
THE

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 2003 – 2008

HOUSE OF ASSEMBLY

Tuesday, June 17, 2003

Pursuant to the adjournment, the House of Assembly met at 10.15 a.m. on Tuesday, June 17, 2003.

PRESENT

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

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

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

Hon. B. A. MILLER, D.A., B.C.H. (Minister and Minister of Foreign Affairs and Foreign Trade)

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

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

Hon. G. A. CLARKE, B.Sc., Dip. Ed., J.P. (Minister of Public Works)

Mr. R. D. MARSHALL (Chairman of Committees)

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

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

Mr. D. St. E. KELLMAN

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

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

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

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

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

Hon. A. P. WOOD, B.Sc., M.Sc., M.Phil., J.P. (Minister of Energy and Public Utilities)

Hon. R. R. FARLEY, B.Sc., J.P. (Minister of Education, Youth Affairs and Sports)

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

Hon. J. X. WALCOTT, M.B., B.S., F.R.C.S. (Edin.), J.P. (Minister of Health)

Mr. R. D. JONES, B.A. (Hons.), M.A. (Ed.), J.P.

Dr. D. C. ESTWICK, B.Sc., M.B., B.S.

Mr. C. A. MASCOLL, B.Sc. (Econ.) (Hons.), M.A. (Public Finance), (Leader of the Opposition)

Hon. D. D. MARSHALL, LL.B. (Hons.), L.E.C. (Minister of Industry and International Business)

Mr. M. A. LASHLEY, LL.B. (Hons.)

Hon. K. D. SYMMONDS, B.A., LL.B. (Minister of State, Ministry of Foreign Affairs and Foreign Trade)

Dr. W. F. DUGUID, B.D.S. (Comm.), F.D.S., FDRCS, J.P.

Mr. R. L. SEALY, B.Sc., M.B.A.

Prayers were taken by Reverend Canon Ivan Harewood.

Mr. SPEAKER: The House is now in session.

MINUTES

Mr. SPEAKER: The Minutes of Friday, June 6, 2003.

Hon. Miss M. A. MOTTLEY: Mr. Speaker, the Minutes of the Honourable House of Friday, June 6, 2003, have been circulated and subject to any motions which Honourable Members may wish to make for amendments or correction to those Minutes, I beg to move that the Minutes stand confirmed.

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

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

PAPERS

Rt. Hon. O. S. ARTHUR: Mr. Speaker, I am commanded to lay the following:

- (1) Barbados Labour Party Agenda 2003–2008 – Every Bajan a Winner.
- (2) Duties, Taxes and Other Payments (Exemption) (Coronation Golf Club Limited) Order, 2003.
- (3) Annual Report of the Central Bank of Barbados for the year, 2002.

FIRST READING OF BILLS

Hon. Miss M. A. MOTTLEY: I beg to move that the following Bills be read the first time:

- (1) The Liat (1974) Limited (Guarantee of Interest) Bill, 2003.
- (2) The Public Accounts Committee Bill, 2003.

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

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

SUSPENSION OF STANDING ORDERS

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

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

GOVERNMENT BUSINESS

ORDER NO. 2 – PUBLIC ACCOUNTS COMMITTEE BILL, 2003.

Mr. SPEAKER: The Honourable Member for St. Michael North East.

Hon. Miss M. A. MOTTLEY: Mr. Speaker, on the opening of this Parliament, the Throne Speech customarily sets out the programmes and intentions of the Government

clearly articulating a commitment on the part of this Government to continue a process which we started since 1994, to deepen the process and systems of accountability and transparency. It ensures that the modes of Government to which we commit are those that reflect a society that recognises its responsibility to be as open and accountable to the public which it represents and ensures that in so doing, we strengthen the aspects of our representative democracy in a way that is consistent with the legacy of those who have gone before us.

Sir, this Government has been faithful to that precept and over the course of the last years we have sought, whether in the normal sphere of Government or the particular sphere of public finances, to ensure that those things which we found as requiring us to be accountable to Parliament have been broadened and deepened in each respect.

For example, we have worked assiduously towards broadening the bases for decision-making and in every instance we have used the modality of the Social Partnership to allow entities which did not traditionally fall in the sphere of the normal legislative process, to be able to comment on matters fundamental to the economy and the society of this country. Indeed, Sir, when we came to office the Social Partnership had been used primarily as a tool, simply for economic stabilisation but we felt that it valued going beyond that to the issue of economic and social transformation in this country.

Mr. Speaker, we felt that beyond the Social Partnership that consultative processes should obtain in relations to actions being taken against major stakeholders and as far as possible without affecting the quality of governance, we have tried to remain faithful to that precept.

It is indeed striking that while the need for good governance in Government has been adhered to by Governments across the world, the events of the last three years in particular have also reinforced why the issue of good governance is not only for Governments but also for the corporate sector and the non-governmental organisations because wherever you seek to hold a mandate on behalf of the people or wherever there is a fiduciary relationship then there is a duty to remain faithful to that fiduciary relationship and to bring a level of openness to the dealing which you transact on behalf of the persons whom you have an honour to represent.

Sir, I believe that precepts are nothing new to the public administration of this country because Barbados has been fortunate in that we have a tradition of good public administration. We are a country that knows what it is to have Parliament receive an Auditor-General's Report every year. There are some Parliaments even in this region that have not had an Auditor-General's Report laid for ten years.

This country knows what it is to have Parliament meet regularly to do the people's business as some Parliaments, even in this region, seldom meet. This country knows what it is to have monthly statements from the Accountant-General such that anyone interested in the public finances of the country can appropriately track what is going on and what is falling under the stewardship of the person vested under the Financial Administration and Audit Act for the responsibility of Government's account. Sir, it must be understood by all Barbadians that this is a strong tradition in relation to public administration from which no Government should ever seek to depart.

Mr. Speaker, we feel that far from departing from it, we have a responsibility to build on those traditions consistent with the understanding that with the greater movement of information and the increased level of education of our population that those things which we understand as parliamentarians ought to be shared with the population as far as possible such that they can always understand the rationale for decisions taken by various administrations.

Mr. Speaker, I start at this point in relation to the discussion of the Public Accounts Committee Bill because I believe this Bill will build on that strong record of public administration in this country, will strengthen Parliament and increase the confidence of the people of this country in the systems available to them and their representatives in Parliament, to ensure that only those things done with the greatest accountability and transparency shall obtain in respect of the public administration of this country and in particular with the management of the public finances of this country. Therefore, we have a responsibility to do so.
10.25 a.m.

Sir, earlier this year, in a previous Parliament, this Government, in a previous incarnation as a Government, took a position on January 14, 2003, that the strengthening of the Public Accounts Committee was in order. As we stated in the Speech from the Throne, delivered by His Excellency, we also had a commitment to ensuring that the balance between Parliament and the Executive remains one that is consistent with the distribution of power, such that there are appropriate checks and balances in our system.

Mr. Speaker, I believe when we indicated then that there would be... in spite of the fact, that motion when passed, would have automatically amended the Standing Orders, that we would bring legislation to this Parliament to treat to the issue of the strengthening of the powers of the Public Accounts Committee of this Parliament, that there were some who doubted the Government's commitment. Sir, as is always the case, when we say that we would do something, we do it.

I believe that it is appropriate that the first Bill that should come before this Parliament, is the one that speaks to the improvement of our governance, to the deepening of the powers of this Parliament by reason of the strengthening and broadening of the Public Accounts Committee to the inclusion of the Other Place as a constituent member of the Public Accounts Committee; and to signaling to the Barbadian public that this Administration would be as before, committed to transparency, accountability, broadening the bases for consultation in respect of the governance of Barbados.

Mr. Speaker, we have seen what it is to be the subject of allegations, many unfounded, that depended not on a process of finding and determining the truth but depended instead on a process of rumour, innuendo and obfuscating the truth. This Government felt that if only the mechanisms that are available in the public administration of this country are used, then we will ensure that the public has access to that which is true.

It is unfortunate that the Democratic Labour Party, during the period 1994-2003, determined that it will make little use of the systems that even existed then in respect of a Public Accounts Committee. I have the records, and I can share them with the House, of the number of actual meetings that were summoned in respect of the Public Accounts Committee. Indeed, the original Resolution brought by the then Leader of the Opposition made it absolutely clear that there was minimal use made of the Public Accounts Committee. Sir, this is not the language of this Government, this is the admission of the then Leader of the Opposition. Indeed, he sought to rely on mechanisms to purportedly strengthen the Public Accounts Committee by simply altering the quorum as if that should be the extent of the strengthening of that institution in relation to this Parliament.

I believe that the then Leader of the Opposition was taken by surprise, not only by the fact that his then colleague, the Honourable Member for St. Lucy refused to second the Resolution, but he was also taken by surprise by the fact that this Government was prepared to go further. We recognised that the historical revolution of the Public Accounts Committee was one that was known to the other Parliaments as well.

Mr. Speaker, the first existence of the Public Accounts Committee in the British Parliament was in 1861. That Parliament has moved from its then composition and operations to what exist today. In Australia, in 1951, the Public Accounts Committee assumed a characteristic that was different from that of the British Parliament. It recognised that there was a responsibility to not only include

members of the elected Chamber but, indeed, members of both Houses of Parliament. Hence, their Public Accounts Committee, in 1951 when the legislation was passed, became a Committee of Both Houses.

Sir, we have a tradition where the Senate has remained, for the most part, outside of the debate in relation to money Resolutions. Most of the public is unaware that the Senate debates Money Bills and the Appropriation Bill, which is the piece of legislation that speaks to the issue of giving the Government authority to spend money from the Consolidated Fund, goes to the Senate and the Senate has the opportunity to comment on the Appropriation Bill. Therefore, it is an accepted system that the Senate should have powers of commentary on public expenditure in relation to the money that is expended by the Government. Sir, last week I certified the Final Appropriation Bill, soon to come before this Parliament. It is only money Resolutions that the Senate would not deal with.

Sir, we felt that the time was upon us that we should have Both Houses of Parliament constitute the Public Accounts Committee. Recognising that the composition of the Senate provided a variable that this House has not, through the choices of the people, seen provided, that of an independent prospective because Members of Both Sides of the House have an allegiance to the political party. While it is not impossible for an Independent to sit in this Chamber it has not been known to happen within recent years.

Sir, they are those who would suggest that Independence has come within the bosom of the last Opposition but the reality is, that has not been the understanding of the public of Barbados when they exercised their franchise.

Mr. Speaker, we felt that the Senate, by reason of the existence of the Independent Senators, would add to the quality of consideration of the Public Accounts Committee in respect of its purview of Government's public expenditure and the reports of the Auditor-General. Therefore, Mr. Speaker, one will notice when I come to speak to the details of the Bill, you will see that they have been included in the composition of the Public Accounts Committee.

Mr. Speaker, we also feel that this Government has a distinguished record in respect of deepening the accountability and placing higher standards of accountability in respect of the administration of our public finances. For those who may be recent to this Chamber, it would do well for me to recite them.

In 1988, we brought a Bill to Parliament to amend the Financial Administration and Audit Act in key respects.

Prior to that, a public officer advising a Minister that certain expenditure was inappropriate or would lead to waste or loss, the public officer, even when writing his objections, would not be able to have the Minister be accountable for the instructions against the advice of the public officer.

Mr. Speaker, we brought a Bill to this Parliament which said that we felt that where Ministers exercise an action to go against the advice of public servants in respect of expenditure that would lead to loss, wastage or an improper use of public funds, the minister ought to be personally liable for the funds so expended as a result of those instructions.

10.35 a.m.

Mr. Speaker, never before in the history of this country has a Government taken a decision to make, not a future Cabinet, but itself to raise the bar, in respect of the standards that we were prepared to hold ourselves to, in relation to the expenditure of public funds in Barbados. The amendment in 1998 therefore came in that context.

Mr. Speaker, when I hear the allegations against this Government, we do not hear the Democratic Labour Party talk about the fact that we had to govern under higher standards of accountability as Ministers that we have imposed ourselves, than they have ever governed in this country.

We also brought an amendment to Financial Administration and Audit Act to give this House the power to ask the Auditor-General to examine accounts of any person or organisation which has received moneys by way of a grant, a loan, out of the funds voted by this Parliament or in respect of which financial aid has been sought from the Government. Sir, upon such examination by the Auditor-General, the report flowing therefrom should be submitted to this House of Assembly, so that the same power that the Minister had to order a special audit, we have given that power to this Parliament, by reason of the amendments to the Financial Administration and Audit Act.

Mr. Speaker, I say this because when all of the talk was going on about whether the old Public Accounts Committee had the power to investigate into the GEMS of Barbados, they were those on That Side of the House in the Opposition, who wanted to suggest that no such power existed. In spite of the fact that this Government continued to insist that this Parliament, once it voted money to any entity, the Auditor-General could have the power to investigate the accounts and receipts of that entity. Therefore, once the Auditor-General could investigate it, it could also be the subject of investigation, on the part of the Public Accounts Committee.

Mr. Speaker, these amendments were in 1998, not 1994, 1993, 1992 or 1991, when the current Leader of the Opposition held a position advising the then Government and Minister of Finance on public finances.

I believe, Sir, that it should continue. We have also ensured that, for the first time ever, we have asked Ministers of the Crown, whenever their ministry is adversely referenced by the Auditor-General, we have developed a practice now of requiring them to respond to the comments of the Auditor-General, both as to the nature of the adverse reference, if it is true or if it is not true. If it is not true, whether something will be done about the systems or the actions that took place, and what is the nature of the action that this Government will commit itself to ensure that there is no repetition of that negative reference, in respect of the Auditor-General in that particular department.

I know, Mr. Speaker, because I was responsible for laying in this House, such a response. The Prime Minister has done it also and once again, year after year in the public administration of this country, Ministries were negatively referenced and there was never a word, never a response from a Ministry.

Sir, I want to say this, that very often when you see negative references in the Auditor-General's report, it really relates to the systems of public financing. In the history of this country, on Both Sides, there have been very few examples of corruption being reference in the context of an Auditor-General's report. But it is salacious to be able to suggest that to the public, particularly when one is trying to build a case regarding why one is the appropriate choice in an election.

One of the things that we do not recognise, Mr. Speaker, is that there is accumulative effect to the tearing down of public institutions in this country. I trust and hope that those who have come to public life – because today is my day, tomorrow is yours, not quite tomorrow or, maybe, a long time but at some point – will understand that the quality of governance and the quality of life in this country will be negatively affected, if we believe that the public institutions which serve all Barbadians can be the subject of arbitrary, negative and whimsical comment, such that the confidence that they enjoy, not just domestically but regionally and internationally, comes then to be questioned.

Mr. Speaker, this is a topic that I feel very passionate about, because I have seen in other Caribbean countries, the lack of confidence and the lack of trust that the ordinary population has in institutions that were designed to govern all of their population and not just those who support a particular political party. I have seen in other Caribbean countries, a loss of faith in public governance and public

administration such that people begin to question the correctness of the decision to become sovereign, independent nations.

It must be a startling revelation for all of us, Mr. Speaker, that a poll done on the 40th Anniversary of Jamaica's Independence could have a result that 56 per cent of the population, that is sampled, felt that they would have been better off under a colonial administration, whose hallmark was the denial of opportunity and access to basic, social, political and economic rights.

I say to you, Mr. Speaker, that it causes us to revisit the politics of this country. It causes us to revisit the governance of this country and it causes us to pause and reflect, because we have a responsibility that goes beyond the personal ambitions of each of us, or the ambitions of the political party to which we belong. We have a responsibility to build on a strong legacy of public administration, but more important, to cause a population to hold firm in its faith in our belief to govern ourselves and to the institutions, so required within our policy to so do.

I believe, Mr. Speaker, that when we start to publicly question the integrity of information coming from the Central Bank of Barbados, an institution that is publicly respected across the Commonwealth, across the developing world and across the hemisphere, that we have parted the rock.

I believe, Mr. Speaker, that we have a department of Statistical Services that is second to none, in respect of those similar type departments in developing countries, given the resources that are available to it.

Mr. Speaker, I feel that when we want to ignore the institutions of this Parliament, we simply bring this Parliament into disrepute and confirm for those who would wish to assert the relevance of this Parliament that this is also the view of the constituent Members of this Parliament. I only say to you that, Mr. Speaker, if you begin to disrespect yourself, in institutions which you are a part of, then it must become no surprise when others build upon that signal of disrespect and further carry down the institutions. Enough said on that matter.

I believe, Mr. Speaker, and I say this, not in a partisan way, but I say to those of us who have come to public life as the product of a post-independent Barbados, that we cannot have a record that would lead the public whom we represent to believe, as is being said in Jamaica, that we have brought public life and governance in this country to a point where the population no longer has confidence in us, or the institutions we govern. That is the challenge of Both Sides of the Chamber that we would have as the product of a post-

independent Barbados and one that should clearly delineate the parameters of acceptable and unacceptable behaviour in public life.

10.45 a.m.

I urge on This Side, as well as on the other side, that if we can remain faithful to that and use the institutions provided to us, and where wrong is done, that there should be no divide. Therefore, do not seek to impugn the integrity of those institutions as an alternative means to advance another agenda. That is all I ask.

Mr. Speaker, this Government has also strengthened the accountability in relation to public finances by saying that the private companies which were being formed even before we became the Government in 1994... Indeed it can be said that the only legacy of the former Leader of the Opposition when he was Minister of Finance, apart from the bus fare and lunch money approach in his single budget speech, was to form two private companies in relation to the restructuring of the sugar industry. When he did it, he did it not in the form of a statutory corporation, he chose a structure under the Companies Act of Barbados because he felt, obviously, that it was in the business of commercial transactions and therefore the Companies Act was the appropriate framework for it. This Government did not quarrel with that choice of the Companies Act as opposed to a statutory corporation.

There are those who would want to suggest now, because we too have recognised that commercial transactions are best governed by legal entities that have the flexibility of companies, that we are trying to reduce the financial accountability of that company and also to the public of Barbados.

Mr. Speaker, those who have never read the Companies Act ought to do so because the Barbados Companies Act is perhaps one of the best drafted pieces of companies legislation for its time. There is a need for some amendments now that legislation was drafted, I believe it was the work of the former Chief Justice of Barbados, and passed in the early 1980s and is very particular as to the standards it sets out and the duties it imposes on different players within the Companies Act for transparency, probity and accountability.

Mr. Speaker, if only because of that, we would be satisfied that the powers vested in the Corporate Registrar are such that it would ensure the probity and the integrity of the transactions carried on by those companies in the public name, using public funds to do those things in the context of a commercial environment by recognising the need for the flexibility of that kind of legal entity. But it did not stop there. We have developed and formed it. We have put it

in pieces of legislation, the Caves of Barbados, a private limited liability company, whose operation is governed in part by an Act of Parliament. In spite of it being a private limited liability company, we have required it to account on an annual basis to this Parliament in respect of its activities and in respect of laying its audited financial statements. That has not been the case ever before with any Government in respect of companies that have been formed in which Government is the major shareholder.

We went further, Mr. Speaker, and said that those companies, like Hotels and Resorts Limited, which may not have a statutory obligation to lay their accounts in Parliament should do so, and we have done so. Mr. Speaker, we have also placed an obligation on ourselves for all of Government's revenue departments to lay reports in this Parliament every six months.

Mr. Speaker, no Government before has ever done that. The reason for it is that we feel it would not defy the eyes of parliamentarians or the members of the public of Barbados for them to see the status of the workings of those revenue departments, what they have collected, what is outstanding and all of the other workings of those departments. Those reports have been coming to this House now regularly. So I want to put all of these things in context.

This Government has also commissioned more special audits – go back and count – by the Auditor-General than any other previous Government in Barbados' modern history. As you are well aware, Mr. Speaker, because of a negative reference in the Auditor-General's report on the part of Parliament, a special audit was conducted on the Management Commission of this Parliament. We have done it with the School Meals Department, the Government Printery, and the Prison. I can name a raft of public institutions where this was done.

We have a concern sometimes about the systems and the manner in which public expenditure and public funds are managed in this country not because we believe that there is corruption but because we believe there can be better ways very often of managing those funds and of deepening the accountability of those institutions to Parliament. That is a precept that we want to hold faithful to.

Mr. Speaker, I have tried in the last 15 or 20 minutes to detail a number of examples in which we have deepened or strengthened the powers that exist to ensure greater accountability and greater transparency. Mr. Speaker, these are not reactions of a Government committed to anything else, other than to strengthen our democracy and to strengthen those values that underpin our democracy because we understand the legacy which has been handed

to us. We also understand the commitment and the obligation upon us to be able to preserve and to build upon for future generations that which has served us well especially in the context of a Caribbean where alternative experiences have become the order of the day.

Mr. Speaker, there is one matter I really must treat to that concerns me very greatly and I believe I have a responsibility to speak to it. When this matter came before this Chamber in a previous Parliament on the January 14, 2003, the Right Honourable Prime Minister as Minister of Finance spoke to an issue that had become the centre part of a very destructive rumour mill that Members of the Opposition were using to suggest that there were breaches of the Constitution and breaches of the laws of this country in relation to public expenditure particularly about a sum of \$113 million, I believe was the figure, I stand corrected on the nature of the sum, in relation to the GEMS of Barbados.

Mr. Speaker, it is so easy to make allegations when there is no one to rebut you face to face and it is so easy to continue to repeat the wrong things and to mislead the public when there are no direct systems of accountability.
10.55 a.m.

On that occasion, the Right Honourable Prime Minister spoke at length and treated this Parliament to a clear explanation of the provisions of the Financial Administration and Audit Act and explained why any such allegations that \$113 million was transferred out, without the authority of this Parliament. These allegations that it was unconstitutional and was a breach of the law could have been heard daily on the call-in programmes and nightly on the platforms.

Mr. Speaker, even persons who have held high judicial office in this country and who at least, one would have assumed on the appointment to judicial office, that there shall be a presumption that they should have knowledge of the law but yet they made those allegations. It is clear that we can no longer safely make those presumptions unless there is an alternative agenda informing the speaker – not you, Sir, but the speaker who made those comments.

Mr. Speaker, the Financial Administration and Audit Act, Cap. 5 – and I urge all new Members of this House to become familiar with every provision of the Act.

Aside.

Hon. Miss M. A. MOTTLEY: I am hearkened to hear Members of the Opposition saying they have read it. Sir, had they read it six months ago, I would have no cause to make the comments that I am now making.

Mr. Speaker, this legislation was originally passed in 1960 and primarily governs the management of public funds in this country. It also sets out very clearly the responsibilities of the various players, the establishment of the various accounts and funds of the Government. Mr. Speaker, perhaps – and I would undertake to do it as Minister responsible for Information – there ought to be a public education programme such that what has transpired should never again happen. There are those persons who would believe that the only money Government can spend, is that which comes from a Consolidated Fund and with the authority of a Parliament of this country.

Mr. Speaker, those Honourable Members on the Other Side might have read it but I wonder whether they have been apprised of the fact that a government could hold various Below-the-line Accounts.

“There shall be a Treasury Account and it shall include the Consolidated Fund and other Below-the-line Accounts.”

Mr. Speaker, I wonder whether the current Leader of the Opposition or the previous Leader of the Opposition has had the courtesy to be able to inform those new Members of what they had governed when they were in charge and of the fact that the same Below-the-line Accounts were utilised by the Democratic Labour Party Administration as recently as their last term of office. Sir, we can take judicial notice of that fact from the Leader of the Opposition’s knowledge or we can take judicial notice of the knowledge of the former Leader of the Opposition, the Honourable Member for St. John.

Mr. Speaker, the reality is that the Public Enterprise Investment Fund, formed by the Democratic Labour Party when they were in Government, is a Below-the-line Account and expenditure flowing from that, does not come here for the authority of this Parliament. Mr. Speaker, under the Financial Administration and Audit Act, there is not that requirement.

Sir, I go further because it is not only the Public Enterprise Investment Fund, there are other provident funds that are Below-the-line Accounts from which people benefit as well.

“The Accountant-General has the responsibility under Section 19 of the Financial Administration and Audit Act, to keep with such bank or banks as the Minister may, from time to time determine an account to be known as a Treasury Account.”

As I said, the Treasury Account includes the Consolidated Fund and other accounts held at the

Central Bank with some accounts being held at Barclays Bank and the Barbados National Bank.

Mr. Speaker, these are the facts but if one looks at Section 25 of the Financial Administration and Audit Act – because I think the gravamen of the argument made by the Opposition is that Government can make a loan on advance to any government agency or enterprise and to secure that loan subject to the approval of the Cabinet, without having to take it from the Consolidated Fund.

Mr. Speaker, the reality is that in 1993 during the Democratic Labour Party Administration, when the Honourable Member was Minister of State or Minister of Finance but the Leader of the Opposition was his advisor, made a loan to the Barbados Agricultural Management Company, one of two companies that was formed by the Honourable Member for St. John as Minister of Finance by that process. Yet, in spite of the explanation by the Right Honourable Prime Minister, in spite of the knowledge so constructively ascribed by me – because I would hate to think one presided over a Ministry and do not know what went on in it because it required the authority of the Cabinet. They presided over a process where they also took money from a Below-the-line Account, and properly so, and lent it to the Barbados Agricultural Management Company (BAMC), not using the Consolidated Fund in relation to that.

This Government has done the exact thing with that \$113 million but yet one still heard day after day and night after night on platforms and on call-in programmes, that it was a breach of the laws or of the Constitution of this country.

Mr. Speaker, they have heard differently and have chosen to continue with that idea. I say only to the public of Barbados that they have made their judgment and thank God and that at least they have understood that what was being suggested was a figment of someone's imagination in relation to the breaches of the laws of this country and that what transpired was simply an utilisation of systems existing under a law first passed by the Democratic Labour Party, in 1964. Those are the facts, Mr. Speaker.

Mr. Speaker, I say to the new Members that the things one feels that could be said without a response or without retort when they are outside, do not feel they can be said in here because this Government will not let any charge go unanswered, particularly given the record of the Opposition of creating a series of tissues of rumours to elevate it to the status of a parliament or of something which would form the basis of allegations of impropriety against decent and honourable persons on This Side.

Mr. Speaker, if per chance someone steps on another's crease, then this Government has taken action and will take action. I am sorry I cannot say the same thing about the Democratic Labour Party between the periods of 1991 and 1994 or 1986 and 1991. I, therefore, trust and hope that one would discard that example and would follow the example of this Government in the interest of good governance.

Mr. Speaker, as I have earlier indicated, this is a Bill, which provisions will make substantial changes in the composition of the Committee. The most fundamental change is that instead of being a Committee of the Lower House, as had been the case in our history, we will now have a Committee of Both Houses.

11.05 p.m.

As was indicated in the Throne Speech, we gave a commitment that we would seek to ensure that there is appropriate balance between the Executive and Parliament. It is a difficult act to do in a small jurisdiction such as ours but we feel, nonetheless, that we have started the process.

We also feel that this is just but the first step in parliamentary reform and, hopefully, in the near future we shall be announcing mechanisms to be able to continue the process of parliamentary reform both as an external act as well as utilising the Committees of this House to be able to reform their own internal rules because the last major reform of the Standing Orders was in the early 1970s when I was ten years old. I want to say to Honourable Members that they should attend these committees with a diligence that would allow all of us to benefit from the reform of the rules of the operations of Parliament.

Mr. Speaker, we have not only sought to ensure that Both Houses are represented on this Committee but it now has seven Members from the Lower House and six Members from the Senate. On the last Sitting of this Parliament, we discharged our responsibility in respect of naming the Members that will come from this Chamber to sit on this Committee.

I am instructed and I verily believe that the Senate Chamber now has to amend their own Standing Orders to allow them to choose the persons who will sit on this Committee so the passage of this Bill still requires the amendment of Standing Orders in the Senate to complete the process.

Mr. Speaker, we have changed the numbers and the sources of persons sitting on the Committee and we have also ensured that the quorum is one that we believe to be a workable amount. Five Members will constitute the quorum and we have given the Committee the power to appoint a

subcommittee of a smaller nature of five with three being the quorum of a subcommittee to be able to advance the elements of the work of the Public Accounts Committee.

Mr. Speaker, we have respected the tradition of this House and other Parliaments of the Commonwealth that preserves the Chairmanship of the Committee for the Leader of the Opposition as part and parcel of one of the checks and balances of our system.

I want to say to the current Leader of the Opposition that he would do well not to follow the example of his previous leader but to call meetings. Sir, between the years 1999 and 2000 only four meetings were called and of those four meetings not every one had a quorum so much business was not done.

Sir, the Barbados Labour Party has made extensive use of the Public Accounts Committee when the Prime Minister was Leader of the Opposition and the founder leader of the Democratic Labour Party also made extensive use of this Committee so the present Leader of the Opposition would do well to publicly distance himself from his previous remarks when he said that he does not need a Public Accounts Committee and that he is the Public Accounts Committee. Sir, the Leader of the Opposition would do well to accept his own limitations and mortality and understand that institutions have been provided because it is believed that they have greater durability and powers than those of an individual human being.

Mr. Speaker, the reality is that we have preserved the tradition of the Leader of the Opposition being the Chairman of the Public Accounts Committee. We have indicated as well that there is a substantial departure in the duties of the Public Accounts Committee to put it beyond any dispute whatsoever so we have enshrined in this Bill that the Public Accounts Committee shall have the duty to examine the financial statements of all statutory corporations and entities in which the Government owns not less than 50 per cent of the share capital or controls at least 50 per cent of the establishment.

Mr. Speaker, we have done this because we believe that Government must be the entity directing the affairs of the country because it is going to be exposed to public scrutiny and the Public Accounts Committee must have the right to examine and question those matters relating to the affairs of the company on an examination of the audited financial statements.

Mr. Speaker, we also introduced a new concept which has not been spoken to by those treating to the Bill in

January and that is that the Committee has the power to examine the audited financial statements of authorities to which this Act applies or intergovernmental bodies as long as they consent to the examination. This is in the context of a recognition that within the region there will be more and more entities in which we will have financial responsibilities.

Sir, we cannot prescribe and bind a company which is not formed under the laws of Barbados but we believe in commitment of wider and deeper precepts of Government and that entities which adhere to the highest standard of transparency will not have any objection if the Public Accounts Committee wanted to examine the accounts but we must receive their consent first because it cannot be forced in law. Sir, the context of recognition that, within the region, there would be more entities in which we would develop a financial responsibility within the company as long as there is no objection because you cannot prescribe and bind that company which does not necessarily form under the laws of Barbados but in which we are simply participants.
11.15 a.m.

We believe that, given the commitment to wider and deeper precepts of governance, very often entities that adhere to the highest standards of transparency will not have an objection if the Public Accounts Committee, for example, said that it wants to examine the accounts of a regional institution. Sir, you must get their consent first because you cannot force it in law. We believe that is not a very difficult Act to legislate because invariably at the end of the day they are not only accountable to the Government of Barbados but to other Governments and by extension, to the public of the region or the area that they represent.

Mr. Speaker, we have introduced a new area and I trust that this is one that will also engage the attention of the Committee and not just on the examination of trying to go on a witch hunt or to investigate but to be able to report on anything that the Committee feels maybe needed in the form the Public Accounts or in the method of keeping them, their mode, control, issue or the payment of public money.

In other words it is giving the Committee an advisory role on the methodology and the systems of handling public funds in this country. It cannot give the Committee the power to make the changes that it might feel appropriate but it gives the Committee a very high standing to produce a report to this Parliament, of which the Minister of Finance will obviously have to take note and explain whether or not he agrees with the action flowing from that report. It has the power as well to inquire into any question connected to the Public Accounts which is referred to the Committee by this House.

Mr. Speaker, I believe that in many of the instances where rumour and innuendo have been allowed to prevail because people do not want the truth to come out because of the mightiness of the truth, this House will do well to refer, where necessary, those departments that it feels ought to explain to the public what has transpired, rather than allowing innuendo and gossip to so prevail to create aspersions on people's characters in a way that is not befitting of the public service and those who do public service in this country.

Mr. Speaker, I hope that those Honourable Members of the House would take note of Section 7 (e) of the document because this section gives the power to refer to the Committee for an investigation. We cannot legislate the conduct of the committee members but we can insist that they, at least, be given the duty of investigating. They can also consider the operation of the Auditor-General and reports of independent auditors on operations of the Auditor-General. Sir, as you are aware, as it is said in our system, you have to make sure who is going to guard the guard. Therefore, the system must ensure that is preserved.

Mr. Speaker, one of the clear requirements of the duties of the Committee is that it must report to the Houses of Parliament on the performance of the office of the Auditor-General. In effect, we are ascribing to Parliament a kind of watchdog committee, not over the detailed work of the Auditor-General but as to whether it is doing what the Constitution of this country intended that it should do when it created the office, and preserved the independence of the office of the Auditor-General.

Sir, this Committee is not only about giving Members of Parliament the power to conduct witchhunts or to clarify and let the truth come out to counter the witchhunts that have been taking place in this Parliament, it is also to treat to the quality of governance of the public administration as it relates to the public funds of this country.

Mr. Speaker, we also noted in the legislation that the Committee is required, it is a mandatory obligation, to prepare reports of the performances of its duties in respect of each financial year and to lay such reports in Both Houses of Parliament. It is also a requirement that the Committee shall meet at least once every six months. I trust that the Leader of the Opposition now understands that this is not a duty given to him by convention but it is a duty prescribed under the laws of this country, if this legislation shall be passed in Both Houses of Parliament.

Mr. Speaker, the Committee is given additional powers to ensure its appropriate function. It sets out the powers of the Committee to take evidence. It asserts that as far as possible, that all evidence shall be taken in public unless the Committee at its own initiative or the request of a witness to

take evidence in private, whether oral or documentary because the substance of the evidence relates to a secret or confidential matter.

Mr. Speaker, for example, if you are dealing with a matter that pertains to the substance of national security, then obviously you will have to limit the distribution of the evidence taken. For the most part, the evidence shall be taken in public for the hearing of all.

Sir, persons giving evidence will have to administer an Oath and it creates an offence further on in the legislation for those who give evidence knowing the same to be false or reckless. It also creates an offence for which a person is liable to a summary conviction to a fine of \$25 000 or to a term of imprisonment of two years.

Sir, we have a tradition that the Parliament of this country is, indeed, the highest court of the land. Therefore, those who present themselves before this Parliament either as members or as witnesses giving evidence before a Committee have a duty to speak the truth, the whole truth and nothing but the truth. I would remind you of the numerous examples in parliamentary life where persons have resigned various posts for failure to be truthful in Parliament.

The Committee has the power to summons witnesses. We have set out a procedure for what will happen where a witness fails to appear before the Committee. If you are going to give a committee the power, you must strengthen the power to be able to demand the appearance of persons in those circumstances. We have paralleled the process that exists within another piece of legislation that governs elements of the affairs of this Parliament, the Parliamentary Administration Act, in relation to the powers given to the Committee. We feel that there should be no disconnect because at the end of the day the Public Accounts Committee is simply a subcommittee of Parliament.

Sir, as with other areas of the judicial system, and tribunals, we recognised that there would a responsibility in some instances to pay witnesses for their travel to be able to attend the Committee to give evidence and those matters will also have to be treated. For example a person who has been summoned to appear before the Committee cannot come and say that they are not prepared to answer or produce a document without just cause. There are very serious issues on the part of those who appear before the Committee.

Sir, I anticipate that we will have to prepare rules to govern the operations of the Public Accounts Committee. The last Clause of the Bill provides for the Governor-General to make regulations and the regulations should speak to the manner of the operations of the Committee in relation to its activities.

I undertake, as Attorney-General, to have those regulations provided but I do feel that the first order of the Public Accounts Committee should be to, at least, develop a policy document to speak to the kinds of rules that should be the subsidiary legislation to so govern its conduct. This is part and parcel to the consultative process of which I spoke earlier.

Mr. Speaker, that sets out in summary the terms and provisions of the Public Accounts Committee Bill which is packaged largely off the Australian precedence, recognising that the British one, of which we are familiar, does not sufficiently admit the participation of the other House. In circumstances where areas in our society have taken a different trajectory role than in Britain, we feel that we should be culturally relevant to Barbados in determining reforms that ought to obtain, in respect of the Public Accounts Committee.

11.25 a.m.

There are those who want to suggest there must always be good legislation. If there is good legislation, it must be prepared to accommodate all eventualities. It is not always possible but we go as far as we can. Therefore, in this Bill, we have also provided that where the Leader of the Opposition is absent, either by reason of sickness, or by reason – they have not said that but I have given you the possibilities – of a Parliament that does not have an Opposition, that the Public Accounts Committee should be chaired by a person, other than a person who supports the Government.

So in the event that those unfortunate circumstances should ever occur, for either Party, then obviously, a Member of the Other Place, the Senate, in relation to an Independent Senator would undertake the role of Chairman in those circumstances, ensuring a division of labour.

Mr. Speaker, I look forward to this debate. I look forward, generally to this Parliament but I look forward especially to this debate, because I trust and hope that many of the issues which have been the subject of unfortunate comment, over particularly, the course of the last six months, would now become the subject of reason and responsible comment, given the fact that we have, as I said, a very proud record, in the respect of public administration in this country.

There are very few countries in the Commonwealth that have been as regular and faithful to the precepts of accountability within the management of its public finances than Barbados. I go beyond the region now. We have been faithful in the small things. The majority of Barbados does not even know that the Accountant-General lays monthly accounts in this Parliament.

It is an unfortunate thing that we have not developed an interest on the part of the media, in those aspects of our governance that are ‘unsexy’, because they do not hit you in the face, but are essential to the proper functioning of this Parliament, the Government and to the deepening and improvement of governance in this country.

I trust and hope that this Parliament would distinguish itself on Both Sides, by bringing an approach that respects the spirit behind the motivation of the Government to deepen those aspects of our governance, the accountability, enhance the transparency and widen the participatory process as we move into effectively, what is our second phase of independence as a country. Sir, what has befallen Jamaica, in respect of the public judgment of its people, should be something that should never, ever be said of this country.

Sir, those of us who have come here understand that in the same way these thick coral stone walls provide for us the limits of our physical access to this Chamber that we too, will construct walls that will restrict our behaviour such that we do not seek to impugn or to tear down those institutions that have helped guaranteed our success to date as a people, and as a nation.

I believe, Mr. Speaker, that if we, on Both Sides, can remain faithful to that, then we can enhance the quality of governance by the Government and the Opposition in this country for the benefit of the people of Barbados, in circumstances where they feel confident that other than on areas of policy, they have in public life, people in whom they can put their trust.

Mr. Speaker, I look forward to being a Member of a Parliament that will see how this Bill will translate itself into action, and strengthen those areas that I have adverted to, in the cause of the people of Barbados. In the same way, Mr. Speaker, that we have taken oaths to be faithful to that cause, I trust and hope that this new institution would enhance our ability so to be faithful to our own.

I am obliged to you, Sir.

Mr. C. A. MASCOLL: Mr. Speaker, I rise to make my contribution in this debate, fully conscious of the intent of the amendments to the Public Accounts Committee, but also recognising that there are some concerns which we have to address, particularly, as they relate to the structure and the size of the Public Accounts Committee.

The new Bill proposes to increase the membership of this Committee, from seven members to 13 but it does not increase the powers of the Opposition, because it reduces

the actual voting powers of the Opposition, from 43 per cent of the Committee to a mere 31 per cent. That is, in a committee that had as much as seven members prior to now, the Opposition's membership was a mere three and that would have constituted almost a 43 per cent vote. Now, what we are seeing is an increase in the composition of the Committee, to the extent that at most, the Opposition would only have four Members out of 13 Members. This reduces the percentage vote to just under 31 per cent.

Sir, the question is that the introduction of the Senate to this Committee, appears to be a positive in that it broadens the base of inclusion and involvement of parliamentarians. There is a concern given the current composition of the Senate, that there are seven Independent Senators out of a total of 21, which would mean that the Independent Senators represent one-third of the total committee, and logically, should in fact be entitled to have two Members on the Public Accounts Committee in the Upper Chamber.

On that basis, four Members will be left to be filled by the Government Senators and the Opposition Senators. It is highly unlikely, given the existing structure of the committee that more than one Opposition Senator would sit on the Committee. This means, therefore, that there is going to be a difficulty in securing a quorum, fully made up of Opposition Members.

Now, even though the Committee is not intended to be an Opposition Committee, it has been said by a previous Member of Parliament, it would be instructive and a constraint on the Government Members to attend meetings of the Public Accounts Committee, if indeed it were possible for the five member quorum to be fully constituted by the Opposition Members. In this case, the Government Members, both in the Lower House and the Government centres would be compelled to attend the Public Accounts Committee meetings.

In fact, we are seeking, on This Side to ensure that there is some adjustment to the composition of the Public Accounts Committee within the Lower House so as to permit the Opposition Members to have four Members, as opposed to three Members on the Public Accounts Committee. In that way, we are suggesting that the amendments to the Public Accounts Committee would then become meaningful. In the previous Parliament, it was not the composition of the committee that made the difference, it was the lack of attendance on the part of Members in the Lower House to such meetings that did not permit for the affairs of the Public Accounts Committee to be fully conducted.

Whereas, previously the Opposition accounted for three Members out of the seven, and would require at least one Government Member to attend meetings so as to form a

quorum, we are suggesting that it may make absolute sense in this amendment to allow for four Members from the Lower House and then, at least one Member from the Opposition in the Senate, which would then form the quorum. This would put considerable pressure on the Government to attend Public Accounts Committee meetings, because the Government will still have a majority.
11.35 a.m.

The reason why we are considering such an amendment is because the question as to whether or not there are independent Senators in the Upper Chamber is up for discussion. We all know that there are supposed to be seven independent Senators in the Upper Chamber but as one who has sat in the Upper Chamber one would sometimes have to question whether or not one can say beyond a shadow of doubt that they are reflective of the question or the issue of independents.

When you look at the proposed structure, there would in fact be, if we accept the composition of the present Senate, at least two Independent Senators sitting on the Public Accounts Committee and three Government Senators which would mean that there would be nine non-Opposition Members on the Public Accounts Committee out of the total of 13 Members. That would give voting rights or privileges of almost 70 per cent as compared to 30 per cent for the Opposition party.

The intention as was stated is for there to be some degree of transparency and accountability. It is believed that if the Opposition Members constitute a fair share of the committee that it may very well redound to better management of the Public Accounts Committee, with more effective meetings and more effective work being done by the Public Accounts Committee.

We are not asking for the majority. What we are saying is that in the event that Opposition Members alone could constitute the quorum, then it becomes incumbent upon the Government Members both in the Lower and Upper Houses to attend Public Accounts Committee meetings. That is the proposal we are putting forward. We are not happy with the need for any amendments at this stage because what obtained prior to the elections no longer obtains, that is, that there were two Members on the Opposition Benches but there are now seven. The proposed amendments may only become necessary in the event that we have a similar situation on either Side of the political spectrum.

In short, we are saying that the structure of the Public Accounts Committee does not give us any major benefit at this stage as an Opposition which therefore becomes a concern for us.

We are also saying that the size of the Public Accounts Committee would not make a difference, except to the extent that it involves Members from the Upper House, in terms of the execution of the work to be done by the Public Accounts Committee. In that regard, therefore, it may not be necessary at this stage to have the kinds of amendments that are being proposed in the Lower House.

Prior to the election, the intention was to allow for the Public Accounts Committee to meet because the Opposition only had two Honourable Members of Parliament. That intention was seemingly honourable at the time, but we are not satisfied with the way in which the size and the structure of the Public Accounts Committee is being pursued at this stage because we see no fundamental benefits for the Opposition party.

In fact, as I have demonstrated, whereas, before the Opposition represented three-seventh of the entire committee or some 43 per cent of the vote, it will now only have, at most, four out of 13 Members. That is a concern for the Opposition Benches.

It has been alluded to that the legislation was being copied from Australia. However, there is a fundamental difference in the composition as well. The Australian legislation does not permit Ministers and/or Parliamentary Secretaries to sit on the Public Accounts Committee. Perhaps there is a need for some consideration of that because as we know the question of natural justice is important. While a Minister may be a Minister of Housing or some unrelated Minister to Finance, Cabinet is supposed to be collective in terms of its involvement, its acceptance and its agreement. There is collective responsibility. Therefore, a Minister by necessity may see the need to push the case of the Government even though that Minister may not be totally in sync with the affairs of the Ministry of Finance or any other related Ministry. So there is certain objection to the fact that we currently have two Ministers from the Lower House sitting on the Public Accounts Committee. So the intention or the suggestion here is for some consideration to be given to Ministers, junior Ministers and/or Parliamentary Secretaries not sitting on the Public Accounts Committee. That is a very legitimate concern.

So we are raising these matters not out of malice or out of any intention to destroy or to prevent the Public Accounts Committee from functioning effectively but really to ensure that the overall objectives of transparency and accountability be achievable within the context of not only the size but the structure of the existing committee.

It has been pointed out that there are certain kinds of companies that can be investigated by the Public Accounts Committee. These are companies in which Government

either has in excess of 50 per cent of the shareholding or in terms of the voting rights. While we understand the need to accept percentages, because as defined in the Companies Act, Government having less than 50 per cent of the shares would imply by definition that the company is private and therefore may be beyond the scrutiny of the Public Accounts Committee. There may be a need to consider that in a very large enterprise or entity while Government shareholding may only be 40 per cent, in which case the entity does not come under the scrutiny of the Public Accounts Committee, that the magnitude of the investment in terms of dollars and cents may require some consideration. Government may have less than 50 per cent of the shareholding, but it may be a very large chunk of the taxpayers' money and it may require the Public Accounts Committee to have some say in its capacity to investigate such an entity because it is not just about the percentage, it is about the extent to which the taxpayers' money is being invested in companies. So there is a need for such consideration as well.

I turn now to look at a point relating to the question of the membership. There has been a commission called the Forde Commission, which was for a long time in a state of limbo, which had suggested that consideration would be given in the foreseeable future to more Opposition Senators being placed in the Upper Chamber. In fact, the proposal is to increase the number from two to four Senators.

11.45 a.m.

If that is the case, then it may be necessary at this stage to consider that such work and recommendations have already been put in place and may, indeed, be beneficial if Government gives some consideration to delaying the process of putting together the Public Accounts Committee, in light of the fact that the recommendation has already been put to Parliament and to the Government to increase the number of Opposition Senators by way of that Commission.

We also believe that even in the instances where Government does not have the majority shareholding, there is need for full disclosure of information in companies in which there has been some investment on the part of Government. As I said, it cannot simply be the question of percentages but we have to consider the magnitude of the investment in terms of dollars and cents and while Government might not see it as necessary to engage what is happening at that level with a company that has less than 50 per cent shareholding on the part of Government. We also consider it necessary for us to be in possession of such information and to know precisely what is happening to the investment made on the behalf of the taxpayers of Barbados. Therefore, there is need for an amendment to the legislation to include a clause which permits us, even though we are fully cognizant of the fact that we cannot go into a private company to investigate, it guarantees us, however, that the Government will bring to the Parliament of Barbados, any

such details or information that becomes available to Government, that it becomes available to the Opposition Members in Parliament.

Mr. Speaker, we are asking Government to look into the question of providing or laying the document that it might have some degree of share-ownership in the Parliament of Barbados to ensure that there is that degree of accountability and transparency.

Mr. Speaker, there was some discourse and matters raised by the Barbados Labour Party in a previous Parliament or prior to the election but we are not going to back down from our responsibility in demonstrating to the people of Barbados that, in fact, some errors were made by the previous Administration in the conduct of the Consolidated Fund.

I know there were indirect attempts to attack the current Opposition Leader on this matter but we are fully aware and conscious of the Financial Administration and Audit Act. We also know that all revenues of Government, duties paid, all loans incurred by Government with the exception of short-term loans which are the Ways and Means accounts at the Central Bank, all such proceeds shall become part of the Consolidated Fund.

Sir, much discussion surrounded the question of Above-the-line and Below-the-line items. While the Leader of Government Business has indicated that the Public Enterprise Investment Fund is, in fact, an account within the Consolidated Fund, it is a Below-the-line item that does not require Parliamentary approval to be used by the Government of Barbados. However, there are several accounts which are Above-the-line, which were skillfully ignored and which require Parliamentary approval before they could be tampered with.

Asides.

Hon. Miss M. A. MOTTLEY: On a point of order, Sir. It is distinctly unparliamentary for the Honourable Leader of the Opposition to use the word tamper when it comes to the issue of public funds. This loose talk will not do this Chamber well.

Mr. SPEAKER: What are you requesting?

Hon. Miss M. A. MOTTLEY: The Honourable Member is impugning the integrity of the Honourable Members of this Chamber who would have the responsibility in their executive capacity for treating to these issues as provided for under the Financial Administration and Audit Act.

Mr. SPEAKER: Honourable Member, there are certain insinuations to the words used, would you withdraw the words please. The Honourable Member is asking that the word be withdraw because there are certain insinuations made by it.

Mr. C. A. MASCOLL: It cannot be withdrawn. Tampered does not necessarily connote a negative. Mr. Speaker, I will withdraw the word, that is no problem.

Sir, in the Accountant-General's Report of June 2002, the special deposit at the Central Bank was of a balance of \$385 365 774. As of June/July, the balance was reduced to \$272 073 647. Therefore, between the months of June and July, the Consolidated Fund declined by as much as \$113 292 127.

Sir, at page 8 of the Accountant-General's Accounts and Statements for the months of June and July, 2002, the Special Accounts declined by \$113 292 127 and it cannot be coincidental that constituted an advance to Hotels and Resorts Limited. It cannot be coincidental that in these accounts there is a very distinct line on page 8 of the Report which separates the Below-the-line items which were alluded to by the Leader of Government Business. In fact, the Below-the-line accounts do include the primary account of the Public Enterprise Investment Fund, while the Above-the-line accounts represent all other accounts that form part of the Consolidated Fund.

It, therefore, means that according to the Leader of Government Business, that for an Above-the-line account to be used, Parliamentary approval has to be sought. It is absolutely clear when one looks at the Accountant-General's Report that solid black line was the line to which the technocrats referred when they provided the Prime Minister with an opinion on the question of the use of the Consolidated Fund, which was brought to this Chamber in a previous Parliament in an attempt to explain whether or not it was true that funds were taken out of the Consolidated Fund without Parliamentary approval.

Sir, there can be all kinds of discussions or attempts to step around this issue and every effort made to confuse the debate within the public of Barbados by reference to items that are Above-the-line and Below-the-line items but it is absolutely clear, according to the Accountant-General's Report as at July 2002, that all of the Below-the-line accounts which included Crown Agents accounts and the Public Enterprise Investment Fund, could not have been used to advance as much as \$113 million to Hotels and Resorts Limited.

11.55 a.m.

It is indeed clear that these funds came out of an Above-the-line account called, the Accountant-General Special Deposit Account and given the opinion expressed by the Leader of Government Business in her speech, Government would have had no choice but to come to Parliament of Barbados to get such approval to advance these loans to Hotels and Resorts Limited.

Hon. Miss M. A. MOTTLEY: Mr. Speaker, on a point of order. The Leader of the Opposition is misleading this Chamber and seeking to ascribe to my comments that I have determined that the Government acted illegally. I prefer in all matters to rely on my own advice especially as it pertains to law because I do not believe the Honourable Leader of the Opposition knows anything about the law. Furthermore, the Honourable Member would do well to tell us in 1993 why he would have conferred with the then Minister of Finance to do the same thing for the Barbados Agricultural Management Company.

Mr. C. A. MASCOLL: I do not have to explain any such thing. I have to demonstrate to this Chamber the truth that the Public Enterprise Investment Fund in June of 2002 contained only \$3 300 378 and that it could not have been the source or the fund from which an advance to Hotels and Resorts Limited came.

Hon. Miss M. A. MOTTLEY: Mr. Speaker, on a point of order. I did not call a figure in this Chamber. The reality is that the Honourable Leader is seeking to say that I said which account it came from and I did not. I made the point that there is a Treasury Fund which consists of a Consolidated Fund and other accounts and in the same way that there are other accounts which can be used with the authority of Cabinet pursuant to the Financial Administration and Audit Act, which he would do well to read and understand, he would then understand that the Barbados Labour Party did the same thing that the Democratic Labour Party Administration did in 1993 with the Barbados Agricultural Management Company, established by the then Leader of the Opposition with his advisor who is now the current Leader of the Opposition, neither of whom can distance themselves from either fact.

Mr. SPEAKER: The Honourable Member for St. Michael North East has clearly stated that no way did she mention that this account was used. Your presentation is attributing to the Honourable Member something that she did not say. I am suggesting that you should proceed and desist from making that point.

Mr. C. A. MASCOLL: Mr. Speaker, I am saying that the Leader of Government Business said there was some Below-the-line account. I then identified specifically the Public Enterprises Investment Fund as a Below-the-line

account. I am further suggesting that the Public Enterprises Investment Fund is the major Below-the-line account in the Consolidated Fund. It is not the only Below-the-line account and I accept. I am also saying that in July 2002 the Public Enterprises Investment Fund contained only \$3 million and could not have been the source – I am not saying that the Leader of Government Business said it. I am saying that it could not have been the account from which the advance to Hotels and Resorts Limited came. I am saying that the advance to Hotels and Resorts Limited came out of an Above-the-line account.

Asides.

Mr. C. A. MASCOLL: No one can contradict me on this. I am saying that the advance to Hotels and Resorts Limited came out of an Above-the-line account which I have just demonstrated in the full view of Parliament. Further an Above-the-line account in the Consolidated Fund requires parliamentary approval and no such parliamentary approval was granted by Parliament of Barbados. It is clear because an advance of \$130 million came out of the Consolidated Fund as the above-the-line items not the below-the-line item.

Sir, to try to camouflage this debate in above and below the line terms is irrelevant because I have illustrated that Below-the-line items which do not require parliamentary approval, contains less than \$5 million. Sir, I have the evidence and I have already made it a document of the House.

The Accountant-General's Report is here for all to see and peruse and no one can dispute it. The discussion about GEMS is no longer Easry House or Dover Convention Centre but about the Government's action of going into the Consolidated Fund of Barbados and taking a huge amount of money. Mr. Speaker, as I speak, the figure has now gone to \$145 million in the February 2003 Monthly Report. Sir, I quote directly that the figure has now gone to \$145 328 264.

Sir, there is no need for the Attorney-General or the Leader of Government Business to tell me anything as it relates to financial matters, neither do I need her for anything on financial matters. She is in a position to tell me something about the law but this issue has to do with financial matters.

12.05 p.m.

Mr. SPEAKER: Honourable Member, when you make your point quite clear, I hope that you do realise that there is a clear item on the agenda. I will not allow you to go into any further detail at this time with the line that you are taking. You have used this to make the point and I think that is good enough. Could you proceed on the Public Accounts Committee Bill, please?

Mr. C. A. MASCOLL: Mr. Speaker, there is no doubt that this Bill seeks to deal with the...

Hon. Miss M. A. MOTTLEY: I rise on a point of elucidation because I feel that this Chamber is deserving of the truth and an interpretation of the law as it exists. I left the Floor of the House to consult with the Director of Finance and Economics of this country. Mr. Speaker, in addition to that, I have in my hands a note from the Accounting General of this country. Sir, when I spoke earlier, including the integrity of institutions of public officials, I referred to that again. Those funds which went to Hotels and Resorts Limited came from a special deposit account which is a Below-the-line account, for which no parliamentary approval is required.

Mr. Speaker, these transactions can include loans to entities under Section 25 (a) of the Financial Administration and Audit Act, and advances to Government and other enterprises; under Section 38 which deals with payments from funds held in deposit, liability accounts and transactions from trust funds and investment accounts. The monies advanced to Hotels and Resorts Limited under the latter category, as reflected in the Accountant-General's Monthly Statements and which the Leader of the Opposition wanted to show us, are monthly reports from July-December 2002 where it reported the amount of money payable to the Government by Hotels and Resorts Limited.

Mr. Speaker, if this Government wanted to hide something, would it come to the Parliament, month after month, as the subject of a report from the Accountant General? What errant nonsense am I hearing? As the Leader of the Opposition, if he has not understood yet public finances, he should not even try to understand law. I say to you, Mr. Speaker, that he has a duty to behave at a higher standard in this Parliament than he has chosen to behave in the public of this country.

Mr. Speaker, I will get up every single time because the integrity of this Parliament must not be impugned by a person who can find no other platform for his personal ambitions than to ascribe improper motive to a Parliament of this country and to public officials of this country.

Mr. SPEAKER: Please, please do not go down that line, please. Honorable Members, please let me give my view, please. The Bill that is before the House is to move the first reading of the Public Accounts Committee Bill. Members made certain references to make a point and I am asking Members to continue with the debate and not to go into those details which do not relate to this Bill before the House.

Could you proceed, please?

Asides.

Mr. C. A. MASCOLL: In the Auditor General's Report those funds are regarded under the Consolidated Fund. In fact, the Consolidated Fund has a special definition in law in the Constitution of Barbados. Therefore, if you go to the Central Bank, you will identify in the accounts that are not published that there is a special line item called Consolidated Fund which has a zero balance. I suspect that the Central Bank recognised over time that it could not have an account called Consolidated Fund because there is an account in law so described in the Constitution of Barbados. Therefore, the funds that are contained in the Consolidated Fund of the Accountant-General are referred to as Treasury Accounts at commercial banks or the Central Bank.

Mr. SPEAKER: On what do you rise?

Hon. Miss M. A. MOTTLEY: On a point of order. The Honourable Member is misleading this Chamber again. The Honourable Member would do well to explain to the public that these transactions and Below-the-line accounts can only be charged to the Consolidated Fund when the Government decides to writeoff or impart the whole of the amount or to convert the amount, in the case of a loan, to a grant and in neither case has that happened with the money advanced to the Hotels and Resorts Limited. Furthermore, the Consolidated Fund is not a bank account. The Government has separate accounts and some of them are Below-the-line.

Sir, the day that Government ever decides to writeoff that \$113 million or convert that \$113 million to a grant, then it would require parliamentary approval. Mr. Speaker, these are matters pertaining to the laws and the interpretation of the laws in this country. To the best of my knowledge, I have taken an oath to uphold the laws. Therefore, any suggestion that this Government has taken an action to impugn or breach the laws of this country is a reflection not only on the integrity of the Minister of Finance but on my integrity. Mr. Speaker, I will not be part of a campaign of misinformation and wrong accusations that bear no relation to fact or the law. When we writeoff that amount of money then it will fall on the Consolidated Fund.

Sir, if you want a lesson in basic law, I can arrange it for you outside of this Chamber.

Mr. C. A. MASCOLL: Mr. Speaker, the Leader of Government Business does not even understand that those funds, now transferred to Hotels and Resorts Limited, now become equity of that company and that is the reason why we have had a recent report which said that Hotels and Resorts Limited has incurred a profit.

Mr. SPEAKER: Please, please. The Honourable Member, please.

Hon. Miss M. A. MOTTLEY: On a point of order. Mr. Speaker, those funds have not been converted.

Mr. SPEAKER: Honourable Members, please. I believe that the references made earlier by both Members to make their points clear relating to the Bill before the House were necessary. I do not think that it is necessary for us to go on into this kind of detailed argument. It is obvious to me that the Honourable Member has his explanation and the Honourable Leader of the House has her explanation. I believe that the Honourable Member, who is on his feet, should continue to debate the Public Accounts Committee Bill which is before the House and looking at the principles of the Bill. I am suggesting that you continue looking at the principles of this Bill and not the details of the Bill, please.

Mr. C. A. MASCOLL: Mr. Speaker, I certainly cannot avoid, in this instance, the principle of the Bill along with the details. Sir, we are saying here that Hotels and Resorts Limited is a company in which Government has 93 per cent shareholding. It, therefore, means that Hotels and Resorts Limited becomes a candidate for examination by the Public Accounts Committee as amended. Mr. Speaker, I am saying that funds from the Government's purse have been advanced to Hotels and Resorts Limited. It does not make sense if Hotels and Resorts Limited is now in a position to erase its debt with the use of those funds and convert that debt to equity. Sir, that is the principle.

Mr. SPEAKER: Honourable Member that is not the principle of the Bill that is before the House. That is your own agenda, Sir and I am suggesting to you that you continue to debate the principles of this Bill or take your seat.

Mr. C. A. MASCOLL: Mr. Speaker, that is not the details of the Bill. It is the principle.

Mr. SPEAKER: The principle of this Bill has nothing to do with anybody's equity in anything. Okay?
12.15 p.m.

Dr. W. F. DUGUID: Mr. Speaker, on a point of order. The rules of order, number 38 says that the Chair is to be heard in silence. The Honourable Member of the Opposition is not allowing the Chair to be heard in silence.

Mr. SPEAKER: Thank you, Sir.

Asides.

Mr. SPEAKER: Proceed please. Order please. Please proceed.

Mr. C. A. MASCOLL: Mr. Speaker, the Bill states at:

"7. (a) (ii) all statutory corporations, entities in which the Crown owns not less than 50 per centum of the share capital, or controls at least 50 per cent of the voting rights in the entity;"

Sir, I just sought to provide an example of an entity in which this Clause applies.

SUSPENSION OF SITTING

Hon. Miss M. A. MOTTLEY: Mr. Speaker, at this juncture, I beg to move that this House be suspended until 1.30 p.m. at which time I believe that the Leader of the Opposition will continue his speech.

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

The question that the House be suspended was put and resolved in the affirmative and Mr. SPEAKER suspended the House accordingly.
12.20 p.m.

RESUMPTION

Mr. SPEAKER: This Sitting is resumed.

Mr. C. A. MASCOLL: Mr. Speaker, we believe that the duties of the Public Accounts Committee could be expanded to allow us to become more proactive in the matters of the Government's expenditure, rather than reactive. By this, we are suggesting that perhaps the Committee could become more involved in the discussion of the Estimates, rather than to wait for the debate to get involved in the allocation of expenditure.

This is asking a lot because it is asking for the Opposition to be privy to some of the information as it relates to the various ministries. But since, in any case, we will have the opportunity to debate these matters in the Estimates, then all we are suggesting is that there can be greater participation and involvement of the Public Accounts Committee, in a very proactive way, in the determination of Government's expenditure. This is something that, we hope, we could become very much involved.

Sir, when we look at the overall Bill, we are concerned. We are very concerned that the amendments do not really allow the Opposition to become that much more involved in the affairs such as voting, or the Opposition having a greater presence on the Public Accounts Committee. Indeed, as has been said before, when these amendments reach the Upper Chamber, there will be six additional Members. According to

our calculation, given the composition of the existing Senate, it will be hard to see more than one Opposition Senator being put on the Public Accounts Committee. So that increases the number of Government persons on the Public Accounts Committee to seven, at least, and two Independent Senators, giving rise to a grand total of nine persons sitting on the committee that do not represent the interest of the Opposition.

As we said in the pre-lunch session, our concern is that an Independent Senator in Barbados, while one may be able to describe him as that, the actions – given that I sat in the Upper Chamber for sometime – can be questioned because there is hardly ever a debate in which Independent Senators really dig their teeth into legislation or Resolutions to be offensive to the Government. It is more or less accommodating the work of the Government, than is seen as the mission of the Independent Senators in the Upper Chamber.

We understand how this particular amendment came about but we are very uncomfortable with the new structure of the Public Accounts Committee and, certainly, the size, given as I said, that it does not increase, and in fact, reduces the representation of the Opposition on the Committee. That is a major concern.

I just wish to repeat something I said in the pre-lunch session. That is, if the Opposition is given the opportunity to form the quorum for this Committee, then it compels the Government side to attend meetings. It does not mean that we would be in the majority. It simply means that the affairs of the Committee would now be taken more seriously and that acts as a reason why the attendance on all Sides would now be guaranteed.

Sir, if you permit and allow for this existing structure, it still does not guarantee the attendance, except there is cooperation from the Independent Senators and the Upper Chamber. Sir, contrary to what might have been expected, this is not about seeking to create any strife. This is about understanding the genesis of the amendments and trying, as best as possible, to accommodate but still stating, quite frankly, that we see no real benefit to the Opposition Side, in terms of the proposed amendments to the Public Accounts Committee.

On a personal note, all the references about wanting, now that I have assumed this office, to put me on a particular path, the only path I have to be on is one of bringing the truth to the people of Barbados. This cannot be questioned. My pronouncements in public are nothing malicious but have always been accompanied by information that can be verified through reports that are available to all and sundry to see. It started with annual reports that were laid in the Chamber but were never scrutinised.

1.35 p.m.

I simply scrutinised and perused the documents and found the information that I put in the public domain. The intent of the Opposition is not to be malicious but to simply use the information that is available and is public knowledge to make some insight into circumstances surrounding the state of affairs and the operation of affairs in Barbados. We cannot be faulted for that because that is a legitimate claim and expectation of any Opposition so that it cannot be changed.

On the question of companies where Government has the majority shareholding, to this day we have not seen the 2001 Hotels and Resorts Limited report and to this day we have not had any preliminary report on the 2002 performance of HRL, yet we were privy to the first quarter performance for 2003. It is remarkable that a company could give a preliminary report for the first quarter of 2003 but cannot give any for the preceding year.

That is the kind of thing we have to be vigilant about because it is our responsibility to make sure that the truth is brought to the people of Barbados and that there is transparency and accountability. That is our mission. That is the mission we have embarked on simply to educate, to provide knowledge where possible and certainly to engage in debates that would be uplifting not only to this Chamber but to the people of Barbados in general and to all who wish to become involved in the process.

In that regard, in this debate, the Opposition is simply putting forward some alternatives that could enhance the performance of the Public Accounts Committee. I have suggested that rather than having four members of the Government Side coming from the Lower House, it may be very instructive for those four members to come from the Opposition Side thus improving or enhancing the potential to form a quorum or you could simply amend the existing legislation to allow for the quorum to be formed by the Opposition Members.

We have stated quite clearly that we do not like the idea of a Minister, a Parliamentary Secretary or any such person involved in the Cabinet of Barbados being a member of the Public Accounts Committee. We say this again not out of any malice but certainly out of the whole question of natural justice where as we all know Cabinet members are collectively responsible and therefore may see it fit to defend to the hilt a situation that is not defensible. In that regard, we are suggesting that like the Australian legislation from which these amendments have been borrowed that there could be consideration of that particular clause being introduced into the Bill.

Mr. Speaker, having said what our concerns are; having looked at the meat of the Bill; having discussed the size, the new size that is being proposed, of the Public Accounts Committee; having looked at the structure of the Public Accounts Committee; having looked at the mathematics of the proportional representation on the committee and having looked at the politics of the committee; it is our humble conclusion that several amendments should be made to the Bill in order to reflect the concerns of the Opposition.

I can see no one not appreciating the issues that have been raised by the Opposition Side in relation to this whole matter of the amendment to the Public Accounts Committee.

I, therefore, take pleasure in saying that contrary to what has been said, that we have focussed on the contents of this Bill, we have focussed on the provisions being made in the Bill and we are concerned about the existing Objects and Reasons for the introduction of the Bill at this stage and look forward to Government giving favourable consideration to the suggestions made by us in the hope that it could fulfil the expectation of the Public Accounts Committee meeting on a regular basis, identifying issues to be investigated, participating in a proactive way in the governance of this country and making reports on a timely basis as suggested by the Bill to the Parliament of Barbados.

It, therefore, gives me great pleasure to have contributed to this debate and I look forward to even greater contribution from the Opposition Benches and the Government Side over the rest of this session.

I thank you, Mr. Speaker.

Hon. R. R. FARLEY: Mr. Speaker, the only Honourable Member to have received any pleasure from the contribution of the Honourable Member for St. Michael North West would have been that Honourable Member himself. It was a most torturous and painful exercise particularly as he devoted the entire length and width of his presentation to a castigation of a number of institutions and entities established not by the whims and fancies of that Honourable Member but by the Constitution of Barbados.

The Honourable Member would have us believe that the management of the financial affairs of this country is run in an informal and slipshod fashion. He would have us believe that there is no particular merit in seeking to strengthen the governance of our affairs by expanding the role and scope of the Public Accounts Committee. He would have us believe that the offices of the Auditor-General, the Accountant-General and the Director of Finance and Economics Affairs would so conspire to break the law as

would allow us to hide expenditure which is made out of the public purse. Mr. Speaker, nothing can be further from the truth.

He further went on to suggest that the inability and the ineffectiveness of the last Public Accounts Committee and the fact that they could not meet was for a reason associated with the number of Opposition Members. The fact of the matter is that the manner in which the Opposition has approached the work of the Public Accounts Committee has always been mired in confusion whether it was the failure of the last Leader of the Opposition to summon Public Accounts Committee meetings. I must say that when they were summoned, it has been the Members of the Government that created the quorum. So the failure to meet was the failure to summon. The Honourable Members of This Side when we were in Opposition were able, within the existing framework such as it was then, to summon meetings of the Public Accounts Committee and have them function.

Further, the confusion would have been evident when the Honourable Member for St. John moved a resolution to amend Standing Order No. 59 to yield precisely these results and failed to garner a seconder on That Side. It fell to this side to support the proposals.
1.45 p.m.

Mr. Speaker, there has been no clear position from That Side on the role which the watchdog, the Public Accounts Committee, should perform. The reason why we need to have a very clear role and a clear position, is that the public affairs as they relate to finance are not done by rules that are scribbled on the back of an exercise book, nor are they made up as one goes along. The rules are very clear and are rooted, first of all, in the Constitution of this country and set out in very clear terms what are the standards of financial administration. They are given further and fuller expression by way of the Financial Administration and Audit Act, setting out precisely how things are to be done and which officers and offices are to perform the various functions; from the Auditor-General, the Minister of Finance, the Accountant-General, the Ministry, the Public Accounts Committee. Further, they are set out by the Standing Orders of this Parliament, setting out in Standing Order No. 59 the way the Public Accounts Committee should function, to have oversight of the expenditure of the land.

The Financial Administration and Audit Act, Cap. 5, is given further and fuller explanation by way of the Financial Rules which are made from time to time. Of course, spelt out very clearly and specifically is the independence of the Auditor-General, enshrined and named in the Constitution. Therefore, the Auditor-General and his officers are not ordinary officers, they are not part of the regular civil service in terms of taking orders and directions. They are there to

work in association with entities in the Public Accounts Committee of this Parliament to review, to audit and to examine the accounts of the Government, to ensure that all is done in accordance with the law. Therefore, every year in the Auditor-General's Report he is careful to remind us of the legal basis of his work, so that those who might want to fool the public that this is something that has been made up along the way or that it was done by notes that were scribbled on the back of a table napkin, is not the case, for they are structured and rooted in the law.

Sir, when allegations are being made about expenditure and breaches of parliamentary rules, *et cetera*, we have to hold those accusers accountable. They either have to put up or shut up because, at the end of the day, nothing of the nature proposed could be undertaken without, first of all, the Auditor-General citing it as being a breach, without the Accountant-General breaching the requirements of the law of his or her office, without the collusion of the Director of the Financial Administration and Audit Act, the Director of Economic Affairs and several other officers. The impression is perhaps being given that the Minister of Finance is someone who sits and signs cheques or that the Minister of Finance is involved at that level of expenditure.

Sir, I hope that, at the end of this debate, the public is more clear on what it is that we are proposing to do because we too are concerned that without increased efforts to strengthen the governance, to subject ourselves to oversight, that accusations such as those made by the Other Side could be allowed to fester. We are ensuring that every accommodation is made and every mechanism is in place, to allow for a full examination of all aspects of those expenditure because there is nothing to hide.

We, therefore, have taken this Public Accounts Committee, which so far has only been rooted in Standing Order No. 59 of the House of Assembly and have given it a statutory basis in law to more clearly set out its rules and functions, to provide for increased powers and an expanded role by way of expanding and making it very clear that the Public Accounts Committee can, in fact, investigate Government departments, statutory corporations and companies or other entities of which Government is involved, particularly where there is a majority ownership by way of owning 51 per cent of the shares.

Therefore, when we invite the Opposition to use the Public Accounts Committee to investigate any entities, including Hotels and Resorts Limited ... and they would have said they cannot touch it because they did not have the legal basis which they now have. Sir, the Opposition prefers to ask questions and not get answers. They do not want the answers because they fear the questions are more juicy and appealing

than the answers and, therefore, we are pleased to put this on the table.

1.55 p.m.

The Honourable Member would do well to remember that he is no longer under the street light, that he is now under the spotlight and that he will stand to be condemned by his own words in here because we have the Hansard records.

Mr. Speaker, I have faith in the independent Senators. In fact, if I had to pin my hope and aspirations on the judgement of people examining public accounts with the assumption that they want to get to the truth, that they have no axe to grind who will say that something is bad if it is bad or that all is well if it is well, I would go with the independent Senators instead of the Opposition because the independent Senators are not trying to take over the Government. I wish the Honourable Member would let the independent Senators rest in peace.

The condemnation of independent Senators in this process of Parliamentary oversight is in keeping with the condemnation that has been leveled on members of the trade union movement and civil society for their participation in the other high forms of governance, the Social Partnership. It is as if the Democratic Labour Party has a difficulty with involving anyone other than politicians in the affairs of this country.

Sir, it is as if they are saying that politicians are a special class that should not bother to involve the unions, senators or civil society. The highest form of governance is being displayed by this Administration where in this term and the last term, with an overwhelming mandate from the people, in our wisdom we recognised that good could only come from actively engaging people on an ongoing basis. In this Public Accounts Committee we have broadened the members to include Senators who are under the control of the Opposition or the Government which can only strengthen and add integrity to the process.

Sir, I am at a loss as to why they should come under such strong condemnation from the Honourable Member for St. Michael North West but, Sir, time will tell.

The Honourable Member is not given to making decision on public policy on the basis of principle. He switches here and there depending on situations and his approach to how a Public Accounts Committee should be structured will vary depending on whether he feels he has enough members to form a quorum or whether he feels he does not.

He said when they were only two members he went along with the adjustment to get things working but now there are more than two members he will not bother with the adjustments. We have to fear for this country where important decisions on how we structure and order our affairs and our governance are reduced to the exigencies of the moment. No longer do we seek to find a formula that is enduring that will outlast the test of time and changing political circumstances but we are into these twists and turns.

Sir, the Honourable Member spends his time confusing himself and the public with the business of above and below-the-line accounts and came to the ludicrous conclusion that below-the-line related to a line from the printers in a report from the Accountant-General.

Asides.

Hon. R. R. FARLEY: Yes, he displayed the report and said there was a thick black line across the page. His remark is printed in the record. Sir, he has reduced this debate on important matters of public finance and record-keeping to the matter of where the line falls. Sir, below and above the line has nothing to do with the line that is put in by the printers.

Asides.

Hon. R. R. FARLEY: Sir, the Honourable Member stands to be condemned by his words and they will come back to haunt him even before the ink is dry.

Mr. Speaker, the Honourable Member should know that in addition to the Consolidated Fund that there are various other accounts like special deposits *et cetera* that one does not need to come to Parliament to get expenditure approved, that one can make advances and loans on the basis of the approval of the terms by Cabinet and they become part of the Consolidated Fund when the loans and advances are brought to account by way of write-off of the debt or their conversion to equity.

Sir, to try to foist on this Parliament an incorrect assertion that the laws of Barbados were breached in action involving transfer of funds from a special account to Hotels and Resorts Limited is ridiculous. In fact, if the Honourable Member would allow all the facts to be told he would know that it is exactly the same type of transaction that would have been used in 1990 or thereabout. Sir, the Barbados Agricultural Management Company (BAMC) was financed by a similar group. So, this is a transaction which is well known in the law but it suits the purpose of the Honourable Member to give the impression that it is contrary to the law. The Honourable Member would wonder why I would put more faith in the independent Senators than the Honourable Member himself.

2.05 p.m.

Sir, the Honourable Member has set about in this exercise to bring to Parliament what he has already spent a considerable period of his short political career polluting the airwaves and the general thinking of the public of Barbados. I will, on behalf of This Side, resist any such attempt to introduce those kinds of inaccuracies into the records of this Parliament.

Mr. SPEAKER: Honourable Member, polluting the airwaves? I think that is not very parliamentary. You have to withdraw those words.

Hon. R. R. FARLEY: Sir, I withdraw those words.

Asides.

Hon. R. R. FARLEY: My apologies to the Chair.

Asides.

Hon. R. R. FARLEY: Mr. Speaker, this is a serious matter and you have to judge the Government by its record. No Government in the past has gone as far as we have gone in strengthening the system of public accountability in this country. It was this Administration that amended the legislation to make Ministers personally liable in the event that they ignored the clear written advice of the accounting office, the Permanent Secretary, who insisted that funds should not be wasted in government.

Sir, it is this Government that has ordered special audits on many Government Departments in order to ensure that the highest standards are followed in keeping proper records in this country. In fact, every year the Auditor-General's Report will list the number of special audits which have been done. It is this Government that made the determination that each Ministry mentioned by way of negative commentary in the Auditor-General's Report must provide a response to this Parliament, so that the circumstances can be explained and corrective action to strengthen accountability be taken.

Sir, it is this Government that has regularised a number of statutory boards. We still have some way to go but we are far removed from the situation under the last Administration.

Mr. Speaker, when we came to office in 1994 there were some statutory boards that had not reported for ten years. We have come a long way in getting the statutory boards to file their reports in this Parliament on a timely basis. Sir, we have to be judged by our work. We have also, through this legislation, perhaps, crowned those efforts and initiatives at improving public accountability by giving an expanded Public Accounts Committee an opportunity not to have to resort to excuses for the unwillingness of its Chairman to function, by claiming that they were unable to form a quorum.

Mr. Speaker, three meetings were called and two were held. I was a member of that Committee from 1994-2003. I trust that this Chairman would put his action where his mouth is and I look forward to him taking the necessary steps because that is when we would know for sure whether the questions are more juicier than the answers which he would get at the Committee.

Sir, we have brought this legislation as the high point of strengthening of the Public Accounts Committee and I am happy to support it. We need a full exposure of our accountability for all of our actions and we are happy to commend this legislation to the Honourable House of Assembly.

I thank you, Mr. Speaker.

Dr. W. F. DUGUID: Mr. Speaker, Sir, I thank you and the good people of Christ Church West for giving me the opportunity to speak to you today on the Public Accounts Committee Bill. Mr. Speaker, this Bill is a promotion from a Select Committee to a Joint Select Committee, involving the other House. It is a move in the right direction. It is a move to bring greater transparency to the internal workings of Government as well as giving the Opposition an opportunity to air various concerns which they may have about what is happening in Government and the Executive Councils.

Mr. Speaker, the Bill goes further. It continues to make the functioning of the laws of Parliament which we purport to represent.

Asides.

Dr. W. F. DUGUID: Mr. Speaker, any Member of this great House with any sense of decency or justice would have no other choice but to support this Bill because this is a Bill that speaks to decency and honesty of a Government in a third term and these are the traits that must be represented by this Honourable House.
2.15 p.m.

On the 14th January, 2003, this was dealt with as a Resolution under the rubric of the Private Members' Business. The then Leader of the Opposition spoke and moved the motion but it must be noted, Mr. Speaker, that at the time, the Honourable Member for St. John received no support from his Side.

I believe it was a first in this House that his own Side could not support his own Private Members' Bill and it was left to This Side to get up and second it. I believe it was the then Leader of Government Business who got up and seconded the Bill. Mr. Speaker, it was nothing less than a shameless representation on That Side.

Mr. Speaker, let me go further and tell you about how This Side sees Government and its responsibility to the people of this country. The Government, through the Prime Minister, after the Resolution was seconded, then proposed an amendment to the motion, moved by the then Leader of the Opposition, and the amendment was accepted by the House on that same 14th January, 2003. Mr. Speaker, the House without dissent of any single Member in here, voted for and passed the Resolution.

Mr. D. St. E. KELLMAN: Mr. Speaker, on a point of order. The Honourable Member is misleading the House by giving the impression that there was no dissent to this particular matter. The only way the Honourable Member could speak with authority is if he was in here or if he had a copy of what went on, on that particular day. As you know, Sir, you cannot refer to anything you have seen in the newspaper.

Asides.

Mr. D. St. E. KELLMAN: Also, there is one fundamental point I would like to make. The Honourable Member should know that there is a particular course that we carry in this House of Assembly on matters like these. I think it would be advisable for the Other Side to advise the new Member. I understand that he is excited in wanting to take part in this debate but there is a particular procedure, Sir.

Asides.

Dr. W. F. DUGUID: Mr. Speaker, I would understand why the Honourable Member for St. Lucy would want to rise and speak on this issue because he was the one who did not support his own Leader of the Opposition, and he must stand accountable.

Aside.

Mr. SPEAKER: Order please.

Mr. D. St. E. KELLMAN: Mr. Speaker, on a point of order. As a first time in this House, I do not think that this House allows anybody to lie in this House.

Mr. SPEAKER: Honourable Member, you cannot accuse another Honourable Member of lying.

Mr. D. St. E. KELLMAN: Sir, I am not accusing anybody. As you are aware, this Bill was brought by the Government Side and it was not brought by the Opposition. It is wrong to give the impression that the Leader of the Opposition brought this Bill and that the Honourable Member for St. Lucy did not support the Bill. This Bill was brought by the Leader of the House.

Mr. SPEAKER: The Honourable Member was referring to a Resolution that was brought earlier, on the 14th January, which he did mention.

Mr. D. St. E. KELLMAN: With all due respects to the Chair, Sir, the Honourable Member said, the Resolution in the beginning but he went on to say the Bill.

Dr. W. F. DUGUID: Mr. Speaker, I thank you, but I shall continue.

Mr. Speaker, we have also heard why, and I am continuing to speak about the genesis of the Bill, and it comes from the original Resolution. I want to go on and speak some more about the genesis, because we were told that it had to be amended because of the inability of the Public Accounts Committee to meet. It stemmed more from the infrequency with which it was summoned, rather than the inability to constitute a quorum.

Mr. Speaker, the Government is ever mindful of its pledge to bring more transparency and accountability to its affairs, and is determined that good governance is its watchword.

The Leader of Government Business at the time, promised that the Government would, at its earliest opportunity, introduce into Parliament, a Public Accounts Committee Bill and this is now the Bill before us, which I stand to support. This is the result of that, Mr. Speaker.

Mr. Speaker, I will go on to give you some advantages of the Bill before us because in the past, we relied on the Standing Orders. This new Bill establishes the Committee as a Joint Committee of Both Houses, giving a legal basis for the establishment of the Committee of Public Accounts. The Bill, Mr. Speaker, substantially increases the ambit of the Committee's powers and scope of inquiry and sets out its duties.

The Committee, Mr. Speaker, is mandated to examine the audited financial statements of the authorities of Government to which this Act applies, to enter governmental bodies, to all statutory corporations, entities in which the Crown owns not less than 50 per centum of the share capital or to control at least 50 per cent of the voting in the entity.

Mr. Speaker, the decided advantages that this Bill brings are that there is no doubt of the powers of the Committee. Furthermore, there is no longer the need to rely on practices of a UK Parliament to determine the extent of

those duties. The Bill makes it abundantly clear for all to see what the Public Accounts Committee can inquire into.

The Bill, unlike the Standing Orders, mandates the Committee to take all evidence in public with the exception to those matters which they may consider to be confidential.

Sir, no longer will you have to meet in a back room, but you will have the opportunity to meet in public and lay bare all of the facts. You would lay your considered facts but the Government will get a change to lay its facts also and that is, of course, the important aspect to this Bill.

The Bill goes further, Mr. Speaker, it sets out in one place and brings together the procedure, as it relates to the giving of evidence and the examination of the evidence.

Finally, Mr. Speaker, the Public Accounts Committee Bill is modeled after the Public Accounts Committee Bill of the Australian House of Representatives and it is acknowledged that the Australian Parliament is among the most progressive Parliaments. It has opened itself and its procedure to public scrutiny.
2.25 p.m.

Mr. Speaker, the route of establishment through the proposed Bill sets out in one place its practice and procedure. It sets a regulatory framework and gives teeth – and I know a lot about teeth, let me tell you – to the Committee which, hereto, as we would say, was dentureless or lacking of teeth. The Bill advances good governance and places the operations of Government entities in the 'sunshine' of public scrutiny.

Mr. Speaker, I want to go a little further and talk about the role of Public Accounts Committees in general.

Asides.

Dr. W. F. DUGUID: I have to be an expert because I will be sitting on that committee and I will be there watching and making sure that the Honourable Member do no wrong in that committee.

Asides.

Dr. W. F. DUGUID: Mr. Speaker, a Public Accounts Committee has been established more by tradition and evolution than by actual legislation in the past. This is a change now to make the Public Accounts Committee part of the laws of this country. All Honourable Members on the Other Side should support this Bill, because it is a Bill to support the good governance of this country which we are all here to represent.

Mr. Speaker, the Public Accounts Committee should exercise control over the executive and the financial administration of a country. The Public Accounts Committee should scrutinise the legality, probity and prudence of Government's expenditures. The Public Accounts Committee should ensure that the executive has operated with due regard to the economy, efficiency, productivity and effectiveness. The Public Accounts Committee should ensure that there is accountability and responsibility for financial and personal administration and Government bureaucracy and that Parliament is responsible to the public at large. The Public Accounts Committee exists as well to ensure that the tax dollars of the public at large are prudently and wisely spent so that the public may maintain faith in the parliamentary system. Those are some of the functions of a Public Accounts Committee.

If the Leader of the Opposition has nothing to bring to the Public Accounts Committee, I am going to give him some topics now. The Leader of the Opposition, rather than being fixed on something called Hotels and Resorts Limited, he seems to have a mental fixation with that, should consider things like public/private partnerships; Inland Revenue tax credit; improving students' achievement and widening participation in higher education; reducing prisoners re-offending; e-revenue; improving public services through e-government; ensuring that policies deliver value for money; having a better public service through joint working; better regulations; making good use of regulatory impact assessments; better value for money from professional services and education and training – this is something close to my heart – the future health professional workforce.

If the Leader of the Opposition is bereft of ideas, I will give him some today.

Asides.

Dr. W. F. DUGUID: Those who may not have read the Bill, because I know that the Other Side tends not to do this, I want to draw to their attention the duties of the Public Accounts Committee under Part 7(c) of the requirements of the Bill which says, and I quote:

“To report to both Houses of Parliament with any comment it thinks fit on any items or matters in those accounts, statements and reports, or any circumstances connected with them, that the Committee thinks should be drawn to the attention of Parliament.”

It further goes on at Part (d) and states:

“(d) to report to both Houses of Parliament any alteration that the Committee thinks desirable...”

Mr. Speaker, these clauses not only strengthen the Public Accounts Committee...

Mr. Speaker, this Government is so committed to transparency and accountability that it has even strengthened its own watchdog. Which organisation would go to such a length to strengthen its watchdog? This Government has done that. This Government has given the Public Accounts Committee which is the watchdog for Government and public expenditure an opportunity to get even stronger. So the Opposition has no choice but to support it because they know it is right and it is...

Mr. Speaker, in closing, if we...

Mr. SPEAKER: You have more time.

Dr. W. F. DUGUID: Thank you, Mr. Speaker, Sir. Mr. Speaker, if we are to avoid a repeat of the draconian measures under the last Democratic Labour Party Administration, we must give government departments an opportunity to get better at all aspects of the process of making policy. We must carry out sound analysis and should consult properly with both customers and those who actually deliver the service. While this might sound rather obvious, sadly, it does not always happen in practice.

Finally, Mr. Speaker, I keep hearing all the time about ‘The Magnificent Seven’. Mr. Speaker, I made it a point to go and rent this video, “The Magnificent Seven” and they are ‘a bunch of criminals’ but I have...

Asides.

Mr. SPEAKER: Please! Please! Please!

Dr. W. F. DUGUID: The Magnificent Seven is a movie, Mr. Speaker.

Asides.

Mr. SPEAKER: Order, please!

Asides.

Mr. SPEAKER: Order, please! The Honourable Member, you are not referring to any Honourable Member in here.

Asides.

Dr. W. F. DUGUID: No! No!, Mr. Speaker, Sir. I would never refer to any Honourable Member in this House as a criminal, I would never do that. I do not know if there is any criminality in any Honourable Member's heart, but I would never...

Asides.

Dr. W. F. DUGUID: I have great respect, Mr. Speaker, for this House. I am speaking about the movie "The Magnificent Seven".

Mr. Speaker, I also rented another movie entitled "The Good, the Bad and the Ugly". I do not know who out there is the good, but I know who is the bad and the ugly.

Mr. Speaker, I thank you.

Asides.

Mr. SPEAKER: Order, please!
2.35 p.m.

Mr. D. St. E. KELLMAN: Mr. Speaker, I must admit that the Honourable Member could not have ended better than that when he said: "The good, the bad and the ugly."

Mr. Speaker, I rise to speak on this Bill and using the words of the Honourable Member for St. Michael North East, she said, "It is the prerogative of those who have received the mandate..." These are key words, Sir.

I honestly believe that the Public Accounts Committee should be the prerogative of those who have received the mandate. I believe what the members of this Committee are asking is unfair to those persons who have not been given a mandate to sit on this Committee, to deal with matters with which we would have to deal. I also think it is unfair for the Honourable Members of the House to ignore their responsibility and to pass that responsibility to men and women in the Senate who have not been given a mandate by the people of Barbados.

Mr. SPEAKER: Please Honourable Member, may I remind you that the Senate is a legally constituted section of the Parliament of Barbados.

Mr. D. St. E. KELLMAN: Mr. Speaker, I agree with you but I was only following what I have been hearing the whole day.

I am saying that it is unfair to ask the Members of the Other Place to take on this responsibility when they have not been given a mandate by the people of Barbados. While we would expect them to pass laws and to help to amend laws, it is unfair to ask them to take on this responsibility, when we are the ones that are being paid to undertake such responsibility.

Sir, this demand on the Members of the Other Place is too great and this House should consider what they are asking the Other Place to become involved in and I do not

think this House should speak, as it is doing presently. This Bill is before this Parliament and has not been brought before the Other Place in the form of a resolution. We are speaking as if the Other Place has accepted the recommendation by us, which is not true. We are behaving as if this matter has been concluded when, in fact, it has not been discussed. Therefore, we are pre-empting the decision of the Other Place and it is a bad reflection on the Other Place.

Mr. SPEAKER: Honourable Member, it is my duty to direct you correctly. This Bill is now coming to Parliament for the first time and the normal procedure is that after the Bill has been discussed in this Parliament, it then goes to the Senate. Therefore, nothing wrong is being done here.

Mr. D. St. E. KELLMAN: Mr. Speaker, I was very clear to say the Resolution that would give authority to the Senate to amend the Standing Orders. What I am saying is that we are dealing with this Bill, when in truth and in fact, the Other Place has not dealt with the Resolution as yet. Therefore, by dealing with this Bill which speaks about certain Members, *et cetera*, we are actually saying that we are speaking on behalf of the Other Place and with that I have a problem.

We, in the Lower House, have no authority over the Upper House and the Upper House is free to make the decision. As we speak today, we can pass this Bill and the Upper House can dump the Resolution.

Asides.

Mr. D. St. E. KELLMAN: Sir, we have to be very careful because we are sitting in the Lower House and could automatically assume that the Upper House has accepted what has been passed to it when we know that it could go there and they could simply ignore it.

Sir, when this Resolution was first brought to the House, it was done so with the intention of accommodating the Opposition when they were only two members, now they are seven. This means it does not make sense to amend or to make any corrections to Standing Order No. 59 because as it relates to membership, it is quite in order. What we should be dealing with is a situation where we are giving more power to the Committee. The numbers we can ignore because one cannot say that we are going to move from seven to almost 13 and only increase the Opposition by another Member. That cannot be fair by any judgement.

Sir, it is as if one is saying that one wants the Opposition to be able to do something but still one is making sure provisions are put in place to ensure that they do not achieve such results.

I think it is only fair for us to revisit this particular section and to revert to the seven members because persons

are asking the Opposition to give up some of its authority and secondly, are asking Senators to become involved in things in which they are not mandated to do.

I believe that if we are going to use the Other Place, then we should be speaking to the Other Place as an elective House and not one that is appointed by any person. These persons must know what they are coming into and I do not think that what is now being done to them is fair. What we need to do if we are going to ask them to accept these responsibilities, is to pay them for such responsibilities. It is not fair for Members of the Other Place to be asked to take on substantial responsibilities without compensation. We have to be very careful that when systems are being set up, that they are done in the interest of the whole of Parliament and not in the interest of a minority.

Sir, I am also hoping that the Public Accounts Committee would also recognise that sometimes we spend most of our attention dealing with politicians, *et cetera*, but we need to spend time dealing with tenders, especially in the area of information technology. Too often one hears of a situation where persons submit bids that are very good in terms of cost or in terms of the type of equipment being submitted, only to hear that there are tenders that are much higher than theirs but yet awards are given to the highest tenders.

2.45 p.m.

I am hoping that the Public Accounts Committee would look into this matter because sometimes it can protect politicians from various charges.

There is another fundamental problem because we are asking Government Ministers to sit on a Committee that might be investigating them. It is not fair for Members to sit on Committees that can investigate them. Government Ministers and Parliamentary Secretaries who have offered to sit on these Committees should withdraw themselves because it creates a conflict of interest and it can be used against them at election time. Sir, they should withdraw before charges are laid against them when in fact they might be innocent of these charges.

Hon. Miss M. A. MOTTLEY: Mr. Speaker, on a point of order. For the benefit of the Honourable Member for St. Lucy, one of the most basic precepts of natural justice is that no man should be judged in his own cause. It is clear that if at any stage a person who is a member of the Committee has been involved in an activity they will not participate in the decision-making of the Committee. It is known that persons from both the Backbench and Frontbench and the Opposition sit on the Public Accounts Committee. I want to reinforce this

because it seems to have been felt by the Other Side that the Public Accounts Committee is an Opposition Committee but it is a Committee of Parliament and, therefore, the Members of Parliament are reflected in the Committee.

Mr. D. St. E. KELLMAN: Mr. Speaker, in my opinion, it is an Opposition Committee because it is the Opposition who calls the heads and most important is the ability to call the heads and not the number of people on the Committee so it depends on how you look at it because the Chairman happens to be the Leader of the Opposition and from that parameter we will deal with the particular matter.

Sir, if we resort to the number seven as a Committee we would not have to ask any Parliamentary Secretary or Minister to be part of the Committee. I hope we would recognise our responsibility and set up a Committee to show that we are serious about what we intend to do so that no one would judge us or get the impression that we are setting up a Committee to protect any particular interest.

If the Government claims that the Committee was set up in interest of the Opposition, it is no longer in the interest of the Opposition and it should be withdrawn. Sir, I have no problem with the provision of Section C, Objects and Reasons but I have a problem with Section A and B because there is no need to establish a Joint Committee of the Public Accounts Committee neither do I believe that the membership of this Committee should consist of 13 members. I am saying we should go back to seven members, it should not be a Joint Committee. The only provision I will accept is Section C, which says that the duty of the Committee is to extend the examination of the audited financial statements of all statutory corporations as well as entities owned or controlled by the Crown.

Sir, I hope that commonsense prevails and that Government understands that the Opposition no longer has two Members but seven Members and that they should resort to the old Standing Orders because it cannot be in the interest of justice for Government with 23 to 7 majority to bring a Bill claiming to represent the interest of the Opposition but in reality it is giving the Government more power.

Sir, this is unfair to the public and also the Opposition.

Mr. SPEAKER: The Honourable Member for St. Michael East.

Mr. T. A. PRESCOD: Mr. Speaker, this is my first intervention of this new term and as I listened to the Honourable Member for Christ Church West he inspired me

to say a few words. Sir, very seldom do people new to the order influence my feelings but I was impressed by the militancy and the passion in which the Honourable Member defended the Government's cause.

Sir, the debate touched on legalities, statistics and arithmetic calculations as to the amount but the real circumstance is that we were attempting from the inception when dealing with the Public Accounts Committee to address a situation where it was said that the members of the Committee were not turning up when requested to do so. Sir, this was the actual cause of everything that followed subsequently and the debate had a latent intention which was very clear because apart from talking about Members not responding, the debate went on to angle in the direction of the configuration of the actual Committee itself whether there should be two persons to form the quorum or a number of persons to constitute the entire body of the Public Accounts Committee.

Sir, I am not only concerned about the legal aspect of this debate but I am concerned with the sociological implications of the misrepresentation in the logic that has been advanced that seems to suggest to the general public that something injurious is occurring within these Committees, that the basis for people not attending these Committees is because there is something to be concealed. Sir, this is fueling a paranoia in the general public domain that politicians in this country are dishonest. Sir, given the different material facts, at the end of the day, the credibility of politicians stands to be judged in the general public by whatever short-term gains people set about to achieve. Sir, as a matter of fact, there is nothing sacred about the numbers. Any man can use his own value judgement and state whether he feels there should be seven members or thirteen members. Sir, we feel we can debate that from now until eternity and nobody would be able to justify what number is the correct number that will give justice to this cause.

2.55 p.m.

I think what is important is the consequence of the structure that we can guarantee justice and a quality of service coming from the individuals who are involved in this Committee to ensure that proper accountability and transparency is there within the Committee, so that the general public feels content that nothing corrupt is occurring within the institution. Sir, that is why the debate has been stretched outside of the perimeters of the Bill before the House and people seeking to bring information are brought into the debate in what they might perceive of empirical evidence to justify that there is a reason for the changes in the structure and the numbers of the Committee.

Sir, we have some serious matters to deal with because we have to have confidence in each other and we have to recognise that we are doing an injustice to ourselves.

Mr. Speaker, from the beginning of a black self-government in this country, the question of the credibility of representation and accountability have always been on the agenda. These committees go back to the 19th century when other people who were controlling the separation of power and people of different pigmentation did what they had to do and never questioned the credibility of each other.

Sir, from 1951, since black self-government, we have Opposition parties, in order to advance their political agenda, distorting the truth in and outside of occasions in order to achieve short-term gains. This is my greatest lamentation because people of African descent have always used means to discredit each other and provide entertainment for all people of a different pigmentation across the world.

Sir, tonight the Asian and Europeans, here in Barbados and outside of Barbados, can find something to amuse themselves about. There are 30 black men and women in a House of Assembly trying to argue whether seven or five is correct, when they know the latent intention is to establish that something injurious or sinister is occurring among the black caucuses of Government and bring the question of black governance into disrepute.

Sir, when I walk the street as a representative people ask the question whether black politicians can be trusted. It is most unfortunate that we continue to perpetuate this paranoia in the general domain, pointing at things and establishing a false premise when we know that the genesis of this debate did not come as a consequence of anything that was discovered in the evaluation or the assessment of any Public Accounts. Sir, but because the person who was responsible for calling the Public Accounts Committee was so obsessed with the frustrations and depressions within his own organisation, that he did not have the time, or his capacity was so exhausted that he was unable to even plan and call the required Committee meetings in order to get things done.

Sir, all of a sudden we are hearing about Gems, 'JAWS', all types of importations in the logic and all types of things that are alien to western logic being used to justify why we are here today trying to determine whether to increase the amount to 13 men or women and give a greater participation in the decision-making process.

Mr. Speaker, I remember the former Leader of the Opposition asking to reduce the number of committee members, if necessary, to two persons to make sure that the Committee functioned. Now, all of a sudden there is a call for a new configuration of governance. Some member is saying that the Government's Side ought not to participate if that Member holds ministerial status. It is also suggested that

the Committee should comprise absolutely of Members of the Opposition. Sir, we are also hearing that there is no need to have Members from the Upper House on the Committee and that members of the Committee should be paid to sit on the Committee. Sir, all kinds of bogus logic is being lodged in this House today.

Asides.

Mr. T. A. PRESCOD: We have gone beyond the European's paradigm. The Europeans have come to the conclusion, as a consequence of their history, that the House of Lords should not have any say over money Bills. We are to some extent demonstrating that we are more contemporary and democratic because we are now giving a committee an opportunity to investigate and make an evaluation of how we operate the public expenses.

Sir, it is most unfortunate that this debate did not have the level of political hygiene that is required from within these Chambers at this particular time. We have people in these Chambers who are condemning young people across Barbados for the type of dysfunctional behaviour that we witness every day but yet, they exhibit from these Chambers, a less than human type of behaviour that belong to an antediluvian man.

Therefore, at the end of this debate it would not be about how many people are on the Committee. It would be about the integrity of the people who sit on the Committees of Parliament, especially when it comes to dealing with matters of finance. Sir, although no money comes to the Public Accounts Committee, there may be a misunderstanding in a public forum that finance comes to the Public Accounts Committee and, therefore, people can easily be tainted with the \$100 bills but Sir, we are talking about figures.

Asides.

Mr. T. A. PRESCOD: Sir, we are talking about questioning a genuine, sociological analysis, looking at the behaviour of human beings while your leader was talking about basic arithmetic. He was calling large figures like \$3 416 000.25 to make people believe that he was talking something so esoteric, when he was talking basic arithmetic.

Asides.

Mr. T. A. PRESCOD: Sir, some people spoke about legalisms but I am talking about the sociological analysis of what I am witnessing in the House of Assembly as it relates to this document.
3.05 p.m.

I want to say that the test would not be in the numbers that constitute the body. The test will be in the credibility and the type of analysis that comes from within this particular caucus and the kind of reports that would be revealed to the general public, then, we would know if the representatives of the people are doing the job that the general public expects them to do.

It is unfortunate today, Sir, that we have been involved in a self-satisfying, unproductive exercise. If it was not in here, I would describe it as a political masturbation exercise in this Chamber. It must be more productive and bring forth genuine fruit, so that all of us can have a more humane society.

Mr. SPEAKER: The Honourable Member, could you just use Parliament language, please.

Mr. T. A. PRESCOD: It was a non-productive exercise. It was self-gratifying and real men doing things that only gave satisfaction to their own organic feelings. We have to do things in there to give meaning to the lives of the people on the outside, and to let them know that we are representing the public's interest, so that every taxpayer can feel confident that they have put their lives in the hands of Honourable black men and women from their own ethnic background.

The unfortunate thing about those on the Other Side, Sir, is that they believe that the only people in this country that can do things with some credibility, and feel a sense of pride at the end of the day, are the people who do not look like them.

Aside.

Mr. T. A. PRESCOD: You have to learn to respect self. Man, know thyself. It has been inscribed in the temples of Egypt. Go and read about Aristotle and his visit to Alexandria and you will see the important words that you ought to follow as a guideline, and you must always hold strong to the commitment to representing the interest of your own and yourself.

This is my lamentation. It is most unfortunate, Sir, that we are caught up today in a debate which, on the face of it the debate is on numbers and legalism, but the facade that they all put in front of us, is not the truth behind the debate. The debate is not even to find the facts but to see how you could get a political slant to impress upon the general public that one side is more worthy in the public's eye than the other. That is my particular lamentation. We have actually sat about in this debate to debase the credibility of the institution of the Public Accounts Committee.

The authenticity of the institution is not the institution itself, because the institution is not an abstraction. It is made up of human beings born of women, and that is what is important. When we talk about the Public Accounts Committee, we are talking about people. All of us who sit on the Committee, must stand up to public judgement on whether we are worthy or not, and it is most unfortunate, in the circumstances.

I want to give my support, not in a partisan way because I feel that I am very objective on this one. I want to give my support to the Government for extending the participation in this democratic process, making the caucus more expansive than it was, not only increasing the numbers here, but increasing the numbers to include those in the Other Place, also, to add an independent voice which might not be subjected to the partisan view into the decision making process in the circumstances.

I believe that we all have a responsibility to ourselves and to other black unborn generations, to make sure we demonstrate by our actions, that we are worthy of the opportunity to serve in this Honourable House and that we can make an analysis of certain concerns within the Public Accounts Committee, and bring the truth to the general public.

Mr. Speaker, I wanted just to make that short intervention. The manner in which I spoke came as a consequence of the Honourable Member for Christ Church West, who I recognise also had that passion in the debate itself, and not just going through a verbal exercise.

Thank you very much for listening.

Rev. J. J. S. ATHERLEY: Mr. Speaker, I rise to make a brief intervention to this effort before us. I think, essentially, we are dealing with three things of the utmost importance to the institution of which we are now integrally a part, to our democratic development at this time in our history, and to the whole issue of life within the context of public service. Those issues have to deal with accountability, democracy and good governance.

I believe that we all start from a premise where we accept that if we are talking about public service, it has to be accountability at whatever level one seeks to render that service to the public. Certainly, at the level of Parliamentary governance, the level of political administration of a country, we are talking about public service, perhaps at the highest level and, therefore, the principle of accountability takes on a certain degree of prominence which we cannot escape.

I understand the introduction of the Bill in this Assembly, also its genesis, as having to do essentially with that, having appreciation for the fact that a certain level of accountability must attach itself to what we do, in terms of political administration and in terms of the functioning of this Parliament institution. Public trust is also a very prominent component and the whole matter of accountability, and the relationship between those who serve and those who are served.

Historically, the lack of public trust has been the bane and, perhaps, the destruction of many a developing country society. History is replete with examples of instances where there was not that level of public trust between public masters and public servants, and between governors and those who were governed, the result of which those societies have suffered and continue to suffer. The evidence of underdevelopment is very apparent as a result of that.

The issue of public trust is also very critical to our democratic development and the whole process of our maturing, as still a young democracy. This issue of public trust is integral to that. If those we seek to serve, especially in this elevated context, are to be satisfied that we are pursuing their interest in the context of the maturing democracy, then we must always seek to bring that element of public trust to our behaviour and our institutional life.

Public approval is very important. I think there is a sense of obligation on the part of the Barbados Labour Party administration which in the last term was given a mandate expressed in a 26/2 ratio, and a new mandate in this term expresses a 23/7 ratio. There is a sense of obligation on the part of Government to ensure that the mechanisms of accountability between the governed and those who govern are strengthened.

I, therefore, interpret the introduction of this measure as an expression of that sense of obligation to the people of this country, who in large numbers returned this party to office of Government to the extent of the ratio which we now see across the divide here today.

3.15 p.m.

I welcome the fact, and I would have thought that the Opposition would have also welcomed it, that the matter of state-owned enterprises would become enterprises which are now much more open to the scrutiny of the mechanisms in place to serve such purposes. As I understand it, the intention of this Bill as outlined here is to provide in a more expanded fashion for scrutiny of state-owned enterprises or enterprises in which there is a significant level of public or state equity. I would have thought therefore that the Opposition would have welcomed that appreciably and warmly.

Mr. Speaker, you and I both know that we live in a very much changed environment today and that public sector investment faces challenges and constraints, that public expenditure must be prudently allocated and that the international constraints which themselves present challenges for development in a society such as ours with the lack of certain resources, that those challenges bespeak the need that where the economic resources and financial resources are so constrained, that they be so prudently allocated as would bring best benefits to the wider public.

I am seeking to suggest that we are now in an era where public and private sector partnership for strategic developmental purposes would become more and more the order of the day. This Government, especially in recent times, has led the way in that direction and perhaps has attracted some criticisms from the Other Side because of that. I think that criticism reflects a lack of appreciation or understanding of the complexities of life and governance in the changing global world in which we now live.

Public/private sector partnership for strategic developmental purposes is now part and parcel of good governance and as such we would expect or anticipate that there would be more and more of this. To the extent that that is true, I believe that this is a sufficient cause to ensure that we strengthen the mechanisms which are in place to scrutinise how public expenditure is allocated and when it is allocated, how in fact it is used.

Secondly, the issue of democracy is one which, I think, is attached to the whole *raison d'être* for this legislation being introduced before us. There have been some criticisms from Honourable Members on the Other Side as to the extent that representation from the Other Place is now to become a component of the Public Accounts Committee. That has been offered as a criticism and reasons to that extent which are not fully appreciated over here have also been given. The question of the role of independent Members of the Other Place has also been raised and criticisms attached to that.

It surprises me, I must say to you, Mr. Speaker, that the party represented on the Other Side against the background of the loud hue and cry which they have made with reference to certain Government enterprises or enterprises in which Government had attached to certain investments would have used the opportunity given for this debate here today to make such a feeble attempt to express their position as have been represented in the contribution of the Honourable Member for St. Michael North West, who took so much time to repeatedly utter statements which ultimately did not amount to much substantially. I was disappointed in that.

I was particularly disappointed in the repeated criticism of the role of the independent representatives from the other House in this committee and the attempt to impugn their integrity by suggesting repeatedly that they are not independent in their contribution in the Upper Chamber.

Beyond that, there was some veiled attempt, perhaps not intentional, to impugn the integrity of His Excellency the Governor-General in this regard because those appointments are made entirely at the discretion of His Excellency with the full understanding that persons of the capacity to express an independent view are worthy of appointments to that Chamber.

As such I was a bit disappointed that the Leader of the Opposition took this opportunity to go down that road so repeatedly and not use the time prudently, and having used what little time he chose to take did not substantially make a contribution which carried the debate any farther than we were even before it started in terms of the contribution coming from the Opposition. That was essentially a disappointment.

I would want also to challenge the Honourable Member for St. Lucy to appreciate a view which would suggest that although persons may not be elected to certain institutions of Parliament, that we live under and are governed by the principles of a representative democracy and as such, persons may not have faced the electorate and have received a mandate in those terms, but to the extent that we are part of a representative democracy and that there are certain stipulations embedded in the Constitution under which we live and by which we are governed, then there is a certain character which is attached to those appointments which should suggest that we should not so impugn their integrity as to call them persons without a mandate. I would want to challenge the Honourable Member for St. Lucy to come to an appreciation of that view.

This Government has a record of which it can boast to the extent that this has been the party which has invited participation from Members of the Opposition on statutory boards and corporations in this country, invitations, I am subject to correction, which the Opposition refused to take up because it was something unknown or perhaps unheard of by them.

This is the Party which has expanded the consultative process in this country. Every year now it becomes part of the calendar of events of this country that there would be an economic consultation involving the leading players in the economy of this country. I think that shortly another one is to take place. That is consultation. That is democracy in evidence. That is democracy in practice.

A Constitution Review Committee has been set up and Honourable Members who spoke today have made reference to its work, and the Leader of the Opposition himself has made reference today to the work of that Committee. This is democracy in evidence and in the process with the people participating in the decision-making processes and mechanisms which govern their lives.

3.25 p.m.

There have been consultations on tourism, health and other related issues. There is then the issue of the expanding role of the social partnership mechanism in terms of the total context of governance in Barbados today. We have moved beyond the point where the social partnership mechanism has been simply one borne out of economic expediency and, in terms of its contribution, has matured to a stage where it is part and parcel of a meaningful developmental mechanism in this country.

Mr. Speaker, I appreciate this Bill and can support it from the perspective that it is part and parcel of the wider philosophy of this Government that the process of democracy is to be safeguarded, improved, matured and enhanced. I see this Bill before us today in that wider scheme of things.

Mr. Speaker, there is then the issue of consolidating our governance mechanisms, whether it be economic or social development mechanisms, it is very much a part of the product of good governance. If there is no good governance, one's thrust towards economic and social development is going to be stymied, frustrated or thwarted and we do not have to look very far afield to find examples which reflect that reality. The strengthening of an institution of Parliament is very much a part of the developmental process within the maturing democracy and I see the elevated role of this Public Accounts Committee as being part of the attempts to strengthen the institution of Parliament.

Barbados has a history of which it can be proud. Part of its history is the functioning and life of its Parliament and the repute of the Barbados Parliament is beyond question and perhaps moreso in this hemisphere than any other hemisphere. We are putting that repute even further beyond question when we introduce mechanisms such as this and when we speak to their strengthening and enforcement.

The prominence of this institution exceeds the prominence of any parliamentarian who has sat here or who is seated here today, no matter how right or how excellent he or she might have been or might become. Therefore, there is a certain paramountcy being attached to the matter of enhancing this Parliament and of sustaining it in its

reputation of being one of unquestioned integrity which is critical to the functioning of life in this country and which is something of which all of us could boast and could be proud.

I support the Member for St. Michael East in his view. Unfortunately, there is a public perception of parliamentarians of the way in which we approach debates such as this, which might have contributed to or perhaps still continue to contribute to that perception.

I would think that though outside in the political fray one might see the need to call certain scores and to make certain pronouncements and statements, that in the context of a Chamber such as this, around an issue as important as this, it would perhaps better serve the interest of the entire institution if all Members here today and those who would follow should pay greater attention to this matter and not to feed an already existing situation where parliamentarians are called very much into question in terms of their integrity and in terms of the degree of honesty with which they function and operate.

I think this Parliament owes it to itself and to Members to do as little as possible to contribute towards a situation where parliamentarians are looked at with the dimmest of views. In fact, I believe very strongly that we need to do everything to elevate the status of parliamentarians once they have served in this House.

We have former Prime Ministers today who are still alive but who, having led this country, are still being treated with less esteem than they deserve. Instead, they must walk this country like common men, having to find a car park like everybody else, *et cetera*.

Sir, I do support the Honourable Member for St. Michael East when he suggested that this Debate should not have been approached in such terms, or that the language should not be couched in such terms as to make it seem as though we need a watchdog because there are criminals about. We do need a watchdog, not because there are criminals about but because our relationship with the country has suggested that a watchdog is a sacred mechanism which should be employed to safeguard both the integrity and the reputation of parliamentarians, as well as the public interest and not only the Opposition's interest, as being suggested by the Honourable Member for St. Lucy.

There are also parliamentarians who have served this institution and their respective constituencies for a number of years, yet are not held in very high esteem but are sometimes almost forgotten once they have served.

I wish to say today that we have a former Member for St. Michael West who has served in that constituency for almost a quarter of a century. I believe that when such things happen, that persons should be properly honoured by this country. This is something I feel strongly about, regardless of how one views one's service in terms of the contribution that person was able to make when measured against the contribution of others, regardless of what we see, I still think that when a person has been elevated to such a position and who, for 25 years, has given a life of service, to simply relegate that person to oblivion without any kind of signal honour, which is a disservice on the part of this institution. Mr. Speaker, I thank you.

Hon. K. D. SYMMONDS: Mr. Speaker, I rise to associate myself with the measure now before this Chamber. As I was saying to my friend, the Honourable Member for St. Michael South East, it comes as a surprise that this Debate has attracted the level of strongly contrasting opinions because it speaks to what is really an essential and fundamental measure that I believe this Parliament and by extension the country, would be very happy to see us adopt.

Mr. Speaker, perhaps at the very outset it would be more useful to try to identify how we came to be here. I think it would be fair to say that in many ways, there might be some observers, even the most experienced ones, who might be tempted to ask the question, what is the real mischief that we seek to solve when we bring this Public Accounts Committee back to Parliament.

Sir, if I were asked that question, my response would be that, on the first hand, we are seeking to modernise that system of public accounting through Parliament which we have practised from time immemorial.
3.35 p.m.

On the second link, we are seeking to give a greater effectiveness and utility to the practice. We began at the legal position as outlined in Erskine May's bible of Parliamentary Practice, 2nd Edition. He makes it clear that the purpose of a Public Accounts Committee is to ensure that a most effective and efficacious form of management is given to the expenditure of public resources, to public estimates and the fundamental issue of general public administration. As the Honourable Attorney-General said earlier, the practice in 1861 was transplanted in Barbados and followed faithfully throughout our time here. The genesis of what we are trying to do is that we leave no stone unturned in order to give the best possible quality of accounting arising from the public purse to the people of this country.

I think the divide comes about where there is a power of surveillance over the things Government does, which is

a fundamental power and should be seemed and treated as such. In the last few years in Barbados there has been an under appreciation of the basic fact that this system of checks and balances is a fundamental part of the governing process which allows the Opposition, especially the Leader of the Opposition to effectively and essentially be a watchdog over everything from the ministerial bench and all expenditure coming across the Floor of Parliament.

Sir, this revered system of checks and balances, today, 142 years later, in Barbados has been reduced to pointless paradox. In my respectful view, we have a Public Accounts Committee which in the past few years resolved to meet but did not meet. It firmly decided that it would account but failed to account. It declared itself to be adamant on openness but chose either not to operate or to conduct its operation in veiled secrecy.

The Bill which comes to the House of Assembly today is an effort to revisit the institution as it has functioned, to look at it critically, clinically and identify the weaknesses existing in its structure. It seems to defy logic that a step of that nature should in any way or form attract the type of vehement Opposition and criticism heard in this House today.

Sir, it is also my view that the public ought not to content itself much longer with a form of representative who does not come here to advance best practices of governance but rather seeks to engage in forms of mental agility in order to switch burdens that quite properly should lie with the parliamentary representative. We have heard and seen a lot of this taking place during the last few years in this Honourable Chamber.

Even as I speak the Prime Minister of England is facing severe criticism and inquiry from the House of Commons arising out of charges laid by the Opposition about fundamental aspects of public confidence within the last year specifically the war in Iraq. When this happens in the Mother Country, we should be able to recognise that the failing was not on the part of the Government of the day but a failing of those charged with responsibility to deliver but who failed to rise to that level of responsibility.

Sir, the Standing Orders of the House of Assembly makes it abundantly clear that the Leader of the Opposition cannot only convene meetings but also has the power to subpoena witnesses, records, related documents and take evidence and then to make a report of the finding and observation made. Even if there were some modicum of doubt and uncertainty serious people intent on conducting the public business and getting to the root of it would and could have brought the matter to the Public Accounts Committee.

In recent times our revered Public Accounts Committee has been reduced virtually to a form of paralysis. Rather than a charter for performance, it has been reduced to a charter of indolence.

I am indebted to the Clerks and the Leader of Government Business for research on the meetings of the Public Accounts Committee. If one looks at the efforts to bring meetings during the last five years, when we heard of the Caves of Barbados, GEMS, the Hilton, Greenland, Warrens, EduTech, in 1999 the Public Accounts Committee had only two meetings, one on November 11th and the other on December 15th. In the year 2000 there were two meeting, January 10th and April 2nd and then they were finished for that year.

Sir, in 2000 even as they held street light meetings and lambasted the Government night after night, even as they called for the Central Bank of Barbados to make facilities for them to hold meetings...

Mr. SPEAKER: Honourable Member, are you speaking to me?

Hon. K. D. SYMMONDS: Mr. Speaker, I could not and would not accuse you of that type of behaviour.
3.45 p.m.

Sir, even as these things were happening, they were persons outside of this Chamber who postured, paraded and led the nation and unsuspecting public of Barbados to believe that there were serious infelicities of a financial nature taking place in this country. Sir, when it came to deliver in accordance to that which is documented and properly prescribed as being the legal framework which we should follow, those charged with the responsibility, of the Democratic Labour Party, failed to deliver.

Sir, the year 2001 was a year when a by-election was conducted in this country. It was a year when the Government of Barbados was charged, from public platforms in the constituency of St. Thomas, as being tyrannical and dictatorial. Sir, when that was happening, the Public Accounts Committee convened the grand total of two meetings, one on July 2, 2001 and the second in February 2001.

Sir, I see the Honourable Member for St. Philip North laughing and I know that he feels the same sense of concern that I feel. Sir, It is hard as a young person in public life, and being the youngest person on this ministerial bench, to see that there is a legally prescribed format and a workable and

potentially effective format for the Opposition to follow, yet the Opposition chooses out of a questionable form of reasoning to bypass that format but rather to conduct its business in another form.

Mr. Speaker, while that state of affairs was in existence, insofar as the business of this Parliament is concerned, we saw a form of the old English concept of trial by ordeal, character assassination, innuendo, guilt by association and an attack on the Minister of Finance and his friends. Sir, the names of some persons who were completely removed from public life, in some instances, were dragged far and wide, some persons were not even within the jurisdiction of Barbados and all sorts of vexatious and frivolous issues were being raised. For example, who owns a house or who bought a property. This was not in any way connected to the public but seeking to offend and at the same time to score, basically, cheap political points by virtue of the fact that innuendos were afoot. Sir, rumour has given large legs to stand upon and character assassination and that was the form with which the business of public accountability was being conducted by the Opposition.

Sir, I sat in shock in here today and heard members talking about the right of a response and natural justice. These are concepts which were not being bandied about when, metaphorically, men were being stoned verbally, drawn, tarred and feathered in the streets of Barbados. Sir, that was the politics practiced by the Opposition rather than call a meeting of the Public Accounts Committee with a view of getting to the root of the matter to ascertain whether there was substance or not.

Sir, the finger of reprimand must not only point at the Honourable Member for St. John, who is not now in his seat, but it must also point at the new Leader of the Opposition. Mr. Speaker, the Leader of the Opposition, the Honourable Member for St. Michael North West, in a 21st century version of King Louis XIV, rephrased for Barbados and said "I am the Public Accounts Committee." Sir, the rules prescribed by the Standing Orders of the Honourable House were not supposed to be invoked but rather, in a supreme act of arrogance the Honourable Member said that he is the Public Accounts Committee and that he would conduct the business of the public and the context of accounting the way he sees fit; not circumscribed by any set of rules or imposed set of discipline from which the public can benefit because that is where the root of this problem begins and why we are gathered here today in order to bring, hopefully, to an end that childish form of activity.

Sir, in all honesty we should look at it further. It is all well and good to do that and the Honourable Member for St. Michael East made a very telling point. We are no longer in the 1950s and 1960s where it could be winked at in

light-hearted fun. The truth is, today when Barbados' integrity, the integrity and reputation of our financial institutions, the reputation of the way in which Government conducts its business is needlessly and uselessly dragged through the mud, the repercussions are felt far and wide in this global village.

Sir, for example, this Government is leading a charge in the Caribbean trying to lend guidance, direction and assistance wherever possible to countries which are bordering on the state of failed societies, like Dominica. We offer them technical advice but we are asked to go in the context of a people whose reputation is needlessly smeared, who are to be told, even though it is not true and unfounded, that your conduct of public affairs is buttressed in its conduct and character and that there is something wrong with the way you have managed the country. Sir, you are being told by your fellow Caribbean citizens that your loyal Opposition said that your conduct has been deplorable and is worthy of censorship.

Sir, it is untrue and though it is unbuttressed by any element of accuracy, we have to reel under the repercussions of that. When we speak in these terms, we are not only speaking about the implications for governance in Barbados. We are speaking in the context of an age where we must think about governance across the region, where we must think of the reputation that Barbados, its institutions and its leaders enjoy; Sir, not enjoyed because of some act of supersession that they have imposed upon the people but enjoyed as a benefit and a direct result of a hard earned reputation. Yet, that is supposed to be loosely dragged into disrepute and that is the reason that we come to this Parliament in an effort to correct.

Sir, the legislation attracts me for a number of reasons. One of those reasons is the effort to involve, for the first time, the Senate of Barbados. It has been said, and I agree wholeheartedly with the view, that we have now gone outside of the paradigm set by the United Kingdom and we have gone outside of the paradigm that is practiced by most of the Commonwealth. We have sought and given greater effectiveness and utility to an Honourable Chamber in this country which has been made up of honourable men and women throughout its entirety of existence and we have sought to bring them into the sphere, for the first time, of working in an effort to ensure that the best possible form of governance is enacted.

Sir, therefore, when we speak of the use of independent Senators, I am saying, without reservation, that the same way the Opposition should be proud to hold up their hands and say that they conducted an inquiry with justice, equanimity and fair play at the centerpiece of their work and they realised that the Government came away with clean hands.

It engenders well to the Opposition who conducted the enquiry in good conscience and with a sense of fair play because the Opposition is seen as people who are responsible, fair-minded and worthy of the office that they hold, the same way that it should take nothing from the Opposition to behave in such a manner.

I suggest that it is also equally useful to employ the use and vast experience of the Members of the Senate who are independent Senators, selected by the Governor-General acting in his own capacity, against the wealth of his knowledge of this society and the people, recognising the ability of the people whom he chooses to put into the Senate. Sir, I do not see anything wrong with that.

Mr. Speaker, when we look at some of the people who have been independent Senators and the type of businesses that they have run and interest groups that they have led with dignity, respectability and responsibility, it should be hard to come out of the mouth of the Leader of the Opposition, and I would not be too hard on him because he is not in his seat, that independent Senators should not be uninvolved on this Committee. Sir, the independent Senators are some of the most honourable and outstanding members of the Barbadian community.
3.55 p.m.

I go further, Sir, that in the context of voting, the opposition has not lost but, rather, gained. They have gained, Sir, because of the fact that now Barbadians, for the first time, have part of a committee which is not motivated in anyway, whatsoever, by partisan interest, but rather by the interest of ensuring that the public good is delivered and that is the only interest that the Independent Senators serve.

They do not answer to any whip. They do not attend any parliamentary group meeting or any parliamentary party meeting. They are not governed by the precepts and principles outlined in a Manifesto. They do not go canvassing anywhere for any narrow partisan cause, even though there are a few that should. The fact of the matter does remain that we are talking about independent persons, functioning in an independent capacity, able to deliver on the basis of that which they understand, from first hand experience, to be in the best interest of Barbadian society. Again, Sir, I think this is worthy of high recommendation.

I am also attracted to the broader mandate which is contained within the Bill. The new power of reviewing all of our statutory corporations, and more particularly, the power to review entities in which Government owns, at least a 50 per cent interest, is worthwhile. Again, it plucks vital institutions from under the veil of obscurity. It shields them from pointless and needless innuendo and allows them to conduct their business in the certainty that this which they

are doing is honourable, worthwhile and in the interest of the public good.

Sir, I want to speak specifically to Hotels and Resorts Limited (HRL) because while the accusations were flowing, people seemed to have forgotten that this company was employing Barbadians, who lived in fear when they heard that a would-be Prime Minister articulate a view that the place should be shut down and the people should be sent home.

The company had to do business with people overseas. Those people must have a sense of confidence that this is how Barbados is conducting its business. The mere fact that the business may be of a certain nature, ought not by itself, without more, to attract a form of criticism which cannot be rebutted, because of the fact that the people who are charged with the legal responsibility for presenting an opportunity to rebut the criticism, refused to do so.

Sir, they chose to snipe, to hide behind a coconut tree and throw a proverbial 'big rock' at a man when his back is turned, and duck and go behind a bush to exercise the same thing again, rather than confront an issue and say, this is the information that we allege that we have. We hold this up in the public domain, and let you be the judge of that.

I think, Sir, that again, the broader mandate of review should shield some of these institutions from this kind of attack.

As I say, Sir, I find that some of the behaviour outside of the Chamber, of course, in the last four years was nothing short of churlish. It hurts to the heart's core in some instances, Sir.

Mr. SPEAKER: The Honourable Member has two minutes to conclude.

Hon. K. D. SYMMONDS: I am guided, Sir, and I would want to say during those two minutes that it is necessary before I take my seat to respond to the Honourable Member for St. Lucy. Sir, there is nothing more outlandish than his suggestion, that one must now pay people afresh.

Asides.

Hon. K. D. SYMMONDS: Of course, there is a capitalist presence, but we come there on the context of public service. Every member of the two Houses may not sit on a committee, but nobody is asking the persons who do not sit on a committee to accept a lower level of remuneration. Therefore, if you sit on a Committee, it should not follow

automatically that there is an objection to be taken on the basis of the fact that the person has to be paid more.

Mr. Speaker, The reality is that this is a business of public service. The Honourable Member for St. Lucy, if he has not yet grasped it, I am going to attempt, Sir, to bring it home to him, time after time. The seriousness with which he is expected to conduct his business, must also be reflected in the seriousness with which the Opposition, as a whole, is expected to conduct its business.

The fact of the matter, therefore, Sir, is that it is outlandish and preposterous for us to expect today, that we are going to begin a new life to a Public Accounts Committee, having been hamstrung by a needless request or requirement for there now to be more money budgeted for the purpose of sitting on a committee, when the Opposition itself had the power to invoke the Committee and had it to do work. Sir, if you give the suggestions its logical conclusions, they would be asking people to sit on a committee when they refused to call meetings. What are you paying them for?

Sir, in closing, I say that this Act is, obviously, not one about an exigency of numbers in the Opposition from year to year. It is an Act which speaks to how we can give the greatest possible effectiveness to a fundamental institution in Barbados and in the Parliament system.

I am glad, Sir, that it has been codified (into law). I am glad that we have transcended the boundaries of 142 years of convention and that it is clear for all to see that this Government has hit the ground running. It has had the courage to confront fundamental issues and to do so in the context of that which is the best practice of good governance in Barbados.

I thank you, Sir.

Mr. R. D. JONES: Mr. Speaker, I rise to address this Bill which is before the House this evening, but before I do that, just let me express first, my pleasure to be here among my colleagues to deal with the business of the people of Barbados and to give, particularly, my sincerest thanks to the people of Christ Church East Central who have determined that at this time, I am better suited to represent their interest. I hope that I would so conduct myself that they would be proud of having placed in me that level of confidence.

Sir, let me say that I am appreciative of the opportunity granted by yourself, and I will now speak to this Bill which is before the House.
4.05 p.m.

Let me say that unlike many other Honourable Members, I only left my seat when the suspension for lunch was taken and we followed you out, Sir, to fill our stomachs. Therefore, I am amazed that the words such as opposition to the Bill, criticisms and vehemence are being used because I have been in my seat from morning until now and I am not sure that what I am hearing is in consort with what This Side has been saying.

In fact, This Side has clearly pointed out that there are several parts of the Bill which we would like to see some necessary adjustment to reflect its true intention to stand as the safeguard for the interest of the people of Barbados and not for ourselves. Therefore, when we speak to those particular aspects, I believe that the Honourable Members on the Other Side should listen to what we are saying rather than listening to their own voices resonating quite loudly within their ears and within their brains.

I think it is a disservice to all of us who from time to time listen either in here or out in wider Barbados that what is being said from This Side is contrary to what is now being espoused by some of the Honourable Members from the Other Side who have spoken before me.

I have been asked to be a member of the Public Accounts Committee. In keeping with my tradition of service in this country, I take that matter seriously. Therefore, I am saying to the Leader of the Opposition and to all Honourable Members who will comprise the membership of the Public Accounts Committee that once it is called and God has not given me rest either eternal rest or temporary rest that I will be there because it is the people's business that is of paramount importance.

We can talk in here and make statements about how righteous we are and about how incorruptible we are, but there are numerous Barbadians who believe that many of the systems and the institutions of the State sector are corrupt because there are individuals who by some words or by some aura give that impression. I do not ascribe that to any man or woman because I do not know. To find out if these things are in fact true, one needs to carry out the necessary surveillance but where individuals cohort with other individuals to fatten their coffers at the expense of the nation's good, then we have to start asking questions.

There is also the belief out there, and I am only expressing the belief of others because I might not necessarily carry that belief, by individuals in our society that there are persons who have less than reputable character who have conjoined with persons in authority to subvert the legitimate aspirations of Barbadians. That is what is being

said. We are not strangers to what is being said in our country. If we are strangers, we would be lying to ourselves because if you are a good politician, you seek to walk the length and breadth of the country and speak to the people and hear what they say to you. We listen to the voices of the people, and if the voices of the people are speaking in this kind of way, we have to sit up and listen carefully to what they are saying and we have to put systems, mechanisms and institutions in place to ensure that we reflect what the people truly want.

The Bill points to the notion of greater transparency and greater accountability. We, on This Side, will never ever quarrel or oppose the notions of transparency and accountability because we believe that the people have a right to know and we are only the vessels through which that knowledge is carried to the people. If we do not put those mechanisms in place, then the people, those who do not come here and those who do not hear via the radio or the television, are ignorant to what is really happening out there in Barbados, in our Parliament, in our ministries and in our parastatal institutions. The people have to know, but they can only know when there is timely intervention by the Public Accounts Committee to expose what is going on. That exposure does not necessarily mean that there is something wrong in how the business is going on, but that we can be sure that there is nothing wrong. That is what has to be.

When you have institutions of State that are not producing financial statements and annual reports for years, persons have to question what is wrong that they are not being produced because there is a responsibility for State managers and all those persons aligned to State managers to ensure that they are done.

If Ministers have responsibility for those parastatal institutions they should be speaking very strongly to the various boards and to the CEOs to ensure that they are placed before them to be laid before this Parliament otherwise we will be involved in a guessing game and then the people can start to ask questions because there are only impressions, there are no facts. The people can only respond to the facts placed before them. If there are no facts, anything can happen. The people can listen to someone and in the same place start the rumour. It might be factual or not factual but until we improve or pull up the systems of governance in this country, we are going to have those problems. Those problems cannot be ascribed to the seven members of the Opposition who sit here or to a particular political party because political parties are only a microscopic element of the wider society that thinks, and if that society thinks, that society must ask questions. Those of us who sit in here or who stand from time to time to speak in other places must answer the questions of the people.

The length of time that persons are able to get their businesses dealt with regardless of the State agency involved is also a question of transparency. You keep hearing that somebody is getting their business done in nine days, ten days or in three months, but I am being pushed around for three years. These are ordinary citizens of Barbados who feel as though they are being abused by the State systems. That cannot be transparency.

We need to have reasonable and honest answers to questions which are being asked of the representatives of the people. The representatives of the people are not only the elected Members in this House, there are the persons who have been placed in positions of responsibility to execute the business of the people. Therefore, this Parliament, the representative of the people, can be frustrated in the execution of its responsibility if those persons who have been given certain functions to carry out do not do them in a timely, fair and honest manner. Therefore, the call and the guidance must go out from those who are on top of the pie or on top of the podium to speak to it.
4.15 p.m.

Mr. Speaker, the Public Accounts Committee has an oversight responsibility and even though I understand it, I do not necessarily like the word watchdog because some watchdogs could be very tamed, while others could be very vicious. It is according to how they are bred, therefore, I prefer the notion of oversight.

The Public Accounts Committee has an oversight responsibility relative to Government's finances and how these finances are being utilised. Therefore, the Bill does contain those aspects and elements to ensure that oversight responsibility is being carried out.

There is also an oversight responsibility to ensure that people of Barbados are confident that when their business... Sometimes I believe that we as representatives of the people believe that it is our business. It is the people of Barbados business that we are carrying out on their behalf and if they feel that it is being done with honesty, integrity and decency, then they do not question it but the questioning is now taking place because there is the perception that it is not being done with decency, integrity or honesty. In Barbados there is the culture that the proof of the pudding is in the eating and to satisfy the demands of this Bill, is how we execute that commitment and how we sit in oversight of what we have to do.

I am not necessarily caught up with the numbers but a leader has explained the reasoning and the rationale for

adjustment in the quorum. I do not think that is 100 per cent essential. What is essential is that the Committee being constituted should meet and should carry out the business and that no person should seek to subvert the process by absenting himself or herself.

In the past we have heard of a small number of meetings being called at different times. We need now to move beyond that juncture. We could be caught up in a time warp in spending all of our time looking back 100 years, *et cetera*. I am not interested in that at all, I am only interested in what we are going to do in the interest of the people of Barbados, how are we going to address those issues on the behalf of the people of Barbados. Comments of persons going to video shops and renting movies or persons using phrases that are not relevant to the issue before us is what we have to address.

The Honourable Member for St. Michael North East has spoken to the issue of the accumulative effect of the tearing down of the image of individuals and of institutions within our country but this has been part of what I will call the unnecessary tradition of Barbados. People tear down and undermine that with which they are uncomfortable. Therefore, what is happening in Barbados today is nothing but a protestation of institutions and systems with which the people of Barbados are uncomfortable and, therefore, since losing faith in some of these institutions...

I am told that some time ago the yard and the gallery of this House were filled with persons who were interested in the conduct of the people's business but now there is a time where one finds only empty chairs and benches. There is nothing that is as dynamic as when one goes to the Kensington Oval to watch cricket, one sees the interplay, the emotion and the faces of people than when one watches the sterile image on television. Even though I recognise the benefits of technology, I still believe there is nothing like that personal touch with persons in the gallery and in the courtyard, where persons interface with people and hear their representatives speak.

We cannot be comfortable where only 62 per cent of our people participate in one aspect of our democracy but there has to be a reason why the other 38 per cent of our people do not participate. From my vantage point there is the feeling that there is some degree of alienation from the processes of governance in this country. Therefore, the Public Accounts Committee is only one small aspect of that governance which we must honestly address and get down to the business of dealing with government finances and with the placing of the people's resources into staid agencies and staid corporations.

Sir, the alienation from the processes of governance must be addressed over time. It cannot be done in one debate, nor by anyone speaking on television, under the streetlight, or for those who hide because they cannot speak or obscure themselves under the coconut tree, to carry out what they determine is their particular practice. It cannot be done only by those systems but by a total engagement of the people through a transparent mechanism. These are some of the things that must be done to be involved in that process.

Sir, we did not seek to, neither have we impugned any ulterior motive on any of the political or public servants of the people of Barbados. I believe our public servants do an excellent job in this country. The Other Side has spoken brilliantly and marvellously as to how good our public servants are. On This Side, we have constantly spoken with strong voices about the work our public servants do, under the kinds of constraints they have and one could determine what are those constraints. There might be human resource constraints, leadership constraints, infrastructural constraints or financial constraints. Whatever those constraints are, essentially our people rise to satisfy the demands of the total citizenry of Barbados. Therefore, our Auditor-General and the Accountant-General both produce excellent reports from time to time. A most lovely lady, the Governor of the Central Bank, or any of the other persons who conduct business on behalf of the people of Barbados must be lauded.

Sir, I will not delude myself that all is well, where there is smoke, there has to be a combustible material that is ignited. Therefore, we have to search in order to find that combustible material and if it has to be put out, then it must be done. Sometimes one might have to use a magnifying glass and the Public Accounts Committee's role is to use that magnifying glass without fear or favour.

As Honourable gentlemen and ladies in this Honourable House, what we must do is that as we traverse This Place at this time, as the people of Barbados reflect over time, they could say that Parliament convened on 6th June, 2003, and has extended over a period, was an excellent Parliament, has conducted the affairs and business of the people of Barbados with decency and integrity and one in which the Members were not interested in their own self-aggrandisement but in the interest of the people. Therefore, even though we are not looking for personal favours when the time comes, that because of the confidence which the people have resiled in us, they would say, thou good and faithful servants, you are granted another opportunity to conduct the business of the people of Barbados.

Mr. Speaker, as an individual I do not beg for that but recognising that the good people of Barbados always reward those who stand with decency, integrity and who carry out

the affairs given to them in the kind of manner they want, then the people of Barbados would not take from us that charge or challenge to fully conduct their business.

4.25 p.m

Therefore, I urge those who are framers of the Bill before us not to simply discard the contribution of those of us on This Side who have spoken because we have spoken to the things that we feel are fundamental. We are speaking because we want the system to work and it is to the benefit of the Government because it is the Government that stands to even greater scrutiny than those of us on This Side.

Sir, we on This Side are friends, we are not enemies. We stand as soldiers together to conduct the people's business. We do not practise guerilla warfare on This Side, at least when we are in this Honourable House. We ask that our wishes be considered so that we cannot return some time hence and say we have not met because these things were not considered.

In keeping with the notion of fairness, equity and justice and all the terms that my colleague and friend from St. James Central like to use, that he would say to colleagues on his side to give This Side the few things they have asked for so that they can as soon as possible get on with the business of the people as we address the issue to be raised under the Public Accounts Committee.

Mr. Speaker, as this is my maiden speech I will not take much longer but I simply want to say that we should work together for the interest of the people of Barbados because I do not believe that we are in a static relationship with the people. We are in a dynamic relationship where people can make up their minds at any time about any of us who sit here.

I want to see as part of the transparency and the accountability of this Parliament a situation where questions when asked are answered within the shortest possible time as this is part of the notion of accountability.

I was exposed to the system at Westminster some time ago and I was pleased to see the Prime Minister responding to the question placed by the people's representative. This is part of the transparency and the accountability and since the Honourable Member said that we are bringing modernity to the structure, this is one of the modernities I would like to see brought to the structure of this Parliament.

Sir, I will speak to others as time continues. I thank you, Sir.

Dr. D. C. ESTWICK: Mr. Speaker, I stand this afternoon and offer my contribution with respect to this particular Bill under discussion. Before I proceed, I want to crave your indulgence to say to constituents of St. Philip West, a hearty thanks for affording me the opportunity to stand in this Honourable House to represent their interest. I want to say to them that they will have my full capacity in that area of endeavour.

I want now to turn my attention to the Bill. I have had the opportunity to listen to a number of presentations and to look at the Bill. Sir, we on This Side do not have a fundamental problem with areas such as accountability or transparency nor with the duties ascribed to the Public Accounts Committee but we do have some reservations with respect to how the Bill has been put together and as a result this is the direction I intend to take in this discussion.

First, I do not believe that it is a matter of whether there are five, fifteen or one hundred members in the Public Accounts Committee because there is no guarantee that if there were one hundred members the Committee will perform better than if there were seven members because there are no mechanisms enshrined in the Bill to ensure that such will occur.

Therefore, the premise I heard expressed in the House which suggests that the problem was that the Committee would not meet at appropriate times cannot necessarily be solved by increasing the numbers. Sir, it does not make sense to me.

Furthermore, the premise to expand the Public Accounts Committee to include the Upper Chamber, if analysed rationally, would not increase the probability that the Committee would have regular meetings to carry out the interest of the public.

However, I would like to say to the Honourable Member for St. James Central who suggested that the Committee attempted to meet in 1999 but convened only two meetings. Sir, they attempted in July 2001 and February 2003. If you would refer to the Bill on Page 6, section 5 (1), the Honourable Member would recognise that it says:

“ The Committee shall meet at least once within every 6 months...”
4.35 p.m.

Therefore, there are only two six-month periods in a year and there is nothing wrong with that. Furthermore, there is nothing wrong in having the two meetings called for July 2001 and February 2003.

Asides.

Hon. K. D. SYMMONDS: On a point of order, Sir.

Mr. SPEAKER: Order please. Order.

Hon. K. D. SYMMONDS: Sir, the fact is, we cannot bind ourselves by the lowest possible denominator. To do that is to do a terrible injustice and that was the point that I was trying to make.

Dr. D. C. ESTWICK: Sir, I will not respond to such ludicrous postulate. I will proceed as it is my responsibility, Sir.

There were attempts to make sure that the Committee met and I am going to re-emphasise that increasing the number of persons does not guarantee that a meeting will occur on April 13th and that is a point that I believe cannot be refuted by the Other Side.

Sir, if the Honourable Members who have become part of the Public Accounts Committee do not take their responsibility serious, on behalf of the public, then there is a fundamental problem with this concept of accountability and transparency. Is it not a normal procedure that if a member of the Public Accounts Committee is supposed to have met on a particular date and that member did not turn up, is it not also a normal procedure that if it occurs on five or seven times that there should be some sanction involved; or if it happens to be a joint relationship of the then Leader of the Opposition and the Right Honourable Prime Minister then I believe that a decision could have been taken to remove any members of the Committee who are not functioning?

Sir, to say that the solution in having the Public Accounts Committee meet is to increase the number of members, when you have put no mechanism in place to deal fundamentally with the individuals not turning up is foolhardy at this time. Sir, if members do not take their responsibility of the Public Accounts Committee seriously, we will continue to have problems with meetings, whether there are 500 or 1 000 members.

Mr. Speaker, under the old dispensation the Public Accounts Committee comprised seven members from the Lower House and a quorum was required of four members, three Government Members and one Opposition Member. We now have a Committee being made of 13 members, 7 from the Lower House and 6 from the Upper House, with a quorum of 5. Sir, this structure, for me, creates a number of ethical problems.

Sir, the reason why I would express this position is because I am aware that the Senate does not debate money Bills in a systematic way apart from debating the final Appropriation Bill. However, we are aware in this Honourable House that there are several Supplementaries that are brought to Parliament that are debated by the Senate. I have a fundamental problem with a Member from the Other Place having the authority to influence activities in the Upper House when they were not part of the debate. Sir, that creates an ethical problem and it also creates an ethical dilemma.

Additionally, my problem with the Bill as structured is this. The Bill does not state how the six members from the Other Place are to be chosen to sit on the expanded Public Accounts Committee. It does not say how many members comprise the 6 from the Opposition Bench or the Independent group of Senators. As a result of that, until these elements are clearly delimited, I will, again, express my reservations with how it is being expressed.

If the Public Accounts Committee is to investigate Government's expenditure, then Government Ministers and Parliamentary Secretaries must be excluded from sitting on the Public Accounts Committee. Again, this is an ethical set of perimeters that we must deal with. Sir, Cabinet decisions are based on collective responsibilities. Natural justice, morality and decency can only be upheld if no member of the Cabinet has the opportunity to investigate a decision that he was part of.

Mr. Speaker, in other words, a Minister must not investigate himself. As a result, I express my position that Members of the Lower House of Assembly and Parliamentary Secretaries should not sit on the Public Accounts Committee.

Asides.

Dr. D. C. ESTWICK: Sir, the other area of objection is this. With respect to Clause 7, page 6, it states:

"All statutory corporations, entities in which the Crown owns not less than 50 per centum of the share capital, or controls at least 50 per cent of the voting rights in the entity."

Sir, I have a fundamental problem with this. It is not a matter of whether Government owns 50 per cent or more than 50 per cent of a particular entity. It is a matter of what sums of taxpayers monies that are being investigated in that entity that should determine whether there should be accountability or not. By extension, if we apply that logic,

a government may own 49.5 per cent of the shares in a business entity and invest \$50 million and by extension, the Public Accounts Committee has no authority to look out for the interest of the people of Barbados or to evaluate how those monies are appropriated or misappropriated.

Therefore, it cannot be a simple matter as to whether Government owns 50 per cent or has 50 per cent controlling rights. It makes more sense that, by extension, that the Public Accounts Committee needs to be reviewed with respect to this new Bill so as to allow for a more comprehensive capacity to evaluate the expenditure of the taxpayers' money. Sir, we have no problems with accountability or transparency but we would just want to make sure that there are some adjustments made to this Bill as structured.

Earlier one of the Honourable Members suggested that the mode that we use to pattern this new Bill was that of Australia. I want to say that when one reviews the Public Finance and Audit Act, Section 54 of the Australian Constitution with respect to Public Accounts Committees, it says that a member of the Legislative Assembly is not eligible for appointment as a member of the Public Accounts Committee. Sir, that is standard with respect to those jurisdictions.

4.45 p.m.

I also want to say to this Honourable House that when one reviews the Public Finance and Audit Act of 1983, section 54 of the Australian Constitution with respect to Public Accounts Committees, clause 4 makes it quite clear that in New South Wales, a member of the Legislative Assembly is not eligible for appointment as a member of the Public Accounts Committee, if that person is a minister of the Crown or a Parliamentary Secretary, but that is standard with respect to those jurisdictions.

Sir, why it is that we should take all the other precepts but a precept as fundamental as this, we want to leave out of this new Bill? It is from those premises that the Members on This Side believe that we have some objections to a number of areas that we believe need to be revisited.

I am not going to get involved, Mr. Speaker, about all of this talk about figures and HRL and so on. My concern today is that the interest of Barbadians is served. If the Public Accounts Committee is charged with the responsibility to evaluate Government expenditure, then I believe that is what it should be charged with. I believe if it is \$1.00 or \$1 million, the premise must hold. If you are charged to investigate on behalf of the people, you are charged to investigate on behalf of the people. I will not accept any contortions or backhanded moves by saying only those entities that the Government has an investment of 50 per cent or has controlling rights, or 50 per cent voting rights.

I am not going to get involved at that level. The premise must hold. If you are going to investigate fairly, then the premise must hold that all entities which the Government presently invests in, must be accountable to the people. If that is the case, they must be accountable to the House of Assembly, by whatever mechanisms are put in place.

It is from that premise, again, that I stand to offer my submission to this Lower House. I hope that the members on the Other Side would recognise that we hold no animosity. Our interest is that of the people and to make sure that whatever structures are put in place, they are comprehensive enough to get the job done in the interest of the people of this country.

I thank you, Sir.

Hon. N. A. LYNCH: Mr. Speaker, thank you for the opportunity to lend my own thoughts and support to this particular Bill. Let me say from the outset that I am in great support of this piece of legislation, support borne of independent thought and not anything pushed upon me or any other Member, as has been suggested by some who spoke earlier in the day.

I believe, Sir, that this particular Bill has come at, what I describe as, a sad time in our political and Parliamentary history. The fact that, as a Government on This Side, we have had to seek to put measures in place to strengthen a checks and balances system which, before this time, had been a vibrant checks and balances system is, certainly, a cause for concern.

The Public Accounts Committee used to be a strong mechanism of governance in this Parliament and, Sir, it is sad that it has broken down to the point where this piece of legislation should now be tabled in Barbados. I believe it is necessary for all of us, as Parliamentarians and politicians to buy back some measure of credibility with the public. I believe at this time that this particular piece of legislation is necessary.

Sir, the checks and balances system, known as the Public Accounts Committee fell down simply because, in the past administration, those charged with seeing to it that this particular mechanism was used in the best interest of the people, were not at all utilised.

I believe, Sir, that it is a sad reflection on all of us who are the major public figures and the principal guardians of the public purse and the public interest in Barbados.

Sir, this particular committee, which had been vibrant and which has been allowed in my opinion to fail in some measure, has created, I believe, Sir, much doubt in the

public's mind, in a public which already has some reservations about politicians and political figures and the institution of Parliament.

I believe, Sir, that apart from all the issues related to the money aspects, HRL and everything that was said, I think the Honourable Member for St. Michael East was very clear when he spoke about the sociological impact upon the issue that we are debating today. The trustworthiness, Sir, of our political leaders, goes into the heart of our political culture to the very question of how much allegiance to their country can be demanded of ordinary citizens.

I believe, Sir, that we need first and foremost to set the example for them. Cynicism is corrosive of everything that our constitution was meant to stand for and hence, the very democratic system on which we build our Government. Sir, the Bill needs to be brought, because it needs to strengthen that very institution which we depend on so much.

Sir, it needs also to buy back some equity with the public in whom we must create ultimate trust, if we are to govern Barbados in a proper and upright manner.

Sir, during the 1994 elections, I met the most apathetic, disinterested, doubting and a miseducated populace that I have ever met anytime in the three times that I had to contest an election, and it was more evident among the younger members of that populace.

I believe, Sir, this initiative as tabled by Government, should go a long way in restoring some measure of trust in the systems of Government and in the systems of governance in our country. This initiative will not by any means solve all of the problems that we have, in terms of how we are looked upon by the people of Barbados.

Sir, I believe that this particular initiative strengthens this mechanism which is at the core of being able to preserve our democracy in Barbados. Of course, more political education is needed in Barbados, because I met many people who were not interested in the process of Government or governance, many people who were not aware of the process, and many people who did not even understand the need for the process of Government and governance in Barbados.

Sir, some of them were seemingly very educated people, in our context, people who have gone through school, passed through high school and who were well qualified. They did not understand why there was even a need to be involved in this process of Government. I believe, Sir, that we need to deal with these issues in a much more open way than we ever have, if we are to buy back some equity with the people.

I had the privilege of studying in North America and one of the issues is that when I went to college, everyone that had come out of a high school was very much aware of the political process as it existed. Any 16-year-old or 17-year-old coming into college, could tell you issues about how a Bill was passed and became law and how many members there were of the Congress and how many members there were of the Senate.

In Barbados that type of political education is lacking. This particular issue, Sir, I believe would also be able to bring a much more needed concept of being able to shore up our political education in this country.

Sir, in relation to many of the issues that we discussed today, I believe that this debate crosses the bar, in terms of being able to create another mechanism for talking about the GEMS and HRL, which seems to be a fixation for the Honourable Member for St. Michael North West.
4.55 p.m.

The Honourable Leader of the Opposition, the Honourable Member for St. Michael North West, now have the mechanisms, if he so desire, to bring the issue of 'JAWS' and Hotels and Resorts Limited to the Public Accounts Committee. He also has now more than a fighting chance to bring them to the public of Barbados.

Sir, I am submitting to you that one of the reasons why meetings of the Public Accounts Committee were not called was because the former Leader of the Opposition knew very well that he would have found nothing relating to the issue of Hotels and Resorts Limited and the GEMS of Barbados.

Sir, as Minister of Tourism and International Transport, I now have the privilege of having HRL and the GEMS of Barbados under my portfolio for the first time and I am more than willing and able to come forward and bring any issues relating to HRL and the GEMS of Barbados. I suspect that when the political history of Barbados is written as it relates to tourism development, that someone is going to say that the GEMS of Barbados in itself was a proper initiative in terms of the future of the people of this country.

Sir, as far as I have scrutinised, there has not been one iota of impropriety as it relates to the issues dealing with GEMS of Barbados. However, the Honourable Leader of the Opposition has all the power in the world now to bring anything that he wants as it relates to GEMS of Barbados and HRL to the scrutiny of the Barbadian public.

I suspect, Sir, that we would soon know the true nature of the Leader of the Opposition and his 'merryband' that seeks to pillory, to accuse people and to drag people's name through the mire in relation to this particular issue, although there was a process in place to deal with it.

Sir, there is a principal point in all of this, that is, that this Government has sought to strengthen the mechanism which in essence is its own watchdog. Sir, when you think about the nature of the political process and the nature of the business in which we are engaged, in debates at any time, I do not know of any administration, even if it is a small key club, that seeks to strengthen the mechanisms by which they are being scrutinised from many angles. This Administration has sought to do that for the public of Barbados. Sir, this is not about any 'smoke and mirrors'. This is serious business in the people's interest that we are seeking to do when we strengthen the checks and balances to which we have been subjected. I believe as well, Sir, that this particular act and initiative also strengthens our democracy in many ways, because I heard a lot during the recent exercise about democracy, that democracy is under threat. I believe this Bill will strengthen the institutions of Parliament and gives us back some measure of strength with the public.

The past Opposition allowed the Public Accounts Committee to grind to a halt, and it reflected very badly not only upon the Government but upon all of us in this Chamber because it does not matter on which Side of the aisle we sit, we are all Members of a very special fraternity. It is interesting that this Bill should come at this time because we who have been elected to Parliament have been chosen to look after the most intimate interest of the people of the country, so anything that we do that seeks to tarnish that reputation in any way will reflect sadly upon all of us on either Side of the aisle. I believe that accountability is important but our collective and individual reputations as politicians and as parliamentarians are also paramount to this exercise of representing people, so I am worried, Sir, about how this particular exercise would have been seen in the public domain.

I believe that what we have done today strengthens the democratic process and buy us back some equity with the people. Even more fundamental than that, I think it raises the bar again in terms of how people in our country would see politicians and parliamentarians wherever they sit. I think that is what is important. To put things out in the public domain without one iota of strength and truth to them, just branding about people's names and talking about the Hilton and other things without bringing anything substantial to the Table, taint the entire process for the people. I believe that by this particular act we have done justice to Barbados by strengthening the institution of Parliament to preserve what is the greatest democracy in this region.

I am obliged to you, Sir.

Mr. SPEAKER: The Right Honourable Prime Minister will now wind up.

Rt. Hon. O. S. ARTHUR: Mr. Speaker, when historians come to judge the work of this Parliament, I do strongly believe that we would have to regard today's debate as being the debate which attaches a very special, distinctive and unique signature to what this Parliament will leave as its legacy.

In the wider world, there are fundamental, difficult and contentious issues of governance that are testing the character of mankind. It speaks to Parliament at a time that the international economy and its stability are at the greatest risk in the history because of the weakness of corporate governance. In the wider international economy there is a concern as never before to conceive of and to put in place a new system called a new international financial architecture to bring a new system of governance to the workings of the institutions at the centre of the international economy.

As I speak to this Parliament, issues of governance are now intruding in the relationship between States as never before. In the relationship we are seeking to evolve with the European Union under the Cotonou Agreement, matters pertaining to best practices in relation to systems of governance are issues that are on the table in a way that have never before been on the table in trade negotiations or any set of relationships between countries known to man.

In almost every one of these instances, there is a fundamental difficulty in getting some entities in the international communities and in the domestic societies to set a need for new systems of governance. This Parliament will stand out as being unique in the history of parliaments in the history of Barbados and certainly in the history of the world that it has started its work by fundamentally addressing a matter pertaining to the better governance of the society's affairs. It is entirely salutary that we should have started on this tone. I believe that a Parliament that starts with such a lofty matter before it, is a Parliament that surely cannot fail.

I want to applaud the entire House for agreeing that this important issue of governance should set the stamp of how the Parliament of 2003 will come to be regarded. I have great pleasure and a duty to thank all Honourable Members on This Side who spoke in this debate and added a richness to the discourse of parliamentary discussion by the quality, the tone and the temper of their contributions.
5.05 p.m.

Mr. Speaker, you must forgive me if, with special mention, I were to single out the extraordinary contributions

of those who have delivered themselves in this Parliament on their maiden speeches.

I have been in this House much longer than any other serving Member but I do not recall hearing speeches that were of a much higher and finer quality being issued from the lips of Members of Parliament on their first occasion while speaking in this House than those that today were issued from the lips of the Honourable Member for Christ Church West and the distinguished Honourable Member for St. James Central.

Sir, these Members have brought a sparkle to the discourse of the House which I found refreshing. For this, I must congratulate them on their tremendous contributions on this issue and to say that they have spoken, not as new Members, neither with any innocence of newness but with excellence and, therefore, I look forward to their greater contributions.

This Public Accounts Committee was a strange Debate in relation to the contribution of the Opposition. Caesar has spoken in terms of Gaul being divided into three parts and, therefore, one would have thought that the Opposition would have been chastened by the experience of the Opposition in the last Parliament and would have pretended to show a semblance of unity to begin with, in this particular Parliament. Instead what we had was a crass example of an Opposition who is anxious to parade before the public, which is even further evidence of the continuing divisions and fractures in the Democratic Labour Party.

Mr. Speaker, I said it was like Gaul being divided into three parts, the Honourable Member for St. John, the person whose Resolution in many respect has caused this Bill to be before the House in the first instance, is conspicuously being absent today. We know where the Honourable Member for St. John stands in relation to his ambition for leadership and of his support for the rest of the Democratic Labour Party.

The Honourable Member for St. Michael North West has spoken but I will deal with his speech in due course. The Honourable Member for St. Michael North West has two attributes, a highly developed sense of rumour, not humour, of which the House was given full and ample evidence. Secondly, as someone who has been drawing funds as a lecturer in Public Finance and Public Accounts, he has a complete unfamiliarity with the laws of Barbados as they pertain to financial matters, that reflect a pure and perfect innocence that borders on ignorance. Sir, I use the word ignorance in the purest sense of the word. The Honourable Member reflects a lack of familiarity with the laws that is almost innocent but I think it also incorporates ignorance in the sense in which one's grandmother uses the phrase, "he is an ignorant fellow."

Sir, today the Honourable Member gave the House the full benefit of his inexperience and ignorance of public financial issues, which were tainted and contaminated by his overwhelming preference for rumours. He was the second part of the Gaul.

The other Honourable Members spoke and what was distinguished by their contributions is that, speaking for the first time, no new Member of the Democratic Labour Party has made any reference to, nor have they reinforced any points to the speech that was made by their supposed leader, the Honourable Member for St. Michael North West. Indeed, the Member for St. Lucy, as is his custom, gave a speech that resembles the peace of God – it surpasseth all understanding. The Honourable Member for St. Lucy has called for the Members of the Senate to be salaried.

The Honourable Member for Christ Church East Central spoke non-stop without neither pausing for breath nor thought. Sir, we can forgive him for that indiscretion because he has not said anything that is memorable. The Honourable Member for St. Philip West spoke, and I say no more. We had three speeches; one from the Honourable Leader of the Opposition that was not supported by a wit of any Honourable Members who spoke after him.

Sir, no one spoke to a Democratic Labour Party's position in this matter. What we have here is something that is as close as possible to the political tower of Babel – a collection of discordant voices thrown out in the public's domain without rhyme or reason, driven not by a single cause, nor in support of a sensible party position.

Mr. Speaker, I am not in any mood to be critical of the Democratic Labour Party, I was just being descriptive but I am welcoming the new Members on the Other Side to the cut-and-thrust. I want them to become used to it because there shall be no easy ride in this Parliament.

Sir, there has been no fundamental challenge in this Debate to the basic premises upon which this legislation is before the House and in winding up this Debate, I need to draw the House's attention, purely by way of reference, to those fundamental preferences.

The first fundamental preference is the functioning of that watchdog institution exercising a responsibility over the expenditure of public funds and the investment of as much power, authority and prestige in that watchdog institution, are all critical to the functioning of a serious democracy.

Mr. Speaker, there has been a basic defect in our democracy. That basic defect is that the watchdog institution

of which I speak, the Public Accounts Committee, is very scantily clad in relation to legislative clothing. It has only but a very tenuous position, either in the laws of Barbados or at a most insecure position in the context of the arrangements for governance in this country.

It comes as a shock to all of us that although tremendous authority and weight is being attached to the functioning of a Public Accounts Committee, a Public Accounts Committee as an institution in this country is only referenced in the Standing Orders of the House in terms that describe it as a committee that is not given a very clear structure and one that has very limited powers.

The Bill once said that there shall be a Public Accounts Committee for the examination of accounts, showing the appropriation and the sums granted by Parliament or such other accounts and that the Committee shall consist of not more than seven members and that the Leader of the Opposition should be the Chairman of that Committee.

Sir, the only reference of this Committee regarding any law in Barbados is to be found in the Financial Rules but only a reference to its powers and functions. The Financial Rules and Audit Act, Part 2, section 5 says:

“The accounting officer must be prepared to account to the House of Assembly, through the Public Accounts Committee for the regularity of the expenditure of votes and accounts and for the receipt of public funds for which it is responsible.”

Therefore, it can be truly argued that an institution that is vital in ensuring propriety in our financial governance occupies too scanty a place in the laws of the land and, in fact, only existed to the extent that they were embodied in the Standing Orders of this House.

We have come to a time and to a place where the proper management of the affairs of this country requires that the standing of the Public Accounts Committee must be brought out of the Standing Orders of the House of Assembly and should be embodied in the laws of Barbados. The Public Accounts Committee should not only be enshrined in the law but the law should be of such a nature that there should be no doubt that the Committee has serious, wide, handsome and very powerful functions to discharge, not only in relation to its oversight of the Estimates of Expenditure, as brought to this House on an annual basis but in relation to all of the financial actions of which the Government is a part. Mr. Speaker, that is the wish of the Barbados Labour Party.

5.15 p.m.

When the previous Leader of the Opposition brought that Resolution, This Side amended it and decided that if the Public Accounts Committee was to be changed, that it should be enshrined in the law, that its relationship be defined in Parliament, that it be given serious power, serious standing and clarity of precision of power so that we do not relapse into a situation from whence we came.

Mr. Speaker, we have come here to do something that is important to our governance. This is the first time in 150 years that we are giving legal standing and seriousness to the most important institution that is important for ensuring good financial governance in this country. For that reason, this is a signature debate in this Parliament because never before has a Parliament in this country sought to give legislative signature and authority to the work of this institution in which we vest so much of our confidence to ensure good governance in the land.

Sir, the Public Accounts Committee has sadly become a Committee whose functioning has been left to the past leadership of the Democratic Labour Party, has been discredited by recent practices and on that hang more of a political tail than a tail pertaining to governance.

Sir, it needs to be said that this administration finds it necessary to enshrine the Public Accounts Committee into the law, define its structure in the law, prescribe its power in the law to give it real authority and the power to summon people and if those people do not appear before the Committee they could be fine or imprisoned. We are doing this because recent practice has shown that if we were to leave the function of the Public Accounts Committee to the discretion of a so-called Chairman, it could be discredited by bad experience.

Mr. Speaker, the Democratic Labour Party under its then leadership and its succeeding leadership had a vested political motivation for bringing the Public Accounts Committee into disrepute. Sir, I want to explain why I am saying this with such force. We are the only Government in the Caribbean that has been pressing an Opposition to call meetings of the Public Accounts Committee. I am the only Minister of Finance ever in this Parliament who has asked the Public Accounts Committee to hold meetings in public and invite me to appear before it and told them that I would come to the meetings but the Opposition found every excuse and reason why the Public Accounts Committee could not function.

Sir, they put a narrow interpretation on what the Committee should do. I admit to the House that the powers of the Public Accounts Committee were limited but they

remained even more minisculed by the way in which the then leadership of the Opposition sought to interpret them.

I want to repeat what was in the Standing Orders and what we have changed. Originally at Section 59, it said that there should be a Committee of Public Accounts for the examination of accounts showing the appropriation granted by Parliament to meet the public expenses at the Annual Estimates and of other accounts laid before Parliament as the Committee may think fit.

Mr. Speaker, I argue that the words, "other accounts laid before Parliament" provided the basis upon which the GEMS received \$10 million from the Public Account Investment Fund which are laid in this Parliament and this provided sufficient authority under which the Leader of the Opposition could have acted but he refused to act.

Secondly, under the Financial Rules the most narrow interpretation was put by the Government as to who should appear before the Committee. The Rules said that the accounting officer must be prepared to account to the House of Assembly through the Public Accounts Committee but it did not say that only accounting officers should appear and this has been used in support of the view that Ministers cannot appear before the Public Accounts Committee. The Financial Rules say that accounting officer can and must appear but it is silent on the question as to whether Ministers of Finance must appear but I said that despite the rules, the narrow interpretation should not be applied but that I was willing to appear before the Committee.

Mr. Speaker, we have in this country the most ridiculous situation where a Government was constantly pressing the Opposition to discharge a function that was at the discretion of the Leader of the Opposition. Sir, the Honourable Member for St. John wrote an open letter, which was circulated to Barbados, alleging that the Barbados Labour Party had paid the Sugar Industry \$200 million to repair old factories and that we had use it to finance our election campaign. It was also alleged that the funds were paid unlawfully out of the Consolidated Fund without reference to Parliament. I urged the Leader of the Opposition to have it as a matter before the Public Accounts Committee so that the truth be told. Also, in relation to the GEMS of Barbados we called for the Public Accounts Committee to be used as it was intended by law in the Standing Orders but we had the strange situation where the Democratic Labour Party had no interest in doing this.

Mr. Speaker, the Democratic Labour Party under its new leadership is interested in maintaining the politics of innuendos that charges are to be made but no efforts are made to substantiate those charges and worst of all no effort will be made to allow them to be effectively refuted.

Sir, the Democratic Labour Party has no vested interest in the Public Accounts Committee ever effectively functioning because their interest was only in making those charges in the public domain but never to have those charges substantiated or substantially refuted. Hence, a welter of discontent was generated in this law. There were suspicions and character assassination and all of it pandered to an instinct that is well-known in this land where people are inclined to believe the worst of those of us who are in public life especially those of us who hold high political office.

Mr. Speaker, the Public Accounts Committee was deliberately neutered and denuded of seriousness and purpose. It was made to function almost in corinthian terms. It became as idle as a painted ship upon a painted ocean in pursuit and in support of the most unworthy political cause.

I submit to this Parliament that this is the first time in the history of this Parliament that an Opposition refused to discharge its responsibilities because of their willingness that people should be hanged in this land by the nastiness of gossip rather than be sentenced on the certainty of evidence. Sir, we have come to the start of this Parliament to bring a cleansing. There must be cleansing in our public affairs and there cannot be that cleansing if there are no answers and there will be answers Mr. Speaker. There must be that for the good of this country because Barbados' stability has rested upon its reputation for good governance. Without that reputation being enhanced, the stability that has underwritten our development will vanish.
5.25 p.m.

Mr. Speaker, I say to the Honourable House that we still have the perpetuation of that tradition, started by the Honourable Member for St. John under new leadership, that would seek now to find every excuse as to why the Public Accounts Committee, in a new reincarnation should not function.

Sir, first of all, I say that there is a divided Opposition. The position of the Opposition today is totally different in terms of its outlook on the structure of the Committee than when this matter first came to Parliament. The notion of having seven members of the House on the Committee was agreed to before the House rose. Now we have a new Democratic Labour Party with nobody in charge. The leader, holding a temporary post, and, therefore, anything can happen. Then we hear from the lips of the gentleman who holds the post all kinds of reasons why it cannot function. The most absurd...

Mr. SPEAKER: Please, please, order, please.

Rt. Hon. O. S. ARTHUR: Mr. Speaker, is there a mouse in the room? I hear a squeaking, Mr. Speaker.

Mr. SPEAKER: Order, please. Honourable Member, please. Let us do this orderly, please.

Rt. Hon. O. S. ARTHUR: Sir, I have not even started to put the blows in the Honourable Member yet. The Honourable Member has come to lock horns. Therefore, let us lock horns.

Asides.

Rt. Hon. O. S. ARTHUR: Sir, we heard a lot of melodious nonsense from the Leader of the Opposition, Honourable Member for St. Michael North West. For example, he said that a Public Accounts Committee cannot function seriously if it comprises of Government ministers and if Government's Senators were in the majority. Sir, that can be tested by reference to the facts. These are the facts, Sir.

Sir, I served as a Member of the Public Accounts Committee in 1986 – 1991 and between 1991 – 1994. This was a Public Accounts Committee that was serious because out of it came a report to this Parliament pertaining to the St. Joseph Hospital. It was so serious a Committee that what is happening now did not happen then because the Government at that time tried to block the work of the Committee but this Government is here to promote the work of the Committee.

Sir, let me explore the melodious nonsense that has sadly come from the Leader of the Opposition. The Honourable Member said that Government Members should not be the majority on the Committee and that Ministers should not serve on the Committee. Would the Honourable House be interested in being told that...

Mr. C. A. MASCOLL: On a point of order. Sir, I never said that Government Members should not sit on the Committee. In fact, I said the opposite. I said that they should constitute the majority but that the Opposition should have enough to form a quorum. Sir, that is what I said.

Rt. Hon. O. S. ARTHUR: Mr. Speaker, Mr. L. E. Sandiford, now Sir Lloyd Sandiford, Mr. Warwick Franklyn, Mr. Clifton Neblett and Mr. Peter Miller were the members of the 1986-1991 Public Accounts Committee. I think that the House would recognise that Mr. Lloyd Sandiford was not only a Minister, he was also tipped to be the Prime Minister of the country. Mr. Warwick Franklyn was the Chairman of the Committee.

Mr. Speaker, the Standing Orders said that there should have been a quorum of 4 members. During that time there were 3 of us constituting the members of the Public Accounts Committee. We could not constitute a quorum to make the Committee work. We had to depend upon

Democratic Labour Party ministers to make the Committee work between 1986 – 1991.

Asides.

Rt. Hon. O. S. ARTHUR: Mr. Speaker, we were a serious Opposition.

Sir, between 1991 – 1994, Mr. Harold Blackman, Minister of the Crown, Mr. David Bowen and Mr. Johnny Tudor, all Ministers, were on the Public Accounts Committee when we wrote the report about the St. Joseph Hospital.

Sir, the public is now to be made to believe that the Barbados Labour Party is for the first time inventing a precept that ministers could serve on the Public Accounts Committee and, therefore, if ministers serve on the Committee the work of the Committee by that action would be contaminated.

Mr. Speaker, in fairness to those who would have served as Democratic Labour Party ministers and despite the fact that the Barbados Labour Party did not constitute a quorum between 1991 – 1994, the Committee functioned. The Barbados Labour Party functioned because we had a serious Chairman who caused the Committee to function.

Mr. Speaker, we have a clear picture of what is going to be the role of this Public Accounts Committee because the Chairman has to play a vital role in making this Committee work. We have a situation where there had been a statement in the public domain by the person who is now to be the Chairman of the Public Accounts Committee. He said that there is no need for a Public Accounts Committee and that he is the Public Accounts Committee. A lady met me and said to me that the way in which Mr. Clyde Mascoll, she refers to the Leader of the Opposition as Mr. Clyde Mascoll, believes in himself and it is very remarkable in these very atheistic days that he is the Public Accounts Committee.

Mr. Speaker, before we go further in this exercise of a serious conference, I want to divest his mind of any notion that he is any 'maguffy' in this Honourable House. He is not the Public Accounts Committee, Sir. He shall be sure of one thing only. If he has come to this Honourable House with those arrogant passions and those precepts in his head, they shall be knocked out of him in this Parliament and we shall take him and remake him into both a decent citizen and an unwilling and necessary servant of this Honourable House, Sir.

Asides.

Rt. Hon. O. S. ARTHUR: Sir, it is the first time in the history of the Honourable House, going back to the very dark days, when this House used to be dominated by the

Barons and the plantocracy that a person outside of the House felt that he was the committee of Parliament. Sir, we are going to teach him discipline in this Honourable House.

Asides.

Rt. Hon. O. S. ARTHUR: Sir, I do not want to look across there because I might become afraid.

Aside.

Rt. Hon. O. S. ARTHUR: Mr. Speaker, before we proceed on this serious road of nation building, the Honourable House must be given an assurance by this errant Honourable Member for St. Michael North West that he does not still fancy what he said before he came to this Honourable House that he is the Public Accounts Committee.

Mr. Speaker, can I be allowed to speak in silence, Sir? I did not interrupt the Honourable Member. He is a wild boy, Sir.

Mr. SPEAKER: Let us proceed, please.

Rt. Hon. O. S. ARTHUR: Mr. Speaker, you have to forgive him because he confessed, on a platform, that he was a juvenile shoplifter.
5.35 p.m.

Asides.

Mr. SPEAKER: Order, please, order.

Sir, what else can you expect from a person who said that when he was a child, he was involved in shoplifting.

Asides.

Rt. Hon. O. S. ARTHUR: Sir, it is a good thing that we have the statute of limitations, because the Government could arrest him.

Asides.

Mr. SPEAKER: Order please.

Rt. Hon. O. S. ARTHUR: Mr. Speaker, this House was regaled and continues to be regaled with some of, as I call it, the most melodious nonsense that has ever issued from a person speaking on public finances in this country. The Leader of the Opposition has staked an entire career and he now wants to rest the fortunes of an entire party on this notion that this Government has been making expenditures from the Consolidated Fund on things like the GEMS, without the approval of Parliament.

Sir, this is the beginning of the moment of truth.

Mr. Speaker, the Consolidated Fund is popularly believed to be the only account that the Government can maintain, and the only account out of which expenditure can be made by the Crown. Sir, this is a myth that is neither supported in the law, nor is it supported in practice.

The Constitution is very clear, Sir, as is the Financial Administration and Audit Act. Mr. Speaker, you had better let me read it. It says at Cap.5 Part II:

“3.(1) Subject to the provision of this or any other Act for the time being in force, the revenues of Barbados shall be paid into the Consolidated Fund.”

The point is, Sir, that there is a condition attached, that you can have other Acts which direct where some of the Government’s revenues can go. For that reason, therefore, the Government of Barbados can have accounts other than the Consolidated Fund.

Now, the Honourable Member for St. Michael North West should be in a position to know this, because he should be aware that when he was drawing the big sums, as the financial advisor to the Government, by way of a proportion of the Central Bank, when other public officers were sucking salt for the 8 per cent, that the Democratic Labour Party collected the funds from the sale of assets and they did not put them into the Consolidated Fund. They created an account called, the Public Enterprise Investment Fund, into which they put the funds.

Sir, let us begin to give a little tutelage here. The Government of Barbados can put its revenues into various accounts, of which one is the Consolidated Fund. The Consolidated Fund is unique, however, among Government accounts in that it is the only account from which expenditure can be made only with the prior approval of Parliament but, Sir, may I refer you to the law.

The Financial Administration and Audit Act at Section 19 speaks thus:

“19. The Accountant-General shall keep with such bank or banks as the Minister from time to time determine an account to be known as the Treasury Account...”

Sir, then Section 20.(1) says this:

“20.(1) Moneys at the credit of the Consolidated Fund and any other public moneys may be deposited by the Accountant-General in the Treasury Account...”

Sir, this is explicitly saying that you can have public funds held in the Consolidated Fund, and any other public funds can be deposited into any other account, as may be directed by the Accountant-General.

Mr. Speaker, there is a Treasury Account, made up of the balance of the Consolidated Fund and the Government of Barbados maintains a number of other accounts from which it makes expenditures. Among those other accounts, Sir, is an account that was created by the Democratic Labour Party in 1992, the Public Enterprise Investment Fund, into which the proceeds were put from privatisation.

Sir, there is no requirement in the law that the prior approval of this Parliament must be sought for payments from any account held by the Government other than the Consolidated Fund. I go further, Mr. Speaker, and that is why I say, the Honourable Member for St. Michael North West who speaks about public financing is not familiar with the law. The law also prescribes the conditions under which loans can be made by the Government, from any of its other accounts and those are prescribed in the Financial Administration and Audit Act.

Mr. Speaker, the House does not seem to be aware, but Section 38 of the Financial Administration and Audit Act even goes as far as to say this:

“38. (1) Subject to such conditions as the Minister may from time to time determine, the Accountant-General is hereby authorised to advance from the Treasury Account to any Government or Administration to which this section applies such sums as he may be requested by that Government or Administration to pay on its behalf.”

So that the Accountant-General can go to the Treasury Account of the Government without coming to Parliament once it is not the Consolidated Fund, and under the law, do it. So that a Government can go to accounts other than the Consolidated Fund and within the full contours of the law, make loans available.

Mr. Speaker, may I say that it has been done before this administration. It has been done by the Democratic Labour Party. Section 25A says, and this is the point:

“25A. Loans which are given by the Government to government enterprises and non-government enterprises shall be secured by way of a loan agreement or debenture mortgage depending on the circumstances of the loan, the terms of which are to be agreed by the Cabinet.”

Mr. Speaker, the Government can go to any of its special deposits or any of the other accounts in the Treasury, other than the Consolidated Fund and give a loan to a governmental enterprise and get a debenture agreement drawn to support it, subject to the conditions agreed to by the Cabinet.

Mr. Speaker, that is exactly what has been done in relation to a loan, given by the Government to a governmental enterprise, HRL, in compliance with Section 25A of the Financial Administration and Audit Act. Sir, I told you that the proof is in the eating of the pudding. The accounts of the Accountant-General for the year ended March 31, 2003 are ready in draft and they should soon be available to the House.

The Auditor-General's report, Mr. Speaker, is careful enough to speak in terms of receipts in the Consolidated Fund, and other receipts and payments that the Government has, because it is recognised that the Consolidated Fund is not the only source of Government payments.

Sir, I have to make this a document of the House because it is going to give a lie to the putrid nonsense that the Honourable Member for St. Michael North West went around this country telling the people that we took money out of the Consolidated Fund and put into the GEMS of Barbados.

Sir, you will see here, under expenditure, the total payments from the Consolidated Fund and they have them above the line, in black, \$2, 262 million. This is coming to the House. Sir, then you had other payments below the line, loans, then you had total consolidated fund and other payments.

Mr. Speaker, you can make a loan available, under Section 25A of the Financial Administration and Audit Act, on terms agreed to by Cabinet, supported by an agreement. 5.45 p.m.

If, however, and when the Government decides to convert the loan into equity and the acquisition of equity say the acquisition of property, it then reflects itself as an expense, you have purchased something, and it would have to be brought from this category as an expense against the Consolidated Fund.

Mr. Speaker, the Government has not converted any loans granted to GEMS of Barbados into equity. So the nonsense that the Leader of the Opposition has been parading around Barbados cannot be rested in the law and will be discredited once and for all by the publication of the Accountant-General's report.

Mr. Speaker, Barbadians are intelligent people. Mr. Speaker, you may want to begin to ask yourself by what process could a Government continuously succeed in taking money from a Consolidated Fund and spending it without the approval of Parliament. This is not just an isolated charge by the Democratic Labour Party, this is a charge to which this Government has been subjected to for a number of years. We have been accused of having done it in the case of the payment for the old factories.

Sir, the only way that could have happened in Barbados is if the Auditor-General, who has duties prescribed on him by Section 113 of the Constitution of this country to report to this Parliament in relation to expenditures out of the Consolidated Fund, agrees to turn a blind eye to any such acts. I challenge anyone from the Opposition side to draw references to any Auditor-General's report that references the Government of Barbados taking any expenditures out of the Consolidated Fund for any of the projects that they are speaking about without the prior approval of this House. There would have to be a conspiracy of collusion to deceive the law and the purposes of our Constitution for expenditures to be made from the Consolidated Fund and it not be reported on by the Auditor-General. It could not happen without it being reflected on in the Accountant-General's report.

Mr. Speaker, the Accountant-General's Report this year is going to give the lie to the melodious nonsense of the Honourable Member for St. Michael North West that monies were spent on the GEMS of Barbados from the Consolidated Fund. Mr. Speaker, it would have to be done only with the conspiracy of the Director of Finance and Economic Affairs as well as all of the public officers of Barbados.

Mr. Speaker, we are a country unlike other countries in the Caribbean where the reports of the Auditor-General are up-to-date.

Asides.

Mr. SPEAKER: Please! Please!

Rt. Hon. O. S. ARTHUR: Mr. Speaker, you have to be careful with him because he may grow up from being a mouse into becoming a rat because his voice is getting louder.

Mr. SPEAKER: There are rules to extinguish rats you know.

Asides.

Rt. Hon. O. S. ARTHUR: What really do you expect of a person who would go in the public domain and confess that he was a juvenile shoplifter?

Mr. SPEAKER: Please! Could we leave out that, please?

Rt. Hon. O. S. ARTHUR: Mr. Speaker, I have not interrupted anyone in speaking in this House today but the Honourable Member for St. Michael North West wants to deprive me of my constitutional right to speak freely and without interruptions as the rules prescribe in this House. Mr. Speaker, I am going to give it to him fiercely for five years and I am going to make him into a decent citizen. He needs that chastising, Sir.

Mr. Speaker, the Democratic Labour Party has sought to run away from discharging its constitutional responsibility. In this debate, they are now trying to find every reason why the Public Accounts Committee should not function. You are hearing now that the Senate should not be involved and that the Senate does not come into contact with money matters as if we are all unaware that the Appropriation Bill which provides the authority for expenditure by this Parliament is debated and must be approved in the Senate.

The fact that the Senate has a role to play in the approval of the Appropriation Bill has already enshrined the Senate in a relationship with financial oversight in this country. We are not now inventing a new precept, we are building on what already exists. Although the Senate does not have a responsibility to approve supplementaries one by one, the Final Appropriation Bill goes back to the Senate for its approval. This is wonderful nonsense that the Senate of Barbados cannot be involved in matters pertaining to financial oversight.

We are also hearing about the composition of the Public Accounts Committee and so on. I am sure that like me, you get this sense, Sir, that the Democratic Labour Party still wants the country to be caught up in this welter of discontent where the ruling practice in Barbados is just politics by innuendoes and character assassinations because they are not interested in the truth.

This Parliament will go down in history as being the first Parliament in this land to enshrine, properly so, a Public Accounts Committee into the laws of Barbados to give it legal standing and certainty, to prescribe a structure for it such as to make its functioning independent of the whim and discretion of a Leader of the Opposition as chairman.

We have been careful to invest the Public Accounts Committee with full, ample, wide and handsome powers to act and to go beyond just investigating the Estimates of Expenditure and the accounts contained therein but to do what the Democratic Labour Party says that they wanted to have been able to do, to begin to inquire into the affairs of companies owned by the Government.

We are at that moment and now comes the time for action, the Democratic Labour Party now has no more excuse for temporizing or for saying that the powers are too limited or that they are not enough Honourable Members of an independent bench to form a quorum.

Sir, every facility is being made available for the Public Accounts Committee to assume a serious responsible role in the governance of our affairs. It must meet, Mr. Speaker. Its meetings now are not going to be at the whims and fancies of any Chairman saying I am not calling any meetings because there are provisions, that if the Chairman and the Deputy Chairman are not there, something else can happen. It has to meet. It must meet and it must be effective. This is a Government that is saying so, not the Opposition.

We are calling for the Public Accounts Committee to be effective because we want it to be effective, Mr. Speaker. It must report on 'JAWS' and tell the people of this country once and for all whether in fact a company called 'JAWS' was created to carry out work on behalf of the GEMS of Barbados. It must report about whether houses which were shown on the big screen at the Democratic Labour Party meetings were built out of the resources of the GEMS of Barbados because the public were made to believe that these things are true.

It must report and tell the people of Barbados whether it was in fact true that secret companies owned by the wives of the directors of GEMS of Barbados were formed in Miami to carry out purchases on the behalf of the GEMS of Barbados. It must report because we will make sure that the truth becomes a mighty sword.

Mr. Speaker, it must report about whether or not certain political families were allowed to profit from involvement in the GEMS of Barbados or whether in fact it was not true, as it is true, that political families lost their family businesses and have not profited a cent from their involvement in the GEMS of Barbados.

It must report and give the House and the public a full account as to whether there was any improper action by any minister or member of the Government or of any director. We are waiting for the answers.
5.55 p.m.

On the separate motions of Rt. Hon. O. S. Arthur, seconded by Hon. Miss B. A. Miller, the Bill was read a third time, passed, and cited as the Public Accounts Committee Act, 2003.

A division was called.

The Bell was rung.

Ayes: RT. HON. O. S. ARTHUR, HON. Miss B. A. MILLER, HON. R. ST. C. TOPPIN, HON. R. R. FARLEY, HON. G. A. CLARKE, HON. A. P. WOOD, HON. N. A. LYNCH, HON. MISS H. E. THOMPSON, HON. J. X. WALCOTT, HON. D. D. MARSHALL, HON. MISS C. Y. FORDE, HON. K. D. SYMMONDS, REV. J. J. S. ATHERLEY, HON. H. F. LASHLEY, MR. T. A. PRESCOD, DR. W. F. DUGUID, HIS HONOUR J. M. EDGHILL, MR. R. D. MARSHALL - 18.

Noes: MR. C. A. MASCOLL, MR. D. ST. E. KELLMAN, MR. R. D. JONES, MR. M. A. LASHLEY, MR. R. L. SEALY AND DR. D. C. ESTWICK. - 6.

Mr. SPEAKER: The results of the division are: eighteen Honourable Members voted aye and six Honourable Members voted no.

This Bill is, therefore, passed and so cited.

Mr. SPEAKER: We will now revert to Private Members' Notices. The Honourable Member for St. Michael East.

PRIVATE MEMBERS' NOTICES

Mr. T. A. PRESCOD: Mr. Speaker, I beg to give notice of the following Resolution:

WHEREAS the Throne Speech of His Excellency the Governor-General outlining the Government's Programme for this Parliamentary Session 2003–2008 was delivered on 6th June, 2003:

AND WHEREAS in an increasingly borderless world and one of heightened concern for global peace and security the Parliament of Barbados will have to introduce and manage the most complex and far-reaching changes to our economy and society since Barbados has become an Independent Nation:

AND WHEREAS the Government reaffirms its commitment to the full development of our nation as a prosperous, stable and well ordered democracy, governed by the rule of law, and exemplified by the

effective participation of all sectors, classes and creeds in aspects of our political, social and economic affairs:

AND WHEREAS the Government reaffirms that our people, their gainful employment, the meeting of their needs and aspirations and the full engagement of their creativity and enterprise, constitute our chief and highest purpose:

AND WHEREAS the Government accepts the responsibility to ensure that our nation functions in the global economy and wider international society on terms of our own choosing and in a manner that reflects and preserves our Barbadian identity, and that reinforces the standing of Barbados as a nation whose voice is heard and respected among the community of nations:

AND WHEREAS the Government recommits itself to working in harmony with our neighbours in the Caribbean for the full and successful integration and upliftment of our region in all of its endeavours:

BE IT RESOLVED THAT this Honourable House take note of the Speech of His Excellency and of the determination of the Government to implement the provisions referred to therein.

AND BE IT FURTHER RESOLVED THAT this Honourable House congratulates the Government for the comprehensive and progressive nature of the Government's programme for this Parliamentary Session as outlined in the Speech of His Excellency.

ADJOURNMENT

Hon. Miss B. A. MILLER: Mr. Speaker, Sir, I beg to move that this House be adjourned until June 24, 2003, at 10.00 a.m.

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

The question that the House be adjourned until June 24, 2003 at 10.00 a.m. was put and resolved in the affirmative without division and Mr. Speaker adjourned the House accordingly.
6.10 p.m.

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FARLEY, Hon. R. R. (Christ Church East)
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