self-employed, who know that if they pay 500 contributions or 50 contributions a year for 10 years, they can receive a pension and who wait until they reach age 55 to pay the contribution for ten years in order to draw a national insurance pension at age 65, having only paid contributions for 10 years, whilst there would have been other persons whose salaries were being garnished for national insurance for 30 and 35 years, who were in no more fortunate position than this cadre of people who have waited until the last 10 years of their working live to seek to use the rules to benefit themselves, so this particular aspect has to be looked at.

Indeed, the Honourable Member for St. Peter made reference to it and, hence the proposal to bring about a change where an incentive would be granted to persons to pay their national insurance up front, probably for 20 years of their lives as contributors to the Fund. It is believed that if everybody pays the contributions for the first 20 years and continues to pay, then this very real problem of persons waiting to pay for the last 10 years of their working life, in cases where they would more or less have been subsidised by persons who were paying for more than 15, 20 or 25 years. This also suggests that when one is managing a fund like the National Insurance Scheme, all the variables and regulations that touch and concern the Fund have to be under constant review.

Sir, having check this Honourable House, I can say that from the time the National Insurance Scheme was established, the Reports that are due to be laid here every three years have always been laid promptly.

Mr. Deputy Speaker, the National Insurance

Scheme is also considering a relationship with other private pension funds. Some weeks ago in here, the Honourable Member for St. Lucy asked what was so magical about the salary threshold of \$3 100. Persons who work for more than \$3 100 per month are limited to paying NIS contributions up to \$3 100. However, when these persons work in the private sector, there are existing arrangements where, for the income beyond the \$3 100, they can draw a pension from their private pension plan.

Let me explain that. If a person work, for example, at A. S. Brydens and their total salary is \$5 000 per month, they are limited from paying national insurance beyond \$3 100. Currently, nobody in Barbados pays anything beyond \$3 100 which is the maximum limit to which one can go. All Honourable Members who pay NIS assuming that they work for as much as \$3 100 per month, will pay NIS contributions up to \$3 100 but someone working at A. S. Brydens, who is involved in the National Insurance Scheme and who will draw a NIS contributory pension on the \$3 100, will then have the balance of \$1 900 to draw between 40 and 60 per cent through a private arrangement they have made. Increasingly, Mr. Deputy Speaker, more and more private sector employers are locking in to relationships with the National Insurance Scheme because

1.The scheme is properly run and

2.In the interest of social justice, we cannot have excesses of money being banded about even though we all need and deserve money and because there is a measure of rationality in how these matters work.

Mr. Deputy Speaker, I have spoken long and large on the question of NIS and will only speak further if Honourable Members insist.

In looking at another department that falls

under my portfolio, I want to say, in circumstances where some people are doubtful as to the Government's new thrust in looking at the labour force and in circumstances where some ill-advised persons recently try to suggest that we have our priorities wrong for training, that institutions like the Samuel Jackman Prescod Polytechnic (SJPP) and programmes like EduTech are multi-skilling our people and training them in the right areas. Looking at the level of training provided by the Technical Vocational Educational Training Board (TVET) I want to say that things like training in computers, training in small business management, training in data entry, training in customer service and training in careers within the hotel sector have been identified as priority areas of training. Increasingly, more and more Barbadians working for employers are being facilitated with on the job training through funding provided by the Technical Vocational Educational Training Council which for the last three years has expended \$3.25 million to help with the training of 6 000 people many of whom were in the hotel field. So it cannot, therefore, be fair to say that Barbados' training is skewed in favour of a moribund manufacturing sector.

That consultant who went to Licorish Village and St. Andrew, who try to indicate that we have gone overboard with our thrust on training for manufacturing clearly had it wrong. Foreigners coming to Barbados might very well confuse Cheapside and Free Hill with Licorish Village. She may have gone to Cheapside where there is nobody living or Free Hill where there is a small population but the Barbados Government knows its priority and Honourable Members who are supporting this Financial Statement and Budgetary Proposals are going to support it because of the number of priorities that have evolved and the number of programmes that will inure to the benefit of Barbadians because foresight has impregnated and informed the programmes of which we

speak.

Sir, like Honourable Members who have spoken before me on this Honourable side, I have no difficulty nor compunction in adding my support which I now add with the greatest alacrity to these foresighted measures.

SUSPENSION OF SITTING

Hon. Miss M. A. MOTTLEY:

Mr. Deputy Speaker, I beg to move that this Sitting be suspended until 545 p.m. today.

Hon. Miss B. A. MILLER:

I beg to second that.

The question that the Sitting do now suspend until 5:45 p.m. today was put and resolved in the affirmative without division and Mr. DEPUTY SPEAKER suspended the Sitting accordingly.

5:30 p.m.

Thursday, October 24, 2002

RESUMPTION

Mr. SPEAKER:

The Honourable Member for St. James South.

Hon. Miss H. E. THOMPSON:

Mr. Speaker, thank you very much. I am pleased for this opportunity to make my contribution to this Debate and to add my support to the voices of those Honourable Members who have previously spoken in respect of the Prime Minister's Budgetary Proposals.

Mr. Speaker, I could not help but smile when I heard the criticisms of the Honourable

Member for St. John. My own view was that the Budget was well-reasoned, very measured and most of all it was responsible and forward-thinking.

Sir, had the Prime Minister been tempted in light of all the rumours that there would soon be an election and to have what would have been considered as a giveaway Budget, he would have been severely criticised for presenting an election budget to fool the people of Barbados. Instead, the Prime Minister opted for, in my view, the more prudent path, that of making sure that our macro economic fundamentals remain sound; that every sector of the economy is made buoyant; that we continue to have strong revenues and strong Foreign Exchange; that we create an environment, not only in which business can flourish but in which employment can continue to grow and in which all persons can be provided for.

He has recognised that with Barbados being at a critical juncture in its development, he had to take certain decisions which are central to ensuring our future. Those decisions were taken. He has made some determination about what was the critical issues which as a people we needed to confront if we were to keep the social welfare net to which as Barbadians we are accustomed, if we are to ensure that everybody has access to the social security system which this BLP administration did the work, the development and the research for, prior to the 1960s. Therefore, we have a responsibility because the national insurance system was a vision of this BLP and we have a responsibility to protect that which has been a security for many Barbadians.

Sir, the reality is that all the fundamentals and framework for the National Insurance Scheme were done prior to the DLP winning the election in 1961, even though they had implemented it, as they had done with the Deep

Water Harbour and the QEH.

I do not want to dwell historically because I believe that since this Budget looks to our future that we who speak to the Budget need to cast some of our comments in terms of where Barbados is going.

I commend the Prime Minister for resisting the temptation to go the road of the quick and easy giveaways. Barbadians know, from hard experience, when we had first heard in 1991 that we never had it so good. We saw that the giveaway mentality caused Barbados almost to flounder in the seas of economic and social disaster. We saw that people's lives and homes were threatened. Therefore, the kind of mature judgement which causes a leader to act with restraint when, in fact, he could have gone the road of giveaways, is to be commended.

The Leader of the Opposition, if in fact that is what he is, so let me describe him more accurately as the Honourable Member for St. John, which he still is, said that he wants benefits and he wants them now. That is the prodigal son's mentality, give me what you have for me. I want it now. He too went out into the world with what was for him, floundered it and had to be saved by his father. We do not intend to be saved by any external forces, by any IMF. This is going to be a path that is being charted entirely by the leadership of the country, who was elected by the people of this country, who have recognised that they have a responsibility to act with restraint and, in time of hardship, to make sure that people still have some modicum of comfort and security even as we seek to take those major economic decisions which keep our future and our growth stable and secured.

Mr. Deputy Speaker, the population of Barbados, 11,000 of whom live in the constituency of St. James South, have a wonderful opportunity to do a comparative

analysis of the approach of this administration now, vis-a'-vis, the approach of the DLP in 1991. In both situations there was severe international economic constraints affecting the national economy.

Sir, let me pause to say that it has become the practice of the DLP in recent months to say that if, in fact, we were responsible for the growth then, when there is a downturn we must accept responsibility.

I would wish to remind the public that unlike the 1991 situation when we were told prior to election that we never had it so good and immediately after election we were told that we had to go to the IMF to save the country and to have a salary cut if the dollar was not to be devalued, in August of last year, the Prime Minister came to this House with a Budget in which he warned that he did not like the signals he was seeing on the economic horizon. He warned that there were negative changes taking place in the economy and that he needed to put measures in place to address those problems.

Therefore, the Prime Minister was frank and full with the people of Barbados. He never sought to hide what the situation was. He put it to us frankly and fully in that August Budget. Clearly, he could not have known, neither could he have anticipated that the events of September 11th, 2001, would have intervened to adversely affect much of what had been put in place and it is, therefore, critical that we analyze our position against that background and against the comparison of how the DLP had performed in an economic crisis and in an unstable time, as opposed to how we are performing.

At that time, all of us lived daily under the threat of devaluation. All of us lived daily under high unemployment which was estimated to be between 27 or 30 per cent. All of us, at that time, knew of the cuts in the civil service.

Do not believe that persons in the private sector were not affected because the private sector represents a large body of buying capacity and movement of goods and services within the society. When their buying powers are reduced, those persons in the private sector would be adversely affected because they cannot sell as many goods or services.

We knew that the Foreign Reserves at that time were low. We knew that the social services were all reduced and that the monies to the social services at a time when people really need the safety net were cut off. On top of that, there was high inflation. By comparison today, unemployment is at 10 per cent, considerably lower than it was in 1991. This is during a time of not only local recession but international recession.

We have continued and rather than giving salary cuts, we have given salary increases to public servants. Not only increases of salaries but of allowances and other emoluments and amenities so as to improve their overall condition and to create greater opportunities for upward social mobilities. Several categories of civil servants, from policeman to postmen, now enjoy a new range of allowances they never previously enjoyed.

Inflation today at 2002 is half of what it was in 1991. The Foreign Reserves are considerably higher than they were at any time during the DLP's time in office. Taxation today is not at the level at which it was when we came to office in 1994. Therefore, when one compares how the two administrations are performing in stringent economic times, one could see that Barbadians, on a whole, are still better off now than they were under the DLP administration.

We have not and will not be offering to the people of Barbados any bus fare and lunch money options because for us, that does not

represent solid growth. That does not represent improvement in the quality of life. That is not an option we intend to put to the people so let us not forget from what we are coming under the DLP. Let us understand the reason why the Prime Minister has sought to stimulate the various sectors of the economy, to ensure that we were not be put into a position of threat and discomfort as this country has previously known.

Barbadians can see what it is the Government is doing all over Barbados. On the coast of St. James, on Paynes Bay, where the most derelict fishing market stood for many years, all the people had to work from was a shed, although the people of that area strongly supported the DLP and were a fish-catching and fish-selling community.

5:55 p.m.

Thursday, October 24, 2002

Continuation of Hon. H. E. THOMPSON:

Today, there is a new fishing market at Paynes Bay with wonderful facilities. I have pressed the Minister of Agriculture and Fisheries for it, they have delivered it, it will soon be opened and it will totally transform the conditions under which people in that area work and have recreation.

Sir, when I was the Minister a food vending activity was started there and on weekend Patsy Broomes gives good food on the beach and you are able to lime and talk to other people.

Asides.

Hon. H. E. THOMPSON:

Yes, it is closer to the beach than at Oistins and I invite members of Parliament to come down and join us on weekends.

Sir, let us not be misled by the Honourable Member for St. John that people are living in abject poverty and everybody is deeply unhappy. This is not to say that we have done everything well because we have made some errors. Sir, there are things relative to the National Housing Corporation that can be improved, our debushing efforts that can be improved and there are issues relative to people perception of themselves and what is happening in relation to land in Barbados that we need to address.

Sir, we have not been perfect. This is not a perfect administration but we have tried and we have worked hard to deliver to the people of Barbados those things promised in our Manifesto at the level of the community to improve the Barbadian quality of life generally, at a time when things in the world are tight.

Sir, we have seen in this administration, despite financial constraints, major capital projects continuing. There were not close down as was done under the previous administration in 1991 to 1994. There has been a thriving Government capital works programme.

Sir, what we are attempting to do cannot be done overnight because some of these things will take time. I am asking the average Barbadian to use their good sense and resist the call of the prodigal son to give them everything now because this leads to disaster. We have seen that happening before and we need not go that path again.

We are asking the public to walk the high road with us that calls for restraint and that which end up with long-term development for them and their children but we cannot give everything to them now. Sir, we will give them what we can as soon as we can and, essentially,

this is what the Prime Minister's Budget is saying. The Budget said that some things will be delivered this year, some will be delivered next year, some the year after and the remaining will be delivered as soon as they can be.

Sir, people say that politicians make promises they do not keep and the Prime Minister is saying that he is not making wild promises and that this is not about tricking anybody. He is giving the facts about the state of the economy and based on those facts we will deliver.

Sir, I wish to attempt to locate the role of the Ministry of Physical Development and Environment in relation to our overall national development.

Barbados sustained economic growth will not be achieved unless we are able to ensure that our environment is protected, that we enhance our natural and built environment, that development of structure or projects, inland or on the coast, are coherent, well-planned and are not inconsistent with our environmental protection strategies. This Ministry's role is critical and we have to protect the environment and secure our physical planning or we would jeopardise those things which are at the core of our future development.

There is still, in my view, a lot of uncertainty demonstrated by architects, engineers, building contractors and people who want to build homes, apartments and other buildings about the rules and regulations Town & Country Planning Department and what is required.

We will have a major seminar to give guidance to those persons involved in the industry so that applications made to Town & Country Planning Department will be easily expedited because mistakes are usually made and the application must then be sent back to be corrected or for information and it cannot be

processed. We are asking the public who are interested to get in contact with us and later this year we will publish a booklet the Town & Country Planning Department in layman's language that everyone can read and understand what is required by the Town & Country Planning Department if they want to put up a multimillion dollar house or a dog house.

Sir, the Town & Country Planning Department has many applications which have been approved for several hotels on the island. One of things we are doing is looking at the upgrading of the tourism product and we have increased the density per square meter that is allowed.

6:05 p.m.

Thursday, October 24, 2002

Continuation of Hon. Miss H.E. THOMPSON:

In other words you can now build higher buildings if you are building a hotel property, but we have to approve the applications. Sir, we are trying to approve as many Town and Country Planning applications for large development projects so that they can act as catalysts in the construction sector and as catalysts to activity in the wider economy.

Sir, at this time we have a plethora of applications which relate to the development of sports, multi-disciplinary sports facilities accompany hotels and conference facilities, an international size stadium and sporting facilities, which Barbados does not currently have. There are three applications for such approval. We will be looking at the applications for golf courses. Sir, all of them will not be approved because we have to consider what our carrying capacity is on the island.

Mr. Speaker, there will be a joint development project with the private sector at Harrison Point and Sugar Hill is going to be further development. The Prime Minister was speaking in his Budget to the number of hotels that have been given approval for expansion and this represents major development on the south and west coast, large and small hotels are seeking to expand.

Sir, we will join the Ministry of Tourism, through the BTI, to further develop Farley Hill.

Mr. SPEAKER:

The Member has two minutes.

Hon. Miss H.E. THOMPSON:

Sir, I will try to condense my speech.

Mr. Speaker, we have a decision to make which is critical to Barbados' physical development in the future. Sir, sugar has been king for a long time but sugar now is not even a little boy on the international market as far as we are concerned.

Asides

Hon. Miss H.E. THOMPSON:

Sir, sugar is no longer king. Sugar yields have been decreasing and lands are coming out of sugar production and internationally we cannot compete with those large countries that can produce sugar because of the economies of scale. The reality is, despite our attachment to sugar economically or emotionally, sugar does not, in my view, have a major long-term future in Barbados.

Therefore, the question arises, how are we to manage lands that will come out of sugar production when that time comes? Sugar has been good in terms of our water-shed management, how aesthetically pleasing it is to drive through the country side and see sugar cane. It is critical to our development when

lands are not in sugar for us to make some determination as to how those lands will be used. What is the best economic use of those lands? How can they be maintained so that they are aesthetically pleasing and contribute to our overall environmental ambience? These are questions that we have to resolve as we seek to make decisions about physical planning and where we are taking Barbados. What do we want Barbados to look like in the future? What kind of Barbados our children and grandchildren will drive through? These are the kinds of critical decisions that will have to be made.

Sir, what kind of carrying capacity Barbados has for further investment, building golf courses and the number of tourists that will be visiting Barbados? This is a living ecosystem that can only take so much at any given time and we have to determine that delicate balance among what is required for development, recreation, housing and multiplicity of competing interests, while at the same time understanding what our ultimate carrying capacity is. How many roads can the country carry for all of us to live in some degree of comfort and harmony so that there is no road rage because of the problems with the density of traffic?

Mr. SPEAKER:

The Honourable Member has one minute to conclude.

Hon. Miss H.E. THOMPSON:

Thank you, Sir.

At the level of the environment we are continuing with our Beautify Barbados Programme; we will be developing a National Botanical Garden and we are moving closer to community reach. It does not matter that the policy decisions are made at the macro level, I firmly believe that if we are to effect attitudinal change, if we are to effect behavioral change -

when I was a girl people would clean around their homes but people do not do that anymore. They now expect the Government to that for them. People will go to a fast food outlet and throw the boxes and cups through the window of their vehicles and if your dog dies you will leave it alongside of the road.

Mr. Speaker, we have got into a lot of practices that we have to change as people. We have to create a clean city and clean country and we have to do that by effecting people's attitudes and by effecting attitudinal and behavioural change. Therefore, at the level of the Ministry of Environment, one of our major thrusts has been at the community level to get communities more involved in beautification, cleaning up their surroundings and feeling and living like a community again, that is critical. Sir, that was something that was special to Barbados, the way we live as a community and we have to get back to that kind of community care and that kind of community outlook.

Mr. Speaker, we have to transform our national ethic and it does not just have to do with the environment. It has to do with a range of social things, not just economic. I am satisfied that we are doing the economic part fairly well.

There are a number of social issues like vagrancy, attitudes in the service industry need to be transformed if Barbados is to move from a developing country to a developed country. For example, look at Japan and we will see that is one of the few countries to be transformed in the last few decades from developing to developed and China is about to make a similar transition. We must draw on the lessons of these people.

Sir, what is it that they do well that we can learn from if we are also to effect a major social change, not just economic transformation but real social transformation to create the kind

of welcoming community, not only for tourists but for each other where we say good morning to each other.

Mr. Speaker, we are now trying to implement these changes at the National Conservation Commission by securing our beaches for Barbadians first. That is what we are doing with our coastal infrastructure in conjunction with the National Conservation Commission's programmes in relation to beaches this year. Several Press conferences were held relating to these matters so I am not going to go into the details.

The point that I am making is, this Budget seeks to position Barbados in a way that secures Barbados first for Barbadians; that secures the kind of country in which we want to live, grow, have recreation, raise families, acquire social, educational, work skills and ethic, that we can then go out into the wider community and sell, be admired and shine.

Mr. SPEAKER:

Honourable Member, please conclude.

Asides

Hon. Miss H.E. THOMPSON:

We must seek to create an environment of excellence, not only in Barbados but wherever we go. Barbados is a leading country in the Caribbean but I believe that we can be a leading country in the world if we get that mix of economic and social right.

I think that this Budget has gone a long way in dealing with the economic.

Thank you.

6.15 p.m

Wednesday, October 24, 2002

Hon. R. D. MARSHALL:

Mr. Speaker, I have the good fortune to be a member of a Cabinet of Barbados where we have all members from diverse backgrounds and headed by a Prime Minister who, besides running the affairs of this country in the way he does, gives everyone the opportunity to sit, listen and learn. As I say, I learned at his feet.

I would not have this opportunity, Mr. Speaker, were it not for the good people of St. Michael West Central and this evening I am thanking those people. First, I say, good evening to them. I am thanking them from the bottom of my heart, in all eight polling districts, for giving me the opportunity to come to this Parliament to represent their interests.

The Honourable Member for St. John said we are all out there falling over each other, as though an election is called, we are out there canvassing and promising all kinds of things, but the people of St. Michael West Central have placed me here and I will represent them. We have worked together since 1994 and I will continue to work with them.

I want to lend support, Sir, to the proposals that were so ably put here before this Chamber by the Prime Minister, the Right Honourable Member for St. Peter, on Tuesday evening. The Prime Minister has stature within the Caribbean and he has a reputation in the international arena.

Last year, Mr. Speaker, President Clinton addressed the ILO Convention in Geneva. Sir, when they were seeking out someone to address them this year, they invited the Prime Minister of this country to address them. It shows the kind of respect and stature that he has, as I said, in the international arena.

Sir, there is a Harris advertisement which talks about a little man with so much to offer. I am saying today that our Prime Minister is not

the 'Harris' man or the Parris man, he is his own man.

Mr. Speaker, in his proposals on page 83, the Prime Minister spoke about the national consultation held earlier this year at the Sherbourne Conference Centre. There, we sat and listened attentively, as those persons responsible for the pension arrangements for the Government of Barbados spoke to the audience about the reform of pensions in Barbados. I am happy to see that the Prime Minister has brought something sustainable in this Budget presentation, as it relates to pension reform.

First, I would say, Mr. Speaker, that people should always be thinking about their retirement. You cannot think of your retirement five or ten years before you go into retirement. When people stop working, naturally they stop earning but they do not stop spending. Retired persons have the same needs and wants as those persons in the workforce.

Before, when people thought about retirement and retirement benefits, they asked themselves three questions:

1. Where will this pension come from?
2. How long will it last?
3. How much do I need?

Sir, as I said, in your young years, you have to think about your retirement and put aside some kind of money for that retirement time. Some people put their money into the stock market, real estate and into a company's pension plan, while others provide for their own pensions. The majority of Barbadians will be depending on the Government for their pension. I know that the Prime Minister thought of this when he decided to bring this reform in the Budget.

6:25 p.m.

Thursday, October 24, 2002

Continuation of Hon. R. D. MARSHALL:

There are two areas I want to mention as far as pension reform is concerned. I am quite sure that when the Honourable Member for the City gets up to make her contribution as Deputy Prime Minister this is something she will mention. From the time I came to this House I have heard the Honourable Member speaking about giving an opportunity to those people who can afford it and who would want to put in an extra amount of money into the National Insurance Scheme (NIS) in order to top up their pension and I am glad to see that the Prime Minister has included this in his proposals.

The other thing I want to mention, Mr. Speaker, has to do with those people, as the Honourable Member for James North mentioned, who are professionals who would go and pay contributions into the National Insurance Scheme for the last ten years of their working life in order to secure a 40 per cent benefit of the final average earning. Proposals are being made now where persons would be required to pay in their contributions for 20 years where instead of paying four per cent a year, they would pay two per cent per year and in that case they would still be entitled to their 40 per cent but they must pay it in for a longer period.

The other thing I want to speak about is that persons would have the same opportunity like in private pension plans where they can retire from work at an early age. If a person retires at an early age, they can have what is known as an actuarially reduced pension. If they continue in the plan until age 70, but they stop working now - the new proposal now is that you can

stop working at age 67 - they will stop contributing to a pension plan but then they can defer taking their pension until age 70. So I am glad to see that this too has been included in the proposals.

Mr. Speaker, the Prime Minister mentioned under expenditure at page 24 of these proposals that:

“Some \$346.8 was spent on capital projects. This was 14.8 per cent more than the previous year and was as a result of the extensive road repair programme undertaken by this Government...”.

Mr. Speaker, the Ministry of Public Works and Transport is responsible for the building and maintenance of roads in Barbados, the maintenance of highways and government buildings and for all of the drainage systems in Barbados. The Ministry of Public Works and Transport was allocated a good size of this \$346.8 million in order to carry out the programme for this Government.

Mr. Speaker, back in April 2000, we embarked on a four-year programme to rehabilitate all of the roads in Barbados whether they be residential or highways. In the first phase, we did work on 11 residential roads and under highway rehabilitation, we did work on 13 roads. In the Scotland District, we did work on five roads.

Mr. Speaker, the Scotland District is an area which does not have regular roads like the ones you would see in St. Michael and Christ Church. The roads in that area are made of clay, mud, oceanic and limestone. A lot of those roads in the Scotland District have been collapsing recently. The roads at Blackmans, Chapman Village and New Castle have all collapsed. We have a number of roads that are collapsing and we have been spending some money which was not planned for in that

regard. These are areas that we will have to be paying a lot of attention to during this time of the year.

A summary of the performance on phase 2 of the four-year programme is as follows: We did 19 residential roads and nine highways rehabilitation. On the Ministry of Tourism beautification programme we did four roads. Broad Street, Prince William Henry Street, Prince Alfred Street and Cowell Street were done at a cost of \$404 000. In the Scotland District we did two roads. We did bridge construction and maintenance in Belleplaine and at Lakes and we are doing some work at Shorey Village. We are also now working on the Newcastle Bridge and the Army Bourne culvert.

We also did improvements to traffic management and we are still doing some work at the Pine North South Road and in Oistins on the Oistins footpath. We have also completed much needed work at St. Albans, St. James.

This year we will be doing phase 3 of the four-year programme and we are looking at doing the residential roads. We have already completed work at Greenidge Village and Nicholls Road in St. James. Parkinson Field in St. Michael and Maxwell Plains in Christ Church have not been started as yet. Windsor and Fair View Heights in St. George are in progress. The Valley Development in St. George and Coverley in Christ Church have been completed. We will be starting work soon at The View in St. Thomas and Gibbons Terrace in Christ Church.

Under our highway construction and maintenance programme, Boyce's Gap in St. Peter has been completed. Date Tree Hill in St. Peter is in progress. Pentecostal Church Road and Collins Road in St. Peter have not been started as yet. We have completed a road at Wavell Avenue, St. Michael. Long Gap,

Spooners Hill, in St. Michael is in progress. St. Pauls Avenue, Bayville, St. Michael and 1st Avenue Bank Hall, St. Michael will be starting soon. You will be very happy to know, Mr. Speaker, that the long awaited road you have been asking about at Sealy Land, Bank Hall in the constituency of St. Michael Central which you have the honour to represent will be starting very soon.

Mr. Speaker, we will be focussing our attention this year to Fair View Phase 2. Kirtons and Six Roads in St. Philip is in progress. Rose Hill in St. Peter and Dayrells in Christ Church will be starting very soon. President Kennedy Drive has been completed. Chance Hall in St. Lucy will be starting soon. Deacons Road and Goodland in St. Michael were both paved four weeks ago.

I want to let the Honourable Member for the City know that Baxters Road will be paved in November 2002. For two long Christmases the merchants there have had to endure the dust and they had problems with people not coming into their stores. The Barbados Water Authority will be completing their work there by October 26. I spoke to the General Manager of the National Petroleum Corporation and he has assured me that they will be out of there very soon. I have already spoken to my Chief Technical Officer to let him know that by all cost Baxters Road has to be paved by November. I also want to let the Honourable Member for the City know that the plans have already been looked at and the consultants have done the work for the Kensington New Road area so we will be able to work on the drainage in that area and in the Murphy Pasture area as well. As I said, the whole area will be paved but then we will have to look at some problems along James Street in order to alleviate all of the problems that arise in the City.

We are looking at Horton's Village at Easy Hall in St. Joseph and Hincks Street in the City.

I want to let the Honourable Member for St. Philip North know that River Land will be worked on also. So we are out there doing our work.

Work in Chapman Village in the Scotland District is now underway. That road broke away and we had to spend some money in there plaiting gabions in order to stabilise that road. We have to start some work in White Hill in St. Andrew. At Buck in St. Thomas, the gabions have been done and that road would soon be clean and paved. We are doing some work at Bath Road in St. John which is familiarly known as 'Man Stomach' and we are working on New Castle in St. John.

6:35 p.m.

Thursday, October 24, 2002

Continuation of Hon. R. D. MARSHALL:

Mr. Speaker, I want the Member for St. John to know that he should tell the truth and should let the people know that we have done extensive work at Glenburnie for him. Works at Blackmans, St. Joseph is in progress at the moment. Headley's Land is almost completed. We have completed phrases one and two and are now looking at completing phrase 3. We have also started work in Olivies Gap which is in the constituency of the Speaker.

Mr. Speaker, I want to touch briefly on what we are doing with the Bridgetown Bypass Road. It is projected that road would be finished by July 2003. We have done extensive work on Black Rock, Tweedside Road and Pine Road. The contractors have informed me they would be paving the Culloden Road sometimes in November, so that the Deputy Prime Minister, who has responsibility for Foreign Affairs, will be able to get in and out of her office in an easy manner.

Mr. Speaker, we have constructed box drains and wells in the area and will be going to Beckles Road to complete there. I have been promised that by the end of November the road leading onto the Highway through Dalkeith would be opened.

The work at Westbury Road is continuing, along with the area of Passage Road and Country Road. Already some demolition work has been done at the Country Road/Roebuck Street junction, where there is only the old Lowe's Laundry that now has to be demolished so that work could get started. We are continuing quite well and the consultant and contractors have promised that road works would be completed by July next year.

I also want to say some work will be done on Green Hill, near Rayside Concrete Works, where both the Honourable Members for St. Michael North and St. Michael North East would be happy because new box drains and sidewalks have been done.

Mr. Speaker, I also want to mention that when the Bridgetown Bypass Road is completed, this Government has additional plans for the highways and byways of this country. We would be looking at doing work on the ABC Highway. There are plans of moving that Highway into a four-lane Highway instead of the two lanes that now exist.

The four-lane Highway will be going from Sir Gary Sobers Roundabout down to the Bussa Roundabout. Presently, tenders are out for the consultants to do their work in there and, therefore, we envision that it would cost us approximately \$25 million to complete that project.

We have plans for the Hindsbury and Martindales Road areas. The Hindsbury Road is one of those roads that sits on the bed of the

Constitution River and sits on only mud and silk. That is a road that has to be rehabilitated before it can be paved. The design work has been finished. We went to the Planning and Priorities Committee (PPC) with it and are going back because we are wondering if we should go with a roundabout at the Eastmond Corner or with the traditional traffic lights. We are also looking at the possibility of going beyond there, up to Combermere, to Waterford Bottom and to the other roundabout. I am quite sure that it would be money well spent.

We are also looking at the Martindales Road area. That is a road which accommodates approximately 20 000 vehicles per day. That road too sits on the Constitution River bed and has springs underneath it. That road would also have to be closed down and ripped apart. We have to consider doing a considerable amount of remedial work there. The adjoining roads around the Bridgetown Bypass Road are all completed.

Mr. Speaker, I want to mention to this Honourable Chamber that this Government has been in power for two terms and that at no time has one seen an increase in bus fares, water rates, increase for driver licenses or drivers permits, road tax, et cetera. Sir, we have not done any of those things. People talk about a recession and we know that we have been through a recession but were able to ride through it without coming to the people of Barbados and giving them additional taxes.

Mr. Speaker, I also want to say I am happy to know that we are having \$15 million allocated to the National Petroleum Corporation for the provision of natural gas facilities to over five thousand homes.

Mr. Speaker, I want to say that the people of St. Michael West Central would also be recipients of natural gas. There are some areas in St. Michael West Central that already has

natural gas but there are others, for example, Melvin's Avenue, Belfield Avenue and Seclusion Road, Black Rock, that will now be recipients too.

Mr. Speaker, during the time of the Bridgetown Bypass Road Project there are a number of roads, for example, St. Stephens Hill, Clevedale Road, Seclusion Road, Wavell Avenue, Fairfield Road, Spring Garden, Danesbury, that all took a beating because of the heavy traffic having to use those roads because the Black Rock Main Road was not in use.

I want to say that work has already started. Both Deacons Road and Goodland Road have been rehabilitated. We have now started work in St. Stephens Hill and Clevedale Road. The people of Seclusion Road will get theirs as soon as natural gas goes into that area. There is no sense in paving the road and then having to cut it for the natural gas to be put in.

I also want to say that there are people living in Upper Wavell Avenue who are having a road for the first time. There are approximately 50 houses that are between Odle's Road and Hinds Road and they too will be the recipients of natural gas.

Sir, I also want to say to the people in St. Michael West Central that Government will be providing 41 house lots in the Grazettes area and over 40 in the Marshall/Parris Gap. We have already constructed a new concrete road there to service those lots. A new concrete road is also going to be constructed in the Roger's Quarry area.

Mr. Speaker, by and large, I believe the Budget was a good one. It is a Budget that has seen the Prime Minister coming to sustain this country, that we will be going from strength to strength. I want the people of Barbados to know that we have embarked on and have done

well with this Road Rehabilitation Programme. We do apologize for any delays or inconveniences that we have been having but at the same time, it is a price we all have to pay for progress.

Mr. Speaker, I am much obliged to you.

6:45 p.m.

Thursday, October 24, 2002

Hon. N.A. LYNCH:

Mr. Speaker, I want to begin as is customary and has been done by most Honourable Member who spoke before me to thank the good people of St. Michael South for the confidence that they have in me by sending me to this Honourable Chamber to represent their interest.

First, I want to offer my compliments to the Minister of Finance. Yesterday afternoon the Honourable Member for St. John spoke about the concept of dutiful support for the Prime Minister Financial's Statement and I want to say that the only thing I am duty bound to do in here is to represent the people of St. Michael South and the people of Barbados as faithfully as I can.

Sir, I support this Budget because of the comprehensive nature of the presentation and because it shows responsibility and a certain level of caution. It was also developmental in terms of building future capacity for this country and protective of us as a people.

It is the type of prudent approach that we expect in this country from our Minister of Finance and this is the hallmark of this Prime Minister, this administration and this Barbados Labour Party.

Sir, a number of principles were outlined in the proposal by the Minister of Finance which I

think are worthy of repetition because I believe they will set the context in which I will have my own sectoral discussion as the ultimate steward of the Ministry of Tourism.

Sir, I do not intend to rehash any of the policies and proposals because I believe the economists and would-be economists in this Chamber have already done so but it is important to note that we live in a small open economy that is vulnerable to external shock and, as such, there must be strong adherence and observance of the fundamentals along with a prudent fiscal policy if we are to continue to grow as a nation.

Sir, in that regard it is important that there must be protection of our balance of payment position, the maintenance of a low fiscal deficit as a percentage of our Gross Domestic Product as we continue to build a new Barbados.

Sir, every ten years we seem to go through a cycle where after six to eight years of positive growth there is a downturn in the economy but how the downturn is managed is critical to our survival. Sir, 2001/2002 is not different from 1981 or 1991 but in 2002 we have a sound balance of payment position that allows us to utilise our reserves to build more capacity for Barbados, that allows us to ride out the recession to maintain the standard of living to which we are accustomed and protect those most vulnerable in our society.

Sir, we have looked after the aged and the poor in society and this is sterling in terms of the performance of this economy even in some of the most difficulty times that we have ever passed through. As a responsible Government we have admitted that there has been a downturn in the economy and that real GDP has declined. This can partially be explained by the weakened world situation to which we relate. Sir, GDP recovery is dependent in great measure on the pace of the turnaround of the

major economies to which we relate, is based fundamentally upon how we are able to revitalize the product sectors in the short term and sustain them in the long term.

The Honourable Member for St. John said he does not live in any sector but we must live in, by and through all of the sectors and we must relate to them in terms of being able to revitalize the economy and put it again on a sustained growth path.

Sir, yesterday, I was reflecting on how a poor man could become rich. I believe we can create all the educational opportunities available to Barbadians through all our programmes but, at the end of the day, our productive sectors must be firing at full steam because we need cash to care. The only way that poor people could be placed in a better situation is if we look after our productive sectors.

Sir, even in this negative context there is good news because domestic savings are up, employment rates have remained very stable, inflation has been stabilized under three per cent, interest rates are at an all-time low and the growth path has been restored in the third quarter of this year.

Sir, it is important that once our sound macro fundamentals are carved out, we then need to look at the micro level. I also believe that our major productive sector, tourism, may be more vulnerable than all the other sectors which were spoken about earlier. There are numerous global challenges affecting the tourism industry at this time and tourism is more likely to feel the impact more seriously and directly than any other sector of our economy.

Sir, there is recession in the major international economies which are our source of tourists. There are prospects of war. There is global terrorism or bad behaviour as the

Honourable Member for St. George South puts it, consumer confidence has been shattered globally but mostly so in the United States of America and then there are the effects of trade liberalisation which have totally altered the trading platforms on which we do business. Sir, all of this is going to adversely affect the tourism sector.

We need, as a Government, to give the tourism sector the best possible opportunity to perform positively and to develop in this negative environment. We have to utilise our existing position to reduce cost, to assure people of a reasonable return on their investment and to fuel new investments in the tourism industry.

Sir, this Government has been more than prudent in the way it dealt with the productive sectors and even more prudent in terms of how it dealt with tourism. After September 11th event, the first thing the Government did after the consultation was to create a price support mechanism for those businesses in the tourism and accommodation sector. We understand that the ancillary sector is also important but we also understand the accommodation sector is the one which provides the base for the ancillary sector to perform.

Sir, September 11th did not start the downturn for our economy in terms of tourism sector in this region. I am most upset when I hear people like the economic guru in the Other Place, the President of the other Party constantly speaking about the structure of the tourism industry and about the things we are not doing. Sir, he sat on the board of the Barbados Tourism Authority and the Central Bank of Barbados and this industry started to show changes in structures that have affected the industry and the lost of market share.

I will relate to you a number of areas in which this industry has changed and what we

are doing now. Sir, during the Democratic Labour Party's time they concentrated only on the marketing side of the tourism industry but they never sought to change the structural base upon which tourism performed and this is the reason why we are in trouble today.

Sir, there is a volatile airline industry which has seen the consolidation and mergers of major airlines to the detriment of small regional airlines.

There has been the loss of inventory controlled by us in the Caribbean because of horizontal and vertical integration in the industry.

There have been technology shifts in the industry because of advancements.

There has been an altered insurance environment which makes it more costly to be able to receive insurance.

There is a dynamic marketing environment which speaks to issues relating to niche markets and the like. There is an emphasis on wide and general production development, on the environment and on how the tourism industry is built.

Sir, all the gurus, economists and tourism experts never sought to respond in a comprehensive way to the structures that changed in this industry in the last decade or so.

The first thing this Government did was to restructure the industry to give enterprises and the industry in general an even chance for survival through the New Development Act, 2002. This offers a new and attractive environment for tourism.

6:55 p.m.

Thursday, October 24, 2002

Continuation of Hon. N.A. LYNCH:
Hon. N.A. LYNCH

Sir, I believe that it offers a new attractive environment for tourism. I would like our people to hear what people are saying about our piece of legislation. They say that it is the most revolutionary and complete piece of tourism legislation that has been passed in this region in a decade.

Sir, we repealed a 1955 Act that had a few minor amendments over the years but this is an Act that was passed in this Chamber before I was born. I am saying that there is no activity that will be going on in this century at this time that can relate to a 1955 Act. I find it difficult for this to be so in terms of a productive sector where the environment has been drastically altered.

Sir, we have broadened the range of incentives offered to the sector. We have extended concessions to the ancillary sector for the first time ever in Barbados. Any ancillary outside of the hotel can now get concessions to move their businesses along. The beauty of the Act is, it can be amended to include non-traditional activities which we never had before.

Sir, there are several features which include duty-free importation of supplies for hotels, restaurant and villas. Income tax concessions are also included for expenses relating to training, marketing, environmental protection et cetera. There is also a write-off of capital expenses for up to 20 years, as provided under the Act.

In addition, we have created a more sound environment for the sector to perform. Additional marketing resources have been given to this industry. The tourism industry

has been given first priority on any resources even when Government's revenue is under strain and stress. We have given airline support for market diversification. Mr. Speaker, the concept of giving an airline support is not giving an airline money but the guarantee of a certain number of seats flying out of specific markets into Barbados to ensure that those planes are kept flying. If you live on an island and you do not have airline life, you are a prisoner.

Asides

Hon. N.A. LYNCH:

Therefore, it is important to understand that the first method of attack is to have airline life and we have done that.

We have been able to have discounted programmes and it is probably the most talked about programmes on both sides of the Atlantic, the 'Best of Barbados Discount Programme' and we have set up advertising in our major markets.

Sir, I heard the Honourable Member for St. John talk about bailing out passengers and who is going to bail out the small businesses. Sir, bailing out passengers is what helps to bail out the small businesses. The Honourable Member for St. John talks with a lack of understanding of all matters pertaining to the economy and he does not have a clue. I now understand what we would have gone through during the early 1990s with him as the Minister of Finance. He spoke predictable nonsense yesterday; that is my euphuism for some other words that I cannot say in here.

Asides

Hon. N.A. LYNCH:

Sir, we have to bail out the passengers because we are in a buyer's market. Every other long haul destination is offering discounts

and in some cases higher than ours. Sir, because we operate on an upscale basis, it means that we have to match what is happening in the marketplace.

Mr. Speaker, our balance of payment is good. Even if we spend a few million dollars to be able to get some rebates on tickets, the people are coming to Barbados. They come to Barbados and they spend money in the restaurant and hotels. We agree, and I agree as a marketing person, that discount programmes are not saleable. However, they build customer loyalty, that is important because we expose the customer to the product, and if we do our advertising correctly, we will continue to maintain the level of repeat customers as we are accustomed to in Barbados.

Sir, the productive sector must be revitalised and tourism must do that if you exist in a huge market. Our efforts will come to naught in this country if the product is not correct and if the overall product is not conducive to people coming to Barbados, wanting to stay in Barbados and wanting to return to Barbados. Therefore, the \$150 million Bond that is going to be accessible by the Barbados Tourism Investment Inc., is more than welcomed by those in this sector.

We have also felt in the Ministry of Tourism that product development, in its broad sense, is the major key for Barbados to move to the next level. There are other variables that are important in terms of moving our tourism industry forward. Let me say that our broad product base is really the platform on which we intend to continue to build this tourism sector.

Sir, we are talking about the overall physical plan, people and their attitudes to their fellow man, first, and then to the tourists that visit our island. We are talking about basic cleanliness and hygiene in Barbados. I would agree with one thing that the Honourable Member for St.

John said yesterday and that is, we need to clean up our city. I have no problems saying that we need to clean up our city.

Sir, if we intend to continue to market an upscale tourism product, the only way we will be able to do that effectively is by having a clean city. Countries are judged by the quality of the cities and it is important that we concentrate specifically on dealing with our city. Our people's attitudes, particularly our frontline people who deal with tourists every day, Immigration Officer, Custom Officers, 'Red Cap' and people who work in the stores, are the people that have to change their attitudes. We start to change our attitudes by how we relate to each other as people, not by how we relate to tourists.

Sir, my Ministry has started to work with the Sanitation Services Authority (SSA), the Government Information Service (GIS) and the Royal Barbados Police Force. We first need to change the attitude of Barbadians to their environment.

Sir, our project development programme will show that we have started some work in the city with the deployment of receptacles and increase Sanitation Services Authority personnel. I believe that we have to start enforcing the law as it relates to the environment, litter et cetera. We need to make examples of people if this product development programme is to succeed.

7.05 p.m.

Wednesday, October 24, 2002

Continuation of: Hon. N. A. LYNCH

The Prime Minister and Minister of Finance also spoke of the major elements intended for this Project Development Programme:

The dredging of the Careenage

Independence Square upgrade to make it a better civic space.

Road improvements in and around Bridgetown and in the major arteries leading into Bridgetown. The Honourable Member for St. Michael West Central spoke of these issues.

The second phase of the street scape of St. Lawrence Gap. St. Lawrence Gap, Sir, is fundamentally vital to how we deal with our Tourism Industry.

Speightstown redevelopment, which will begin by the end of this year.

The redevelopment of the Grantley Adams International Airport.

The refurbishment of the Bridgetown Port.

The employment of additional personnel, where necessary.

Sir, those things have already been discussed, for example, in terms of customs with the Ministry of Finance and in terms of immigration officers with the Ministry of Home Affairs.

Sir, there are going to be substantial technological upgrades as well, at the GAIA. There will be the use of new technology and biometric technology to be able to get people through our country, in the most congenial and most effective and welcoming way, thus giving them an opportunity to return to our shores.

In addition, Sir, there will be signage upgrades all across our country, historic and otherwise. There will be new insurance arrangements because one of the things that this sector suffers from is that insurance is not easily accessible.

There are two ways to further develop the tourism industry. One is by market diversification, opening up markets that we have dealt with, in terms of the change and the structure of the industry through new airlines and markets. The other is product diversification. As the Prime Minister and Minister of Finance said, we believe that boating and yachting are natural with our upscale image. We should stop making excuses for this. Barbados is an upscale destination, full stop, but that does not mean that you disadvantage smaller players or budget players in the industry.

Barbados has a certain appeal and people at the Budget end want to aspire to that level. If there are people who say that they do not understand that, they should ask the people in Great Britain.

Some people thought that when Barbados opened up a charter business and brought Air Tours and other chartered companies here, that the man who was coming on the Concord and travelling first class on BA would have met his gardener or someone of that status in the arrival hall, and then he would not have wanted to come back to Barbados the next year. We have proven all of them wrong. The gardener wants to come because his boss is coming.

The point is, Sir, that we have been able to use that as an asset. We should stop making excuses because of our educational system and our labour costs, certain input factors that we cannot easily control. Barbados is an upscale and upmarket destination.

Sir, there have been specific initiatives for boating, yachting, improved institutional arrangements and facilitation, as emphasised. Also, there have been areas in terms of improving the marketing.

Sir, this is what we intend to do for the boating sector. The procedures for checking in and out will be reviewed in relation to improving their efficiency and the use of standard international practice for boats arriving outside of regular customs clearance hours will be re-emphasized. Consideration will be given to standardisation of clearance forms for custom, immigration and the like. Consideration will also be given to the introduction of cruising permits. A Barbados cruising guide will be compiled to be distributed internationally. We will have attractive information by all of the electronic means. Advertisements will be done through the Barbados Tourism Authority in major boating and yachting publications.

Sir, we intend to create Barbados as the boating and yachting capital of the Caribbean, bringing ourselves in line with some of our neighbours. Sir, in terms of its linkage through the tourism sector to the accommodation sector, this will create close business relationships between ourselves, the boating community and the land based community.

Sir, the tourism industry asked for additional relief from the VAT. Let me say that again the economic guru from the Other Place spoke about the relief of the VAT on this sector. The VAT which is taken from the hotel sector every year falls somewhere in the region of \$20 million. This year, we have spent over \$60 million on the Barbados Tourism Authority which is their budget to be able to put Barbados in the right position.

Sir, no sensible and prudent Minister of Finance is going to tamper at this time with the VAT rates, knowing that in another 18 to 24 months, a lot of the revenue that is available to Barbados, in terms of meeting our obligations under the new trading regimes and trading liberalisation initiatives are going to remove a number of the taxes that Barbados is

accustomed to, in terms of import duties, environmental levies et cetera. Therefore, Sir, we have to ensure that our revenue is stable.

Sir, this industry will also feel further relief through telecommunications liberalisation. We should be able to see more relief coming to the tourism sector. The Corporation Tax relief is not for one sector only, it is for all the sectors, so tourism should also see some relief from that tax.

Sir, the general product upgrade all over Barbados would allow for greater investment in our tourism sector. The insurance facilitation will allow us to have a better opportunity and so will the boating and yachting initiatives.

While the people on the Other Side, Sir, say that the things are closing down, I have on my desk, as many as 16 new applications for refurbishment for both the accommodation sector and the ancillary sector, in terms of restaurants and the like.

I believe that this industry never had it so good from any Government administration in its entire history. Sir, I repeat, no administration has ever done as much for the tourism sector as this administration has done between 1994 and 2002.

Asides.

Hon. N. A. LYNCH:

Sir, we have done all in our power that legislatively and regulatively we can do to create the best environment for tourism survival and performance.

There are a couple of other things like the food and beverage study but labour cost has to be dealt with through its own mechanisms in the industry for negotiation.

Sir, marketing increased and all this have

resulted in three months of steady growth for the industry.

I would to say, Sir, on a parochial matter that I believe that all politics are local politics. Therefore, what is happening at the Hilton, Cacrabank, Asta, Coconut Court and Coral Reef will help the people of my constituency.

Sir, I give my support totally to this Budget. Sir, when I listened to the Honourable Member for St. John, I hate to say, I told you so, but this was predictable nonsense that we heard. I wonder about the alternative proposals that he put on the table. He went by so fast that I do not think that he believes in them. There are three different positions coming from the three people who pretend to be leaders of the Democratic Labour Party. I sometimes wonder whose policies the Honourable Member for St. John is putting forward, those of the Honourable Senator, the other alternative leader. Whose position is he putting forward?

One of them lives in another world. The Honourable Member for St. Lucy, he may be from a different species or planet...

Asides.

Hon. N. A. LYNCH:

Sir, I heard the talk about instant gratification and election speeches but I want Barbadians to understand what they have gone through. Anytime the election is called, what it is about is who is best able to manage your affairs in the bad times and in the good times...

Asides.

Hon. N. A. LYNCH:

Sir, it is about which Government is best able to do that and if you could stack us up against the other side and you could prove it.

There was a man called Peter Scarlet, a

raggae singer from Jamaica, he used to sing a song called, "Love me for a Resolution reason." I do not want you to love me for anything else. I want the people of Barbados to love us for a reason and that is, we are the best alternative for moving Barbados into the Twenty-first Century at the highest level.

I am obliged to you, Sir.

SUSPENSION OF SITTING

Hon. Miss M. A. MOTTLEY:

Mr. Speaker, I beg to move that this House be now suspended until 800 p.m.

Hon. R. N. GREENIDGE:

I beg to second that, Sir.

The question that the House be now suspended until 8:00 p.m. was put and resolved in the affirmative without division and Mr. SPEAKER suspended the House accordingly.

7:15 p.m.

Thursday, October 24, 2002

RESUMPTION

Mr. SPEAKER:

This sitting is resumed.

Mr. D. St.E. KELLMAN:

Mr. Speaker, I rise this evening to speak on the financial statement that was laid in this House on Tuesday afternoon.

I want to start my presentation by looking at page 29 of the report that was laid in this Parliament. It says here and I quote:

"The Government's debt to GDP ratio has increased to 72.8 per cent in 2002. It is the

Government's intention, therefore, to reduce the debt to GDP ratio over time to around 60 per cent to conform with international standards".

That is a rather significant statement because as it stands right now the Growth Domestic Product (GDP) of the country happens to be \$5 198 626 300 which means that if the national debt is 72.8 per cent of GDP, then the national debt stands at \$3 784 600 000. In order for that debt to be reduced to 60 per cent, it means that the debt would have to come to \$3 119 175 700 or the GDP would have to increase to \$6 307 666 600 which means that we have two ways to reduce this. We either have to increase our productivity or reduce the debt, but it is impossible to reduce the debt of one's country without increasing the productivity which means that we would have to make some bold decisions in reducing the amount of money we spend on imports.

This tells me that in order for us to achieve what we are expecting to achieve in this Budget that we would have to seriously turn tourism around or we will have to do something about agriculture whether it be cotton or sugar.

Now that I have mentioned that, I want to pause here and deal with a particular statement that was made by the Prime Minister when he said that he expects cotton to replace sugar. I want to warn the Prime Minister of Barbados that I would have preferred if he had said to this House that he would like to see the cotton crop increase to such a capacity that there can be a relationship with the cotton crop and the sugar crop because anyone who understands the environmental problems of the industry would tell you that it is very important to have the sugar industry. Those who understand the importance of the foreign exchange to Barbados from the sugar industry will tell you that even though we make a loss on our sugar production internally that we make a gain

externally. In other words, the amount of foreign revenue is greater than the inputs. That is fact and no one can dispute that. We make a loss on the internal position but not on the external position. I am saying that we can have a sugar industry along with a cotton industry and that will be the best mix for this country.

Sir, I admit and accept that we have to do something about the GDP. We need to increase the GDP but we also need to reduce the debt. I agree with that. However, in order to reduce the debt we must increase capacity, which is exactly what I have been saying in this House for the last eight years. But how can you reduce the debt and increase capacity when you have not looked after the interest of the workers in this country. In order for us to achieve what we want, we must first bring the workers on board and make them happy. If you were to carry out a survey in Barbados today you would see that the workers believe that they have produced but that they have not been given what they deserve. That is why I am saying that in order for us to achieve what we want in this Budget, we must not only take the private sector on board but we must also take the workers on board.

We have to understand that we must move away, I will repeat this as long as I am in this House, from pay as you earn to pay as you use, for the simple reason that we must find a way where we can reduce the cost of production in this country. Once a worker has a job that worker is prepared to work in that job for X amount of money providing that that job can also come with a counter-balance where he or she is able to increase his/her disposable income in terms of a reduction in taxes. That worker, if he or she receives a reduction in taxes will be quite prepared to go elsewhere and moonlight at a reduced cost. What effect will that have for the economy? This means that the productive sectors will now have an opportunity to get labour at a cheaper cost

because that worker is just looking for X amount of money along with the reduction in taxes that have been offered so that the worker can become a happy worker.

We must also allow workers to want to work and work and work but as the system stand right now you have workers who work for 40 hours and produce what they have to produce because there is no incentive to do other work because they see the tax man as an enemy. Let us take the workers in the public service as an example. There are no incentives for public servants to want to do anything else because the system is slanted against them because the laws as it relates to the public service state that public servants cannot have another job as they like. That is the first system that has to be changed because if we are going to increase the GDP of this country we must allow the public servants, who leave work at 4:30 p.m. and who have the knowledge and the capacity, to generate not only other employment for themselves but to be able to generate employment for others within the villages.

We must also allow the professionals to operate at their true capacity. Right now because of the system we have, we are not allowing our professionals to operate at their true capacity because they too are scared of the tax man and instead of working additional hours they are going home to cut their lawns and do other things when they could have easily been working in their professions and increasing their capacity and creating more employment by doing longer hours and allowing the guy who would normally cut the lawns in the villages to go and get a job cutting lawns. But we are having professionals going home and deciding they are going to do everything in the house when they should be giving that work to other people. That is simple economics.

The Honourable Member for St. Michael

South said that I am simplistic and that I am from another world. That is so because my thinking is different from his and I have the capacity to understand these matters better than he does. Mr. Speaker, this economy had certain problems in the early 1990s but it has been stabilised. However, we still have to restructure this economy and the first thing we have to do is to restructure the tax system because it also means other things for us. If we do the necessary restructuring within the taxation system the charges that the Organisation for Economic Cooperation and Development (OECD) and the other organisations are making against us they will not be able to make. We have to understand that as long as our taxation system appears to be slanted in favour of foreign companies we are going to be accused and we are going to lose business. It is in our interest to maximise local production and at the same time attract investment for this country. So if it means changing the tax system for this to occur, we will have to do it.

We have to understand that we are fortunate because when one looks at page 75 of the same budgetary proposals one would recognise that we have excess liquidity in the banking system and at the same time our foreign reserves are high. What is amazing about this, Mr. Speaker, is that the other side is always telling us that in 1991 we did not have foreign reserves or the liquidity and that we could not do certain things. That is true.

8:10 p.m.

Thursday, October 24, 2002

Continuation of Mr. D. St. E. KELLMAN:

Mr. Speaker, in 1991, we had neither the foreign reserves to play with, nor the liquidity but what is interesting is that the present

Government has the foreign reserves, the liquidity and also the capacity to borrow but what are they doing? They are not taking the bold steps that are needed to be taken in the economy at this time.

Sir, if one has to have an operation, one does not take that operation when one is at one's weakest but at one's strongest, therefore, if the liquidity and the Foreign Reserves are there, then it is time for the operation. They cannot continue telling the DLP that they have misused the 1991 situation when, in truth and in fact, they have admitted that we did not have the elbow room with which to play that they now have. They have the elbow room and should use it because if they do not use the elbow room, they are going to find that they would have had a golden opportunity to restructure the taxation system, to increase the capacity, to increase the GDP and they would not have done it.

I will make the point that fortunately for the BLP there is also an interest rate system in their favour. They have low interest rates, which means the capacity to borrow on the local market is good also. If the capacity to borrow on the local market is good, it then means that the cost of doing business in the country would have to be reduced, not only for the public sector but for the private sector.

Therefore, are you going to allow this money to remain in the banking system where there is nothing to do with it, or are you going to make the necessary amendment that I have been asking this House to make since 1994? That is, to amend the Companies Act and tell directors when they should pay dividends to shareholders Sir, as long as that is not done, people are going to find themselves in a situation where they are not going to be inclined to invest the money that is in the banks, even though the interest rate is low, because they would have had no confidence in

the directors. Sir, we need to change the economic climate in this country.

We, as a Parliament, have passed the Money Laundering Act, which means that companies and individuals who previously had the capacity to move large sums of money from Barbados ... people believe that when one talks about money laundering, they are only talking about money which comes in. We have to understand it also means money that is going out. It means that there is going to be a supply of money that would normally go out that we would also have in the system. What are we going to do with that money?

We have to create the climate for business people and individuals to understand that they have a role and that they are part of the economic growth of the country.

Sir, I would say that there is no economist in here who could challenge me on what I am saying because if one truly understands economics, they would agree.

Sir, we are now at the saving aspects of it and we now need to make the next aspect of it. We need to move from savings to investments and the only thing that will allow the country to progress will not be the savings but the investment because it is from the investments that we would be able to increase the GDP.

We need to understand that what are needed are real decisions and if the BLP does not want to make them, then we on this side are prepared to make them because we understand exactly what we have to do.

Asides.

Mr. D. St. E. KELLMAN:

I am saying we even have another problem with our economic policy. Approximately five to seven years ago, we invited returning

nationals to this country. This is a good source of foreign exchange which we do not have to look for to service that particular investment. When returning nationals come to this country they bring in foreign exchange.

I remember when I spoke on this I had impressed on the Government the importance of the inflows that would come from the returning nationals, how that would be able, if managed and planned properly, to stop us from having to borrow on the external markets, what is called cheap foreign reserves.

Sir, what has happened is that, instead of the Government taking the suggestions that were made by me, we are now having the reverse happening where returning nationals are coming and are recognising that the climate is not good for them and are going back.

Sir, what I am proposing - and I will for the last time propose - is that I honestly believe that in the same way one could go on the capital market and could borrow money at the rates at which they are being borrowed, they could pay the returning nationals the same amount. When one services the money that these returning nationals bring into the country, it is done in local currency, whereas a foreign debt is serviced in foreign currency.

Aside.

Mr. D. St. E. KELMAN:

It is not a debt. It is like capital in one's country. That is why one has to understand what one is dealing with and understand the suggestions that I have been making to this Parliament and to tap into them.

Sir, no returning national should be allowed to leave their money in London because of an interest rate. We need to better the interest rate they are getting because we need to appreciate what they are bringing for us. There is no local

person who can bring foreign exchange to us like these returning nationals can.

Sir, I know there are people who are going to be arguing that, in the same way the returning nationals will be getting a higher interest rate, they should be getting a lower interest rate too.

Sir, we have to understand that we have to look at the opportunity cost of that investment and to exploit it. Earlier when I said do not only stress the importance of bringing back cars or furniture but to stress the importance of the capital that they are bringing back to the country, people ignored that. We have to understand that, at the end of the day, it is the foreign exchange that we need.

Today I am asking those persons who went marching up and down Bridgetown in the early 1990s, to look at the economic situation as it now stands, to look at the one that was marched against and tell me whether or not that decision in the early 1990s was good for the country.

I am saying that if the foreign reserves were supposed to be at \$11 million, how could any group of people go marching against a Government when the negatives were there but now that the positives are there, people are not even opening their mouths.

Aside.

Mr. D. St. E. KELLMAN:

I am shocked that the Honourable Member for St. Philip South would tell me to deal with the Budget when everybody understands that I was quoting from a particular page of the Budget in making my particular point.

It is obvious that in order to improve the manufacturing sector in a country there must be foreign reserves and liquidity in order to be able to import inputs for the manufacturing sector. Therefore, I do not understand why a

known economist, or an economist who I thought was known, would have made that particular point to me. I have always credited the Honourable Member for knowing economics but he has slipped on this occasion.

Sir, we also have to look at it from another perspective and that is, that globalisation was not by accident. Globalisation is about having a larger market share. The people who came up with the concept of globalisation did not put that in place for us but for themselves, therefore, we have to find ways to counteract globalisation. That is why I came with the suggestion to this Parliament that we need to stop those vendors who market local produce from applying for licenses so that any vendor who drives around Barbados and sees a farmer with produce, should have the capacity to buy and to help market those produces.

8:20 p.m.

Tuesday, October 24, 2002

Continuation of Mr. D. StE. KELLMAN:

Each one of us should be marketing the products of the producers of Barbados in the same way we market the products of the foreign producers.

Sir, a man who markets vegetables and fish should have the right marketing tools in terms of the right vehicle to be able to move his fish around so that if there is a good catch in Half Moon Fort or Six Men's and the fishermen at Oistins did not have any catch, that fishermen should have the necessary equipment to move that catch throughout Barbados. This means that in times of plenty they will be able to spread the catch and the fishermen will benefit from it. Sir, that is simple economics that other people make look hard while I make it look easy.

Sir, we have to appreciate that a farmer is a professional, that the same way that lawyer wears a jacket and is called a professional, that the farmer also adds to the economic benefit of the country and we should provide the necessary incentives to enhance the lives of the farmers in the same way that we do for the lawyers and doctors.

Sir, if the fishermen were putting flesh on the table, we would not have to go to the supermarket and buy foreign meat. Why can't we appreciate those people for the job they do? And, the hawkers are extension of the fishermen and farmers and must they be given duty-free concessions as well. They should not have to beg to get a duty-free van to market their local produce when the people who market the foreign produce get concessions. Sir, we have to learn to appreciate what we have in this country.

Sir, we introduced VAT in this country but we have not appreciated the beauty of the VAT system.

Asides.

Mr. D. St.E. KELLMAN:

Sir, everybody knows that the VAT was an initiative of the Democratic Labour Party and I have no apology for making that statement but it is one thing to introduce something and another thing to know how it works.

If we fully understood the VAT system, I would not have to argue today about whether or not we should deal with the direct taxation. I have said already that this economy is in trouble because it is like a car going to the gas station and filling up with gas and diesel at the same time. Sir, the Honourable Members on that side should be tired of hearing me say this but I will explain it again.

The Government has been able to get the revenue needed from VAT. They know that the VAT can work and they have also been able to counter the VAT, yet the employees of Barbados are being choked with two tax systems at the same time. There is no reason why the direct taxation should still be operated when the Government can do whatever it wants to do with VAT and use the reverse credit but, Sir, the Government introduced VAT but they do not understand the power of the reverse credit.

Asides.

Mr. D. St.E. KELLMAN:

The reverse credit is a good economic tool to look after the masses in this country.

Sir, the pensioners work and built this country and they should be receiving the reverse credit. Nobody can tell me that this argument is wrong because most of the pensioners would have worked in the fields and built Bridgetown.

Sir, the excuse cannot be that there is no formula to work with. If increasing the VAT is going to impact on the middle income the reverse credit should be used to include the middle income people too and those who say that direct taxation cannot be got rid of are talking utter foolishness.

We have witnessed that corporation tax can work to the benefit of some companies but people who are ignorant to how corporation tax works usually end up paying too much. I believe that there is a simple way of dealing with the corporation tax as well which will stop the OECD from calling us a tax haven.

Sir, instead of taking tax on the profits, a small charge should be made on sale, recoup the revenue that may be lost and then make it a monthly charge. This means that companies

will have to work harder which is the exact result we require. This is also simple way to get companies to invest. This means that workers will work harder and companies will have to invest. These are two economic tools we can use to get the required effect we desire from the economy.

8:30 p.m.

Thursday, October 24, 2002

Continuation of Mr.D.St.E. KELLMAN:

Sir, the impacts on the masses would not be as great.

Sir, I am also happy as the Parliamentary representative for the constituency of St. Lucy, I was able to put a proposal to the Rural Development Commission, which was accepted, and if other Ministers do allocations for all the constituencies, there will not be any bellyaching. I have seen the Rural Development Commission using that proposal because I have received two roads, street lights and some repairs were done to some homes in my constituency.

Asides

Mr.D.St.E. KELLMAN:

Sir, I am saying that in the same way that the Rural Development Commission can do this, I do not understand why the Ministry of Transport and Works cannot do likewise. One year the Minister said that they were going to repair the road from Connell Town to Crab Hill and from Connell Town to Benthams, now today I am hearing about Chance Hall. Sir, what madness is this? Sir, the Minister is not consistent with anything that he says in this Parliament.

Sir, the Minister of Sports went on a tour of my constituency with me and he promised a pavilion at Salmon, some additional roads at

Norse Terrace and to deliver some lights at Checker Hall. I want to remind him that he also promised me some lights at Lowlands, the Charles Griffith Centre, and some hard courts. I want to remind the National Conservation Commission that I am still awaiting the final plans for the park at Checker Hall.

Sir, development in St. Lucy is not only at Harrison Point. I have been calling for the development of Harrison Point for a very long time. I would like to see the North Point location better utilised to bring more tourists to the north of the island because the Harrison Point project and the North Point projects go hand in hand.

Mr. Speaker, when the former Naval Base is developed, the investors at Sandy Lane will be jealous. When Sandy Lane wanted to bulldozed their property, I told them not to do that but to enter into an arrangement with Government so that they can build their new hotel at the former Naval Base and allow the one at Sandy Lane to continue operation so that the country would not be deprived for foreign currency. Sir, when they realise what a beautiful location the Naval Base is, they are going to regret the decision that they made.

I am saying to the Minister that there are some schools in the constituency that need repairs. I also want people to understand that because Moon Town is located at Kellman Road, it does not mean that road has to be bad. Sir, the name Kellman has to be respected and something has to be done to that road.

Asides

Mr.D.St.E. KELLMAN:

Sir, that area is now becoming the mega of St. Lucy. It is at the entrance of St. Lucy and should be an example of what St. Lucy should be like.

Mr. Speaker, we have to make the necessary changes in taxation so that we can put this economy on the right track. We cannot wait for three years for this to be done. It has to be done now because we have the tools that are required. There will be no excuse for any further delays after I have spoken in this Parliament regarding what should be done to correct the problems in the economy.

I thank you, Sir.

Asides

Hon. Miss B.A. MILLER:

Mr. Speaker, "Let no one fool you, I wished that I were able as the Minister of Finance who could usher in a new era of new employment opportunities in Government, new social programmes, paved roads in every tenantry, wage increases for public sector workers and the answer to every change, but we need to be careful and prudent, we need to let what we have done so far take root and work and dramatic changes will come in time. We need to do more before those reins can be loosened."

Mr. Speaker, Sir, those are not my words. Those are the words which are found in a document called The Financial Statement and Budgetary Proposals presented by the Honourable David J. H. Thompson, Minister of Finance, Monday, March 28, 1994, at a time when, according to him, the economy was much improved and the worst was past and all that was good was to come.

Sir, this was the same Financial Statement and Budgetary Proposals which introduced the concept of the VAT but the almighty saw fit, later in 1994, to bring the Barbados Labour Party to the reins of Government to save us from what Mr. Mascoll would have done with the VAT then. We would have had the VAT on baby food, medicines and a host of other items.

Mr. Speaker, I have to say that after all this time in this Honourable House, the Honourable Leader of the Opposition, a man who has been a Minister of Finance, totally misjudged the time in which we are living. He obviously had been prepared because I read his column after he made his speech but nevertheless, I read his column and it is clear that he had prepared himself for a Budget wish did not come.

Asides

Hon. Miss B.A. MILLER:

Sir, this statement which was made by the Right Honourable Prime Minister is described, on the face of it, as a Financial Statement and Economic Policies of Government. It does not say that it is budgetary proposals.

Mr. Speaker, Sir, several years ago, the Minister of Finance, who is our Prime Minister, made it clear that Barbados has to reposition itself in a globalised economy and that there were far-reaching visionary policies which would come to bear in the ensuing years and we are in those ensuing years. I do not understand why the Honourable Leader of the Opposition does not understand the point and he has simply failed to grasp what is afoot here.

Sir, the days of Budget Day meaning that you would have long lines at the gas stations and people would be forecasting the price of matches and how much duty would be placed on alcohol and cigarettes, those days are gone. The Minister of Finance has been saying that for some time. He deals with those things routinely throughout the year.

Sir, before we came in here earlier this week for this Financial Statement, there were adjustment to the land tax. We are doing business in a new way. We are in a new millennium. We are surrounded by new technology, thinking, trading arrangements and

it cannot happen overnight. I believe that the failure of the Leader of the Opposition to understand is wilful and deliberate because his statement of April 1994 said the opposite of what he said today. He said at that time that we need to let what we have done so far to take root and work and that dramatic changes will come in time. He said that we need to do more before those reins can be loosened. He knows better but came in here to grand stand.

Mr. Speaker, what was most amazing to me is that he never addressed these large and important economic issues which are the order of the day. The whole of Barbados must by now know that we are in the midst of trade negotiations. Barbados, like so many other countries in the Caribbean, finds that we are uniquely placed. We are negotiating in three separate theatres of negotiations at the same time. There is no other region in the world that faces this mammoth task and we are doing it with the slenderest of resources, and you have heard them spoken to in here.

Sir, earlier this year, in July, Barbados had its first ever trade policy at the World Trade Organisation and we were given an excellent pass mark. It was said that our trade policy review was a success.

8.40 p.m.

Wednesday, October 24, 2002

Continuation of: Hon. Miss B. A. MILLER

We have made the point time and again, Mr. Speaker, and I made it at the trade policy review to the World Trade Organisation (WTO) that we have to defend all of our trade policies, in light of what is in our best strategic interests

Mr. Speaker, we know that we have to manage the timing and phasing of our trade liberalisation. This started several years and it has been accelerating now. We know that we have no choice. The Minister of Finance said it in his Statement. What is going on at the WTO is not something from which we can absent ourselves. We cannot decide to opt out of it. Those countries which take that backward attitude are going to find themselves marooned on some shore and lost.

We, in the Caribbean have made our decision and are in the process now of implementing a single market and economy to better access these trading blocs, into which the world has already divided itself, and better allow us to negotiate.

In the Free Trade Area of The Americas, we negotiate as CARICOM. Nobody calls Barbados, Jamaica or Trinidad and Tobago. They call CARICOM and our chief negotiator is the one who will speak with the voice of CARICOM. We are hoping that we would do this with the Europeans. That process started at the end of September but let me deal with them one at a time.

We have just recently come back from Geneva trying to impress upon Dr. Supachai Panitchpakdi, who is the new the incoming Director General of the WTO, the vulnerabilities which are attached to small open economies like ours. Although he comes from the so-called developing world, he comes from a large country, Thailand. He needed to have a small group of Trade Ministers from the Caribbean to make him understand that at an early time, because everybody will try to get up to him, but we were the only group who did that and I gather that it was marvelled at that we chose to do it.

In the WTO, there is what is called the built-in agenda. Mostly, we are in the process of

negotiating agriculture and services. Everybody must know by this time, Sir, that services is the way that we have chosen to go. Mr. Speaker, that process has a time frame which goes down to 2005. Services are critical to us. This is a process in which we are not yet, I am sorry to say, able to negotiate as CARICOM, although where it is possible for us to speak with one voice, we do so but that has a time frame, particularly for services, down to 2005.

Agriculture is very important in this, Sir. There is no doubt that the agricultural sector for us is the most vulnerable. Indeed, you will see that in this financial statement, perhaps more than to any other sector, even tourism, I would venture to suggest, the Minister of Finance has given perhaps the most to agriculture. Its circumstances are going to be made even more difficult by these various trade arrangements, in all of the stages of negotiations.

There are going to be greater difficulties with the Europeans. We have already seen what is happening with sugar. The Australians and Brazilians have taken a certain position, familiar to us. We suffered it with bananas and now, it seems that sugar is going to be on the block. Mr. Speaker, agriculture is too vital to our way of life for us to lose faith in it or allow it to vanish. These are the words at page 31 of this Financial Statement.

Mr. Speaker, I always say it is critical to most economies. Everywhere you go in the world you see agriculture. You may go to the big cities and people are busy shopping and holidaying and doing what it is that they do but if you travel a few miles out of London, Washington or New York and you are into agricultural lands...There is a lot that is there for us in the non sugar agriculture. I am not going to into that because other Honourable Members have spoken about it but just to say that in the WTO negotiations we have that time

frame.

In the Free Trade Area of the Americas, the time frame is 2005. Very early next month we are going to be attending a ministerial trade meeting, all of the 34 countries of this hemisphere, that will look back on what we have done so far and find instructions for negotiations in the last 18 months tranche that will lead up to the end of December 2004 for a process that will come into being, a Free Trade Area of the Americas, in the year 2005.

With the Europeans, that process is going to start in January. We made the launch at the end of September, just a few weeks ago, and that process starts in January of 2003. There is a time frame there as well that goes to the end of 2007 for a new economic partnership arrangement, which will be quite different from the old LOME Conventions which were one way in a matter of speaking, the new arrangement will be a reciprocal arrangement and that also has a time frame.

I am saying these things in respect of the trade negotiations that I have spoken about many times in this Chamber, to make the parallel that even in those negotiations, you have fixed time frames and the process takes time.

Mr. Speaker, so too with this Financial Statement in which the Minister of Finance addressed important matters of tax reform, social securities reform, pensions reform that have, by definition, to be executed over a period of time. We are at a place in our development, Sir, where we cannot now have a Budget in the old Twentieth Century mode and sense that deals with matters over a financial year.

You are now looking at financial and economic policies which must, partly because of what is happening in the trade negotiation

arena and in other arenas as well, look much further down the road. We plan in a different way nowadays. The point was made.

We have to look at children who are in nursery schools now - because of what has happened in the Twentieth Century, and a great deal has happened in the last forty or fifty years in this little island - in terms of how our economy works, how our governance works and that pace is accelerating and becoming more and more rapid every day and every month.

I remember the years in here that we fought for new legislation in many areas. The Companies Act took some ten years for us to get it to the table in here. Less than twenty years later, we may well have to be looking at a new one again.

You heard the Minister of Tourism make the point that a Hotel Aids Act in 1955 cannot be relevant in the year 2000. Sir, do not let us forget that it was a Barbados Labour Party administration in 1955 that was far-seeing at that time, that put that Act on the books.

Mr. Speaker, in all of these major sectors we are in the process of even changing how the sectors work in our economy. I heard the Honourable Member for St. George South speaking to the future of agriculture and manufacturing as he saw it.

I see from my vantage point as a trade negotiator for Barbados that we have very difficult and important decisions to make about sugar. As indeed others in this region have to make about rice and have had to make about bananas or rather, have had it made for them about bananas. It is better that we take it in front before it takes us and that we make our decision about sugar.

I cannot imagine that for the rest of my

lifetime we can think that we can grow raw sugar for export. It is not going to happen, Mr. Speaker, but there are other niches. There is rum. Yesterday morning I was at the Accra Hotel opening a workshop, the rum and spirit producers of the Caribbean were there.

8:50 p.m.

Thursday, October 24, 2002

Continuation of Hon. Miss B. A. MILLER:

One of the development directors from the European Union Commission, Mr. Hamburger, was there and he was very helpful to us. This was after a struggle of many, many years where we finally got access to European funds which will help us now to brand our rums in the Caribbean. I like to think that Barbados is ahead of others in this regard and even the Minister of Finance did not forget rum in this Financial Statement. They were pleased when I drew it to their attention that he had given permission for a new still at the West India Rum Refinery which would increase their production by 50 per cent.

We have to look for those niches. We have to make decisions about sugar for domestic consumption. We have other considerations to take into account. We do not want Barbados to become like other places in the world that have moved away rapidly from sugar and turned into a wilderness. This is not compatible with the kind of landscape which the tourists will find attractive. All of these are considerations but they do not happen overnight.

Decisions that the Barbados Labour Party took as an administration in the 1970s and the 1980s are now bearing fruit. I well remember when we took consciously the decision that the financial services sector was the route that we were going to take with the rest of the world.

We were on the Government benches at the time and the then Opposition which is the now Opposition criticised us bitterly and said it could not be done and every obstacle was put in the way. We came back to Government and we built it up to where it is now but it is not an easy passage.

At every turn, the Organisation for Economic Cooperation and Development (OECD) is seeking to drive that offshore business from them, which comes to us, back onshore to themselves. They have taken the attitude that there are many ways to skin a cat. If they do not get us one way, they are always looking for another way to see how they would get us. They are never going to finish with us. Too much of our energies have been taken up over the past two years or so fighting back when we should have been investing those energies and those resources into taking our sector further and more resolutely forward and putting ourselves in a state of readiness for these negotiations as well, but I have confidence that Barbadians understand. There are technical matters that will go over everybody's head but Barbadians do have a grasp and an understanding that they are living in a time of surging and sometimes turbulent change and that we have to keep our heads above the water.

The Leader of the Opposition spoke about a man in a swimsuit, I am still trying to work out that analogy. Asides.

Hon. Miss B. A. MILLER:

I do not know why my being in a market would have attracted him, but he put me in the wrong market. I would not be in the Eagle Hall market, I would be in the Cheapside and the Fairchild Street markets seeking to do the very things that he said I was doing so that when the markets are finished you would not find that something is not working as it should. I took the Minister of Agriculture to say that this is how it must work and he is quarrelling about

me having a handbag over my shoulder. I would get him a handbag for Christmas.

Asides.

Hon. Miss B. A. MILLER:

In getting back to the point I am making here, this period is perhaps to be compared to the time when the industrial revolution was coming in. A lot of old things changed very quickly and new technologies that people had never seen before came into being, it was like magic. The steam engine came into being and industries took on a different management style in a way that people had never imagined before. People do not understand some of what is happening in the world today, but instinctively they do understand. Their own survival depends on their being on track. We cannot find ourselves holding on to everything that is out there. We cannot be a part of everything.

In all of these trading arrangements there are certain areas that we have earmarked which are in our interest. We know that market access is critical to us and a whole bunch of things as well. I could list them off but this time disappears very quickly and I cannot believe it is nearly 9 o'clock. However, I do think that Barbadians understand that there is this large vision and this wider horizon that they have to see and grasp.

The young people who are coming up understand it. People like to beat up on them but I do not. I have great faith in them and they do understand. These new technologies come naturally to them in a way that they do not do us and it is right that it should be so because young children are the ones who must take it forward. So we are looking after their future interest with EduTech and other new ways of teaching and with a health system that is superior to any in this hemisphere so that we can produce well-rounded and well-trained

citizens who can carry Barbados forward. You cannot now look at it in this piecemeal fashion, so this is the big wide vision and everything must find its way to fit in there.

When the Minister of Finance said that we are looking to make sure that we can secure the pensions of the children who are in nursery and primary schools today to the year 2060, that is no small statement, that requires a certain vision. You have to have a certain commitment, a certain confidence and a certain competence to make that kind of statement as a Minister of Finance in this day and age. There are many developed countries where the leader, be it a President or a Prime Minister, cannot get up and say what the Right Honourable Prime Minister of Barbados stood up two evenings ago and said, they cannot, but a little 14 x 21 Barbados can do that. This is no small accomplishment and it is a terrible indictment on the Leader of the Opposition and by extension on the Opposition that they cannot grasp and share this vision. They have not spoken to it. Where then would they take Barbados. What is the vision?

9:00 p.m.

Thursday, October 24, 2002

Continuation of Hon. Miss B. A. MILLER:

We have heard about 'patient' and 'dying' and 'that this economy was tickering' and 'things were at a terrible pace', et cetera. The Honourable Member for St. John has painted a picture that is so unlike everything we know. We live here and not offshore. The Honourable Member for St. John has accused me of living offshore. He is more offshore than I am but it is what is up here that is offshore. He lives here in his own constituency...I heard Honourable Ministers after one another on this Front Bench

could say what was happening in St. John. Even the Honourable Member of Christ Church West could make the point that the Society School is next door to his house and that he was willing to bear with the noise of repair. He has said that he could not understand how the Honourable Leader of the Opposition could be quarreling because they were repairing schools in his constituency.

Mr. Speaker, in this Barbados, I am accustomed to an Opposition with which I could grapple. The kind of robust participatory democracy that we have in Barbados requires an Opposition that would stand up and would fight with us. These are persons who are shadow boxing.

Asides.

Hon. Miss B. A. MILLER:

Mr. Speaker, these times are too important. We should be taking all of Barbados and not only the social partners with us on this economy. Barbadian people do want to go forward. We claim that we are amongst the best educated. We do understand and I think they understand the vision as well. They want their children and grandchildren in that and are prepared to pay the price, as we have all along.

Mr. Speaker, we carry a heavy tax burden in Barbados. Nobody could ever deny that but I always say to people that in Barbados we could see where our tax dollars go. Mention was made about roads, about lights in St. Lucy and in St. John, hard courts. I am still waiting for mine in the City. At least we know where it goes and we do have the participation.

The Prime Minister has made the point that he has had ample consultation before this came to fruition. It was pooh-poohed by the Opposition Leader. We have heard about what his granny or the headmaster at his children's school could tell him. Mr. Speaker, the vision

of the Leader of the Opposition has to be wider than that. He said that he has aging grandparents and this was his Barbados view.

We had two massive consultations at the Sherbourne Conference Centre, not to mention other sectoral consultations where people came and aired their views.

I am a very happy woman tonight because so many of the things for which, for many years, I have been asking Minister of Finance after Minister of Finance and some have come to fruition. I am most pleased, most of all, for the endorsement the Minister of Finance has given to the redevelopment of Bridgetown.

I do not know how many Honourable Members are aware that next year, 2003, will be the 375th Anniversary of the establishment of Bridgetown as our Capital City.

Sir, New York, Ottawa nor Canada cannot say this. I do not know of any other city, except possibly Cartagena and Santo Domingo who might be able to say that, and I would have to check it out.

Mr. Speaker, the point has been made and I agree. I was the first to say it. We have to lift up this City again. It has been allowed to become dirty. It is a city that is full of history. It is a city of which, again we must be proud. It is a city which must lead, not only in the tourism sector but in the international business sector and in the other niches that we will carve out as the 21st Century advances.

I am happy for the endorsement. I am hoping that some of the \$150 million, the bound issue which the Barbados Tourism and Investment Incorporation will raise, would allow a further expansion of the Lewis-Wickham Boardwalk. We will have to do the same thing we did with the phrase one, that is to pie both sides and put in the boardwalk. We have to make

Independence Square a place of which we can be proud. It cannot be a scruffy car park anymore. All of these things will come to fruition. I think the people of Barbados know that when I tell them this is going to happen in the City, they know that it will.

Sir, I am pleased with the marina.

Aside.

Hon. Miss B. A. MILLER:

There will be no jetty. Sir, over the years we have allowed the yachting business to go to Antigua, St. Lucia or to the Grenadines. It has always been ours for the taking but the Leader of the Opposition's vision is so small that he only sees it in terms of the jetty. The marina which will make such a dramatic difference to tourism in Barbados, which would make such a dramatic difference to the way the City would look in this new Century. Barbadian now see Cheapside nearly finished. Fairchild Street is about to be started. The girders are up around the Town Hall, which is going to be restored. The bus stand would be moved and the Lower Green will look like a Lower Green again.

Mr. Speaker, people already like the idea that it could become a motley place. Of course, when the Ministry of Public Work, as we now hear, will finish the outer ring roads, the inner ring would allow us to do a very wonderful improved version to Broad Street like what was done to Swan Street.

Sir, the Empire Theatre is on line as well. Lower Bay Street is going to become a four-lane highway. When persons come into the City, they will be coming into a Capital of which we all can be proud. This is a Capital where persons come to shop and to do business. Barbados is a hub for the Eastern Caribbean but it will become a place where they would come from farther afield, not only to shop but to be able to see the wonder because centuries ago,

Bridgetown used to be like that and it will become like that again.

Mr. SPEAKER:

Could the Honourable Member conclude please?

Hon. Miss B. A. MILLER:

Yes, Mr. Speaker. This BLP administration, which is led by this Prime Minister, is in this for the long-haul.

The people of the City of Bridgetown have taken the same attitude and I am pleased to say they have taken me for themselves and for the long-haul. I believe that I have justified the confidence they have placed in me and they know that more is coming.

Sir, I am very happy to lend my support to the Resolution which is before this House for the longer haul. There are some who are saying that I have been here long already. Next year will be my 25th year but there is yet work to be done.

Sir, I am very pleased to give my support to this Resolution because I view this financial statement as historic. When historians take up their pens to write - and I wish there were more of that going on in Barbados - they will have to record this as a watershed tank when Barbados has actually begun the process of that giant step that we have to take, to a new way as to how we govern ourselves and as to how we do business in this little island.

Mr. Speaker, I am very much obliged.

9:10 p.m.

Thursday, October 24, 2002

Rt. Hon. O.S. ARTHUR:

Mr. Speaker, I make bold at the outset to say that this year 2002 will go down in history forever as the most important year in our economic development in the 21st century.

It will come to be remembered as the year when a Caribbean Single Market and Single Economy was formerly launched ending 400 years of Caribbean economic divisiveness.

It will go down in history as the year when the negotiations for a free trade association for the Americas was formerly launched to change 500 years of lack of an American economy.

It will go down in history as the year when the Caribbean began negotiations with Europe to enter a new economic partnership agreement with Europe ending an economic relationship between the Caribbean and Europe that has extended for 300 and more years.

It will go down in history as the year when we the people of the 20th century were asked if we could make it possible for the people of the 21st century to enjoy the prospect of a pension.

It will go down as the year when anyone landing in Barbados will see immediate evidence of a people building up for the future.

Mr. Speaker, I could go on and on, yet the reply of the Opposition chose not to come into contact with any of these issues. Anyone reading the Leader of the Opposition's speech 100 years from now will have to conclude, as I have concluded, that in the midst of these transforming things, it was all about politics from a political animal.

Sir, his entire speech was predicated on a political premises that the content of my statement of an economic policy for the times and future was determined by the fact that an elections was to have been called in October and could not be called and hence I had to

structure my speech in that context.

I say to this House, the Democratic Labour Party and the country that such a speech was as sound as its politics premise because only the Prime Minister knows when an election can be called. I certainly no longer consult with the Leader of the Opposition and I would not consult with him on a matter of an election. I have not even discussed the question of an election with my Party. The absurdity in the assertion is we have two constituencies to constitute before an election can be called that have not yet been constituted. The absurdity is that an elections was not due in October and I was under no constitutional duty to called an election in October because it is not due before March 2004. If I was under no constitutional duty to call an election, given the political 'savvy' he credits me with, why would I call an election during the midst of a recession?

To the extent that the reply was a political speech that deal only with matters from a political perspective my reply first has to deal with the two major economic issues that the speech excited.

The Leader of the Opposition had two hours and thirty five minutes to speak but he chose not to use his full time. He spent five minutes on the Democratic Labour Party's vision for the future although he could have spoken longer, then the remainder of the speech was in accordance with a PRR script that was developed by a former Democratic Labour Party candidate who fancies himself as a consultant to political parties and walks the Caribbean as consultant par excellence, although he was once thrown out of Antigua for corruption.

The script says that you develop the country in welter of discontent by putting out sweeping allegations without facts and becoming expert in the practice of the politics of innuendos, that

you raise question but you need no answers, that you do not use the agencies of this Parliament and your office as the Chairman of those agencies to get the answer, that you through out names only like the Caves of Barbados and Southern Meats so that the people of this country, by some lack of good judgement on their part, begin to say that all politicians are pariahs and once a name is mentioned there must be corruption and a politician must be involved in something.

They even go to the extent of concocting things where they do not exist like JAWS but that is the tactic of the Democratic Labour Party and what constituted the substance of two hours of the Leader of the Opposition and only five minutes given to the vision of the Democratic Labour Party.

Mr. Speaker, the Leader of the Opposition said that Government is forming these private companies under the Companies Act like the Caves of Barbados, the Gems of Barbados, a company at Sherbourne, Southern Meats and said that none of them are answerable to this Parliament, that they have been splurging the taxpayers funds and that vast amounts have been used for corrupt practices. Mr. Speaker, the only person who should not be in a position to cite the formation of a private company by a Minister of Finance as evidence of corruption by the Minister of Finance is the Honourable Member for St. John. When the Honourable Member was the Minister of Finance he created only two enterprises and none of them were created as statutory enterprises. The two enterprises are the Barbados Agricultural Credit Trust and the Barbados Agricultural Management Company. They were created as private companies and he is now telling us these company are vehicles for corruption by the Minister of Finance. Mr. Speaker, if he uses that argument he is 100 per cent corrupt.

Sir, I want to use the name the Honourable

Member cited to explode the issue of misrepresentation that he sought to foist upon this country. He said that Government has been forming these private companies and not making them answerable to Parliament.

There is a company called the Caves of Barbados. The National Conservation Commission used to be responsible for Harrison's Cave but we decided that the cave had to be expanded, let the National Conservation Commission be involved in beautification and allow a company to run the Harrison's Cave. Sir, we created that company under the Companies Act.

9:20 p.m.

Thursday, October 24, 2002

Continuation of Hon. O.S. ARTHUR:

Sir, did we create that company under the Companies Act? Yes. This is the Caves of Barbados Act, 2000, Cap. 12 "The company means the Caves of Barbados, a company incorporated under the Companies Act." Did this Government say that a company cannot answer to Parliament? Section 7.1 says that the company shall as soon as possible after the end of each year and not later than three months of each year, submit to the Minister a report containing a statement of the audited accounts of the company. The Minister lay before Parliament a copy of the Report referred to in subsection 1.

Sir, we are then accused of creating private companies that the Government did not even create. It was not the Government of Barbados that created Southern Meats, it was the private sector and then this company was about to collapse. The shareholders had borrowed money from the Industrial Credit Fund and they said that there is no other abattoir in this country and if we do not have an abattoir that is producing meats up to international standards

then Barbados would not be able to export agro-processed products, so please help us.

Sir, Southern Meats by his concoction, just another of his wild statement as 'JAWS', becomes another private company created by the Government of Barbados, when he should know otherwise. I do not trust his judgement. Sir, the Barbados Agriculture Society sent me this correspondence on October 3, 2002, and I quote:

"Southern Meats abattoir should be supported and should not be allowed to close down since it is the only facility that reaches international standards for the slaughtering of animals."

Mr. Speaker, I am not going to come here to nitpick or hide behind any chairman of any company and ask him to answer any questions for me. I have already told the people of Barbados that they can ask me anything about GEMS and I can answer. I have brought to this House, today, 31 pages of questions and answers about the GEMS of Barbados. There are enough copies for Honourable Members of Parliament and you can even send some to CNN, BBC and all the media. These are some of the questions that the Press, the public of Barbados, the Opposition and I have asked, and I have answered them, Sir.

Some of the questions are: State the origin of the HRL and the purpose for establishing it? How was the project financed? Did it have a business plan? Who was the management contractor? Who are the shareholders and how was their shareholding arrived at? Can you state what constitutes the existing Gems of Barbados portfolio and when the properties were opened? Is there an established tendering process at the GEMS?

Sir, there is an inference that a so-called Barbados royal family influence the decision to purchase Eastry House, what are the facts? I

can go on and on. Was the post of the CEO ever advertised and was he chosen? Sir, there is a list of contractors were they were the lowest bidders. I would ask each of my colleagues, as well as the Opposition, to take a copy of this document.

Sir, the burden of the Leader of the Opposition's speech is that he was powerless to get these same questions answered through the Public Accounts Committee (PAC). Sir, on matters pertaining to his discharge of his responsibilities as the Leader of the Opposition, he is Corinthian in his outlook. He is as idle as a painted ship upon a painted ocean.

Asides

Hon. O.S. ARTHUR:

Sir, he is a posturer of class. He made an issue of crime and violence in this country and then we established a Select Committee of the House and the Senate to deal with it from a national perspective. He attended one meeting and then resigned because he wanted to continue the posturing, Mr. Speaker.

Sir, the question is, could this House through its Public Accounts Committee inquired into the GEMS? He said, no. Sir, I ask you to read the Rules of this House:

"There shall be a Committee of Public Accounts for the examination of accounts showing the appropriation of sums granted by Parliament to meet the public expenditure and of such other accounts laid before Parliament."

Mr. Speaker, the Gems of Barbados was financed out of the Public Enterprises Investment Fund, \$14 millions of it. The Accounts of the Public Enterprises Fund are laid in this Parliament, outlining the finance for the GEMS.

Sir, Rule 59.1 says that the Chairman of the

Public Accounts Committee can carry out an investigation into those accounts laid in this Parliament, Mr. Speaker, any time that he wants but he does not want to do that. He does not want the answers. He wants the posturing and the innuendo.

Mr. Speaker, under the Financial Rules, Section 5 says:

"The Accounting Officer must be prepared to account to the House of Assembly through the Public Accounts Committee for the regularity and the propriety of the expenditure of votes and accounts."

The accounts of the Public Enterprises Investments Funds are laid in this House. Sir, a Permanent Secretary, under Rule 5, may be called to deal with such matters. Sir, enough of this gesturing.

Sir, the Honourable Member for St. John must act now under Section 59 of the Rules of this House or Section 5 of the Financial Rules. I am giving him nine months to do so and if after nine months he does not act, as Chairman of the Public Accounts Committee, I shall act under the Commission of Enquiries Act, Chapter 112, and I shall petition His Excellency the Governor-General to cause an enquiry to be carried out into the Gems of Barbados. Do your duty or I will do mine.

Mr. Speaker, we have heard about the St. Leonard's Boys' School but the Honourable Member has not told the Government what he sought to do to make sure that the propriety of public expenditure at St. Leonard's Boys' School has been protected. He just cast out a name, Warrens. The Honourable Member has not told the country that in relations to Warrens, an engineer bored holes that did not disclose that the site was situated over a cave and, therefore, the plans had to be comprehensively changed during construction,

a raft had to be cast and the overrun is not because of anybody carrying away any money but the delay was because of that technical issue. The Honourable Member did not tell the country that 48 per cent of the work was done and that 48 per cent of the money was spent.

Sir, the Honourable Member did not tell the country that the reason there is a Warrens, this Government is now spending \$17 millions for renting accommodation to improve the circumstances of public officers and we took the decision that rather than putting this money in the pockets of the private sector, let the National Housing Corporation build this property so that they can have revenue to subsidise low income housing, that was not told to the people, Sir. The Honourable Member did not tell the people of Barbados that when the contractor got involved in inordinate delays that the Government got liquidation damages against him to protect the public interest, the Honourable Member just said Warrens.

I am happy that he did not respond to that section of my speech when I said the Central Bank must now begin to have a system for the insurance of deposits. The Honourable Member knows why he did not want to respond to that.

Mr. Speaker, there is a credit union that has \$226 million in deposits and you have to be very careful about how these deposits of the credit unions are being managed by the Board of Directors. On April 11, 2002, the Supervisory Committee of the Barbados Public Workers Co-operative Credit Union wrote the Registrar of Co-operation to the effect that they were made aware of a number of recent payments approved by the Board that, in the opinion of the Committee, constitutes a misdirection of the funds of the credit union.

9.30 p.m.

Wednesday, October 24, 2002

Continuation of: Rt. Hon. O. S. ARTHUR

This matter is therefore being brought to your attention, in accordance with the requirements under section 215 of Cooperative Credit Unions. The facts were, Sir, that there are certain members and employees of the credit union who were being given grants by the credit union...

Asides.

Rt. Hon. O. S. ARTHUR:

Grants out of the poor people's money at the credit union, by the Board of Directors, in circumstances where only the general body at a general body can approve them. And who were these people, Sir? A Ms. Irene Sandiford-Garner...

Asides.

Rt. Hon. O. S. ARTHUR:

\$10 000, and a member of the Democratic Labour Party General Council.

Asides.

Rt. Hon. O. S. ARTHUR:

\$10,000

Sir, when the Registrar of Coops heard about this, he called a meeting. He pointed out to them that there were breaches. Mr. Speaker, one Director of the Board indicated that if there were breaches, that those things had become merely a convention from the past. Therefore, if their directors were breaking the law, Sir, the law had been broken before and that Director was Senator Mascoll.

Asides.

Rt. Hon. O. S. ARTHUR:

Mr. Speaker, Senator Mascoll said at the meeting that he did not know whether donations should be expenses or appropriations and he asked whether the granting of donations out of expenses had not become a convention. The Registrar said that my response was a convention cannot replace a law that is already in existence. He went on to say that an opinion will be sought from the Solicitor-General of Barbados.

Mr. Speaker, the Solicitor General's opinion was sought and on the 30th August he responded. Sir, I will read the letter:

"I refer to your memorandum. Based on the information contained in your memorandum, the Directors, including Senator Mascoll, approved certain payments to staff members and members for the purpose of providing medical and financial assistance to these members.

It has been represented that these payments should be treated as donations in the nature of social outreach. The issue which arises is whether these payments have been made in accordance with the Cooperatives Societies Act or the Societies By-laws.

As you are aware, Section 4 of the Act sets out the Cooperatives' principles and provided in sub-section 7 for the manner in which any surplus of savings arising out of the operations are to be used.

It does not appear that the action taken by the Directors fall within this section.

The Supervisory Committee has formed the opinion that the society's funds have been misdirected and it should therefore invoke the provisions of Section 15 of the Act.

Note should also be taken of the liability of directors in respect of certain acts, as set out in

Section 72, in particular section 72(1).

Finally, you also should be aware of the penalties for failure to comply with the Act, as contained in section 250 but this is a matter on which the opinion of the Director of Public Prosecution should be sought."

Asides.

Rt. Hon. O. S. ARTHUR:

Sir, that section 250 says that on an offence under this Act is punishable by a fine or imprisonment.

Mr. Speaker, on the 19th September, 2002, when the said Senator Mascoll was making this country's airwaves hot about JAWS, a letter was going from the Registrar of Cooperatives to the Barbados Public Workers Cooperative Credit Union, Sir, which says and, again, I quote:

"Pursuant to the advice of the Solicitor-General, I draw the Board's attention to Section 72.(1)(f) of the Cooperatives Societies Act and advise that those persons who were holding office on the 15th January 2002, should make arrangements to make good the lost to the Credit Union as a result of the following disbursements:

\$10 000 to Irene Sandiford-Garner and others."

Mr. Speaker, those persons include a Mr. Clyde Mascoll.

Asides.

Rt. Hon. O. S. ARTHUR:

Sir, I just want to ask the Leader of the Opposition...

Asides.

Rt. Hon. O. S. ARTHUR:

This was September 19th.

Mr. Speaker, I do not want to guess that he was busy with JAWS.

He was also busy trying to deal, in St. Peter, with the fact that he had built a house and renovated it without Town Planning permission. Town Planning was going to push it down. He was busy with that also but I want to know, Mr. Speaker, since they are talking about who is carrying away what, and who has to be accountable for these losses, if Senator Mascoll has made good the loss, and I am not using any fancy words, Sir, did he carry back the people's money or not?

Asides.

Rt. Hon. O. S. ARTHUR:

Sir, this is the money of the Orderlies at the hospital, the maids in Government and the messengers and they are taking up the poor people's money and 'licking' it out.

Asides.

Rt. Hon. O. S. ARTHUR:

Mr. Speaker, the Democratic Labour Party's spokesman in the House on financial matters raised two issues to which I want to respond. One was that the Democratic Labour Party was going to change the Value Added Tax (VAT) and let me deal with that first.

Mr. Speaker, the first Minister of Finance who introduced the VAT into this House as a budgetary measure was the Honourable Member for St. John. In his Budgetary presentation to this House in March 1994, Sir, he indicated that it was his intention to introduce a VAT by April 1995. He then went to his Cabinet and outlined the plans for his VAT.

Aside.

Rt. Hon. O. S. ARTHUR:

I have already made that a document of the House but it said that a tax on food, feasible but desirable. He was going to tax everything, including the things that Sir Frederick Smith and others quarrelled about and it would have been set at 15 per cent.

In fact, the only difference between the Democratic Labour Party's tax and our tax is that I have been generous by removing the VAT on food, and I have given an ease to hoteliers by charging them not 15 per cent but 7½ per cent, that is the essential difference. Mr. Speaker, that is history.

Mr. Speaker, the next administration of this country will face a situation where, because of the FTAA negotiations and the WTO negotiations, the import duties now ranging between 20 per cent and 45 per cent will have to be phased out. Sir, that is a fact and that is \$150 million. The VAT is 15 per cent.

In the next term of this Government, we will have to preside over the phasing out of the import duties, ranging from 20 per cent to 45 per cent. Could any Minister of Finance in his right mind, tell you that he is going to phase out import duties from 20 per cent to 45 per cent and also cut the VAT? Mr. Speaker, let us get real, that is known to be nonsense.

Sir, he knows it is nonsense because the Democratic Labour Party conceived of the VAT precisely for this moment, that we have to be taxed to raise our revenue when we go full blast into trade liberalisation.

Sir, there is one essential issue that the Leader of the Opposition raised. He said the Ministers of Finance are to be known by the way in which, during the Budget, they give concessions and whom they help.

He said that I was like a fellow in short pants on a jetty...

Asides.

Rt. Hon. O. S. ARTHUR:

Sir, I find that funny. I like that and I do not mind him hitting at me. He said that I do not give a thing to a man, Sir.

9:40 p.m.

Thursday, October 24, 2002

Continuation of Rt. Hon. O. S. ARTHUR:

Mr. Speaker, he and I share the same financial year and I will come to that. In 1994 he gave \$2.3 million in relief formerly. In that same year, I gave \$10 million in relief to the manufacturing sector because I feel that the way to manage a country is not to wait until the Budget to do so, that if you have a need to do so, you must do so, Mr. Speaker.

This year I could have, like former Ministers of Finance, walked with an old musty black box in my hand and come down to the House and say, I am going to give some land tax ease. The land tax bills came out and the valuations were high. I cannot change the valuations but I can change the rate and give the people the relief now. I do not have to wait for a so-called Budget to do that. You manage a country as the circumstances required.

I came to this House last year, Mr. Speaker, and gave help to all the fisherfolk. This year I came back and did the same thing. Every year, Sir, somebody got some help from me. This year every household got help because the land tax people got help. All the businesses in Barbados got help. The insurance companies got help. People want water. People want land

for the landless farmers. I have given help to the whole cross-section of the society but yet I did nothing.

Mr. Speaker, the Leader of the Opposition wept on the behalf of those same folks that I have helped but what did he do in 1994. In 1994 when he had to make the choice he said in his presentation - and this is the key point - that you can judge a Minister of Finance because he gives the most concessions to those who are most important to the Government. He also said - it is not an oversight, this is something that has gone back through all the Ministers of Finance, Barrow and Adams - he said even himself, and that is also true.

Mr. Speaker, in 1994 he came to the House and gave \$2.3 million in relief. Most of it was for the removal of the surtax from things like brassieres, corsets, girdles and things of that nature. That is true, but there was not a penny of relief in his Budget of 1994 for the same vendors on whose behalf he weeps now. There was not a penny of income tax relief. He told the boys on the 'block' to work for bus fare and lunch money. Do you remember those days, Sir? Not one household got a penny of relief from him. I inherited the same economy in the same year and I gave \$10 million in relief to revive the economy right away. But he said that when the Minister of Finance sits down to write the Budget, he gives the concessions to those who are most important to the Government. Those were his words. He was not giving it through his Budget in this House, he was giving it by way of decisions as the Minister of Finance that have never yet been reported.

Sir, I have a duty this evening to make a copy of a letter a document of this House. It was written on April 13, 1994. The significance of this is that his Budget was on March 28, 1994 and this letter was on April 13, 1994. So the Minister of Finance at that time was making the

decisions about what he did in this letter at the same time as he was making his decisions about what should be in his Budget when he gave not a penny to a man in this country. Regrettably, Sir, this is a Ministry of Finance letter but it was not taken, as the Leader of the Opposition fears, from the files of the Ministry of Finance. The reason being is that that file, like Winston Hall, has not only gone missing but cannot be found. It is not only the file that has gone missing but the index card that says who last had the file has also gone missing, like Winston Hall too.

You must bear with me, Sir, because this is a letter I have to read and read slowly. It is a letter written to the General Manager of Colonial Life Insurance Company (Trinidad) Limited. I am going to ask the House to help me count them because I may run out of breath.

“I am to inform you that the Minister has approved a waiver of the 10 per cent purchaser’s property transfer tax payable in respect of the following transactions being made by subsidiaries of Colonial Life Insurance Company in Barbados.

1. Purchase of shares in Todd’s Estates;
2. Purchase of Wakefield’s Plantation;
3. Purchase of Hothersal’s Plantation;
4. Purchase of Clifton Hall Plantation;
- 5, 6 & 7. Three parcels of land at Wakefield in yard;
8. Purchase of Pool Plantation;
9. Purchase of Durham’s House from Goddards Enterprise;
10. Purchase of property situated at Worthing called Star Discount;

11. Purchase of the Rendezvous Supermarket from Goddards Enterprise;

12. Purchase of a property called Penrith owned by Goddards Enterprise;”

Mr. Speaker, Sir, there is a thing called ‘The Baker’s Dozen’. When you patronise the baker, he says carry one for good measure. That is number 13.

“13. All of the development lands owned by Goddards Supermarket at Gemswick - 70 acres of land.”

That is The Baker’s Dozen. Mr. Speaker, I called them the Baker’s Dozen because it was a lot of dough.

Mr. Speaker, do you remember this photograph? (A photograph was shown to Mr. Speaker). This was taken in 1994. The then Minister of Finance said he was chewing on a pencil, the king was in his parlour counting out his money. Mr. Speaker, the Democratic Labour Party had headquarters in Grand Barbados which is owned by CLICO. Their campaign was financed by CLICO. They came out of the campaign and lost the Government. Offices of the Leader of the Opposition were financed by CLICO. There is more, Mr. Speaker, but I am not ready yet.

Mr. Speaker, if I were to be here for 150 years and the Leader of the Opposition was in that position every year I would be able to bring a matter like this before this House. That is what I have sadly to say to this House.

Mr. Speaker, we have important business to get on with to run this country. I do not want to spend my time on this. Suffice it to say that he said that you can tell who a Minister of Finance regards as most important by the concessions that he gives. In 1994, he had a chance to help

every boy and girl in this country, to help the vendors, to help the pig farmers, to help the sheep rearers, to help the vegetable growers, to help the manufacturers and to help the people in the tourism industry but he helped one company only; CLICO. This is the most extraordinary letter in the history of Barbados' politics. Mr. Speaker, April 13th was our financial September 11th.

Mr. Speaker, I have already said of the Leader of the Opposition that he can never ever be a Prime Minister in this country. I have said of him, Mr. Speaker, that he does not deserve being the Leader of the Opposition. Mr. Speaker, the Honourable Member for St. Philip North said that the Leader of the Opposition is not politically dead, that he is on life support. Mr. Speaker, that was a moment of reckless generosity.

9:50 p.m.

Thursday, October 24, 2002

Continuation of Rt. Hon. O. S. ARTHUR:

Mr. Speaker, he is a political cadaver. The only thing that he has said in this Debate that I agree with is that he is a Christian.

Mr. Speaker, I think it appropriate to end this Economic Debate, 2002, in a Christian way, by reciting for the Honourable Member for St. John the customary rights of passage that all good Christians cite when they come to bury the dead, "May his soul, like those souls of the dearly departed, rest in peace".

I am obliged to you, Mr. Speaker.

On the separate motions of Right Hon. O. S. ARTHUR, seconded by Hon. Miss B. A.

MILLER, the question that the Resolution do pass was put and agreed to.

RECOMMITAL

Hon. Miss M. A. MOTTLEY:

Mr. Speaker, I am commanded to lay the following

1. Financial Institution Business Transfer (Barclays Bank Plc.) 2002,

2. Annual Report of the Needhams Point Development Inc., 2000-2001.

ADJOURNMENT

Hon. Miss M. A. MOTTLEY:

Mr. Speaker, this brings us to the end of Government's Business for this week.

It would be remiss of me if I did not seek to extend thanks to all those who were of service in these proceedings and to allow this Debate to proceed seamlessly. Those in charge of the security, those in charge of the recordings, those in charge of the hospitality arrangements; all persons related to the House.

I would, therefore, wish to thank them for three days of service and to say to you, Sir, that I know that you as well, have had to sit long in that Chair and we appreciate your commitment in so doing over the course of the last twenty hours of Debate.

With those words, I beg to move that this Honourable House do now adjourn until Tuesday, 5th November, 2002, at 11.00 am.

Hon. R. N. GREENIDGE:

I beg to second that, Sir.

The question that the Honourable House do

now adjourn until Tuesday 5th November, 2002, at 11.00 am was put and resolved in the affirmative and Mr. SPEAKER adjourned the House accordingly.

9:57 p.m.