
THE

House of Assembly Debates

(OFFICIAL REPORT)

FIRST SESSION 2003 – 2008

HOUSE OF ASSEMBLY

Tuesday, April 26, 2005

Pursuant to the adjournment, the House of Assembly met at 10.20 a.m. on Tuesday, April 26, 2005.

PRESENT

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

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

Hon. Dame Billie A. MILLER, D.A. (Senior Minister of Foreign Affairs and Foreign Trade)

Mr. D. J. H. THOMPSON, LL.B. (Hons.)

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

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)

Hon. R. St. C. TOPPIN, LL.B. (Hons.)

Mr. D. St. E. KELLMAN

Hon. Mrs. H. E. THOMPSON-McDOWALD, 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., (Parliamentary Secretary to the Attorney General and Minister of Home Affairs)

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)

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 Tuesday, April 12, 2005.

Hon. Miss M. A. MOTTLEY: I beg to move that the Minutes for the Honourable the House of Assembly for its meeting of Tuesday, April 12, 2005, which Minutes have been circulated, be taken as read.

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

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

PAPERS

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

Duties, Taxes and Other Payments (Exemption) (FirstCaribbean International Bank Limited) Order, 2005.

FIRST READING OF BILLS

Hon. R. C. EASTMOND: I beg to move that the following Bill be read a first time:

Safety and Health at Work Bill, 2005.

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

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

SUSPENSION OF STANDING ORDERS

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

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

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

GOVERNMENT BUSINESS

ORDER NO. 4 – SECOND READING OF THE
MORTGAGE INSURANCE (AMENDMENT)
BILL, 2005

Mr. SPEAKER: The Honourable Member for St. Joseph.

Hon. D. D. MARSHALL: Mr. Speaker, the matter attracting the attention of this Honourable House this morning is a significant one. While the nature of the amendment to the legislation is relatively slight, the Barbados Mortgage Finance is a pivotal agency in the fight of the Barbados Labour Party to bring housing opportunities to all Barbadians. I would like to open this debate with a reflection along personal lines.

Sir, on one of my first visits back to my alma mater, the University of Waterford, after graduating from law school,

one of my teachers said to me as expensive as it might seem, he would recommend that I buy a house as soon as possible. He was reflecting on the fact that when he first bought his house, I believe it was in Husbands, the mortgage payment took up his entire salary. At that time he was a teacher and his wife a nurse. The mortgage payment took up his entire salary, leaving his wife's salary to support the household. However, he had occasion to smile, because this was now 15 or 20 years later and his mortgage payment was still the same \$250 a month, of course, his earning capacity had long increased way beyond that.

Sir, this Government recognises that a mortgage is one that most Barbadians will have to approach, in order to satisfy their housing demands. The Barbados Mortgage Finance has been a solid partner with this Government over the years.

I recall that the Barbados Mortgage Finance was the first agency in this country to offer first-time homeowners 100 per cent mortgages, a significant achievement over the last decade. I also recall the Barbados Mortgage Finance assisting people with housing solutions and including as part of its financial package, payments of all legal fees and valuations. I also recall that the Barbados Mortgage Finance offered, and, perhaps, still does offer the lowest available interest rate to first-time homeowners.

Mr. Speaker, very much like the advice given to me by my teacher many years ago, not only is the need for mortgage facilities greater but also the amounts of money that people need to borrow.

Sir, it is important for us to reflect that the acquisition of a home is all part and parcel of the empowerment and enfranchisement of Barbadians. In fact, I am firmly of the view that we still see as our noblest and highest achievement, that during the course of our lives we are able to join that homeownership class.

Sir, the late Sir Harold St. John was quite fond of saying, that statistics across the region show Barbados as a nation has the highest percentage of property-owning citizens, anywhere in the Caribbean. Therefore, it should not surprise any Member of this Honourable House that, from time to time, this Government has had to use this Chamber to make certain legislative adjustments so that housing opportunities were within reach of average Barbadians.

Mr. Speaker, over the last years the value of real estate has increased. I firmly believe that one of the soundest investments any Barbadian can make is in real estate. The value of real estate and the cost of constructing a home have increased.

Sir, I recall, in my early years of practice I think, the Barbados Mortgage Finance was only able to lend approximately \$150 000. Ten years ago \$150 000 seemed like a lot of money; it was certainly adequate to provide, for a Barbadian family a three-bedroom house of not so modest proportions, but today, the value of land, the cost of construction and materials have also increased.

Mr. Speaker, some people might see this as an opportunity to launch an attack on a caring Administration about matters that sometimes are not within our control. I am well aware, as I am sure the Members of the Opposition are, that there are factors such as the cost of steel and other things that have helped to increase the cost of constructing homes.

Sir, to bring it to where we are this morning, this amendment is seeking to increase the maximum loan limit from \$300 000 to \$400 000. In fact, I am informed that the Barbados Mortgage Finance is receiving from many first-time homeowners on a weekly basis, requests for loans in excess of the \$300 000 limit. This loan limit was previously increased from \$250 000 to \$300 000 in 2002 and prior to that, during this Barbados Labour Party Administration, it was increased from \$150 000 to \$250 000.

Mr. Speaker, more and more Barbadians who are, perhaps, earning more, families with two incomes, are now seeking to build a residence which is very likely to cost in the region of \$400 000. I want to say that from my dealing with the Barbados Mortgage Finance, it is fair to say that many of the individuals, who approach this institution, are Barbadians who are also using their own labour to execute these projects.

Sir, it is not a case where we would simply say that everything has gone up and, therefore, we are trying to facilitate cost. I am well aware of many individuals who are using their own labour, with the assistance of the Barbados Mortgage Finance, though borrowing \$200 000 or \$400 000, are able to construct a property of significantly higher value.

Sir, over the years, Barbadians have always recognised the importance of investing in their homes. Today, we seem to have a generation of Barbadians who may well be more interested in their cars than their homes; but I am satisfied, that many of the people in my own constituency are actively seeking housing solutions, not just housing solutions in a rental environment but housing solutions which allow them to own, in law what we call the fee simple of their properties.

Sir, I am sure that all Honourable Members of this Honourable House would agree that investing in a home is, in fact, a savings and an opportunity to create equity to

benefit from a rate of return that is greater than most other kinds of investments.

10.30 a.m.

I am sure that the Honourable Members of this House who have property, see it as very satisfying and gratifying, when all over the years they see the value of their real estate and the level of their equity increasing, especially when they compare it to the initial investment that was made.

Mr. Speaker, this Government has maintained, as a plank of our promise to the people of Barbados that housing will remain a priority, and homes will be within the reach of all. Mr. Speaker, in the circumstances where in the private sector, a parcel of land of, maybe 6 000 square feet might well be sold at \$15 per square foot, it means that the young individual Barbadian would have to spend \$90 000 on the land and then the question is, what monies would be required to complete that transition to being a homeowner.

Mr. Speaker, it is in this environment where the value of real estate is steadily climbing, and I say, Mr. Speaker, the value, because I believe we often talk about the cost and we focus on the cost without also taking into account the value, I believe that anybody who conducts an assessment would be able to say that the significant increase in the value of real estate has been the Saviour of many Barbadians over the past years. Therefore, by increasing the limit from \$300 000 to \$400 000, would enable more Barbadians to build a property of their dreams.

We have to reflect on the fact that Barbadians are today earning more, and are aspiring to a greater level of comfort in their homes to a higher standard of living. I certainly recall when my parents built our house, it was a very modest three-bedroom house, but it was what was within their means at that time. It was also the extent really of their aspirations.

We have, through our educational system and through our socialisation, developed a class of Barbadians who have the opportunity to travel the world over and who have, and not wrongly so, acquired a taste for some of the finer things in life. Perhaps, a Government's greatest goal would be to be in a position that it can satisfy the aspirations of not some of its citizens, but of all of its citizens.

This amendment, therefore, permits Barbadians to have a higher ceiling so as to be able to acquire for themselves, a property which is more in keeping with the standard that they set for themselves but also in keeping with the cost of construction and the cost of home ownership.

I believe it is important to be clear that the Barbados Mortgage Finance, Mr. Speaker, is an incorporated body

and it is not governed by legislation. What, in fact, we are amending today, is the Mortgage Insurance Act. Sir, for completeness, it is important to understand that there is a statutory limit on the value of the mortgage insurance portfolio in the Insurance Corporation of Barbados. We are seeking to increase that sum of money from \$250 million to \$400 million, which would take into account, the increase in the amount of insurance coverage that would be placed with it, Sir.

Mr. Speaker, this amendment calls for us to examine in some way, the nature of the home-owning class in Barbados, as this Government seeks to satisfy the needs of Barbadians. Sir, in our Manifesto in the last election, which was labelled, "Every Bajan a Winner" it is without doubt we recognised that housing our nation is one of the greatest challenges of the first decade of this Century.

There is such a demand, Mr. Speaker, and we cannot provide parcels of land through the National Housing Corporation and preside over a framework that encourages planned development of real estate so as to put housing lots on the market and then not provide, as part of its mandate, the opportunity to borrow more money than is currently allowed, to be able to meet the demand.

Mr. Speaker, I think that based on my encounter with my own constituents, perhaps for the first time I am seeing young people in their 20s who are more interested in buying a piece of real estate and owning their own home than they are in buying a motor car. It may be indicative of the rate of development but I am actually seeing that concept more in young women than in young men.

Sir, most of the people who come to see me at my constituency office seeking housing solutions are women, and a significant number of them are young women. Some of them have children, in fact, many of them will have one child. I think this speaks volumes of this society when our young parents are recognising the importance of taking this first step, the importance of self-reliance, and the importance of accepting the challenge of home ownership.

Mr. Speaker, I am privileged to have the development of Blackmans in my constituency of St. Joseph. This is a development that has been oversubscribed and where most of the people who will be owning at Blackmans are under the age of 40. It is also a development where people are eager to go beyond the traditional limits that we tend to set for ourselves.

Mr. Speaker, when we have an environment where young professional people are eagerly seeking housing opportunities, this Government and any Government must

rise to that occasion and provide all of the mechanisms that are possible so as to facilitate it, Sir.

Mr. Speaker, the National Housing Corporation is a solid partner with the Barbados Mortgage Finance. In fact, I believe that well in the range of 80 percent of the funding of the project at Blackmans, and other projects are done in collaboration with the Barbados Mortgage Finance. It is an agency that I fear we do not frequently have the opportunity to laud for their good work.

I think we have to acknowledge that until the sale of the shares to the Republic Bank, the sale of shares in the Barbados National Bank, the Barbados Mortgage Finance would have been operating as an arm of the Government by virtue of being a subsidiary of the Barbados National Bank. 10.40 a.m.

Mr. Speaker, during that time, without any fanfare, it quietly set about providing funding for Barbadians to achieve their dream, and did so in such a way that there was absolutely no scandal or no question of any impropriety while at the same time turning a profit.

Mr. Speaker, it is a signalled honour to this Government that this agency has such a low delinquency rate. In fact, I believe that this agency has helped the Barbadian working-class to rebound from the frustration and the desperation that they would have felt in the early 1990s to a situation once more when they could reasonably approach the market for a housing solution.

Mr. Speaker, we really have to reflect on the innovative nature of the 100 per cent mortgage. I am sure that this would have been discussed in this House and in the Other Place in past years but it merits some further consideration, because the commercial banks were not responding to this need. In the past, commercial banks were lending 75 per cent, some may have gone to as high as 90 per cent these days, but the fact of the matter is that this agency was used creatively by the Government to provide first time homeowners with the lowest available interest rate on the market and also to provide funding for legal fees and so on.

Mr. Speaker, in the past many Barbadians who would have got involved in land transactions would have seen a figure which says that this was probably what the mortgage would be but then at the end of the whole transaction they would have discovered that they had a bill for \$4 000 or \$5 000 in legal fees that they had not budgeted for. They might also discover that they had other issues that had not been contemplated when they were committing themselves to such a project.

The Barbados Mortgage Finance Company Limited felt that in order to help people to become homeowners they

could not help them 75 per cent or 90 per cent of the way, they had to help them 100 per cent of the way and beyond. So when we are talking about 100 per cent mortgages we are in fact talking about more. It is not just 100 per cent of the acquisition cost, it also is an additional five or ten per cent that many Barbadians found themselves having to scramble for at the last minute.

Mr. Speaker, I know many Barbadians who were able to become homeowners because they could have approached this agency and walk away with a total solution. It is a very difficult thing to be paying a mortgage and also be trying to save what the Americans called closing cost. On the one hand you are paying X hundred dollars a month, you are trying to put aside something to be able to pay the legal fees when the whole process is finished and you may have had a draftsman and so you would have to pay him too.

Mr. Speaker, the quest for owning a home was one that was fraught with difficulties and impediments. This agency deserves full credit. Therefore, on the Floor of this House, I would like to publicly offer every possible thanks to the Barbados Mortgage Finance Company Limited for assisting Barbadians in moving in this direction.

Mr. Speaker, today Barbadians are owning more and more expensive homes and I suppose more and more lavish properties. We have to accept that this is a reflection of the pride that is inherent in all Barbadians. We have to accept the fact that our brothers and sisters aspire to levels of comfort and enjoyment that hitherto were not even in their contemplation. It is a wonderful and telling thing when in 2005 a Barbadian who is employed in a reasonably average job is able to aspire to owning something that might have a cost of \$400 000. That \$400 000 represents a saving and an investment over a 20 or 25-year period.

Mr. Speaker, there are people in the public or perhaps in other places who might want to castigate Barbadians for this, but I certainly cannot lend my voice to those. We have educated our people, we have nurtured them, we have taken care of the things that need to be taken care of in terms of their livelihood and most important we have provided job opportunities for them. Therefore, it should not surprise anyone when a Barbadian, as part of the management of his earnings and his savings and so on, is expressing an interest in making an investment which is significant.

Mr. Speaker, we also have to remember that in the same way that the cost of housing and land has increased that the earning capacity of Barbadians has also increased. I do not propose to get into any long debate with anyone on this particular subject but I believe that when we look at it – because the financial institutions have criteria that they adopt so as to determine if you are a workable or bankable risk –

we have been on a daily basis expanding the size of our middle-class in this society which is a market that it is important for the Government to provide opportunities in.

Mr. Speaker, when we reflect on the level of unrest in other societies, I sometimes wonder if it is not due to the fact that Barbadians have always owned homes and have a great pride in things, that our society has remained orderly. A famous singer, Bob Dillon, who is happily still in this world, once wrote in one of his songs: “If you ain’t got nothing, you ain’t got nothing to lose”.

Mr. Speaker, I believe that part and parcel of the civil nature of Barbadians has to do with their respect not just for properties that they own but for other people’s property. I believe that this is characteristic of a society that encourages ownership. Mr. Speaker, I doubt that you can successfully encourage respect for property and for other people’s property except you are empowering and enfranchising people to acquire assets of their own.

Mr. Speaker, I do not pretend that it is any deep sociological argument, but to me, it is common sense. I do not offend my neighbour’s property rights because I do not want my neighbour to offend mine. Therefore, when we look across Barbados and we make a comparison between the civil nature of our society with that of some of our brothers and sisters in CARICOM and beyond, I would venture to argue that it is in part attributable to the fact that Barbados has such a high percentage of property owners as compared with our Caribbean brothers and sisters. Therefore, it behoves us, as we try to strengthen the fabric of our society, to ensure that those things that contribute to a strengthening, and home-ownership is one of them, are perpetuated.
10.50 a.m.

Mr. Speaker, it is an important thing that we inculcate in all of our people, especially our young people, that there can be fewer quests in their lives as noble as providing a home for themselves and for their families. We, therefore, have to recognise that this also has positive results in how we interact with each other and in how we see our society growing. Sir, as the singer Bob Dillon said: “If you ain’t got nothing, then you ain’t got nothing to lose”.

Mr. Speaker, I do not mean to suggest that our society would decline into a state of chaos but I do suggest that it is as important as any of the other things that we as Government would do, to ensure that our society remains tranquil and that it has a level of stability that is, in my respectful submission, unsurpassed in the Caribbean.

Mr. Speaker, our society is one where have educated our Barbadians, where we have allowed them to see the

world, where we have brought the world into their homes, through television and other media and, therefore, I think it is important for us to want to provide our children with a better quality of life than the one with which we have grown up. It is a very important thing, and I strongly support the efforts of this Government in so doing.

Mr. Speaker, there is, of course, the credit union movement that is also moving to match the trail-blazing stance of the Barbados Mortgage Finance Co. Ltd., and this has to be also lauded. I think that more and more Barbadians are availing themselves of the opportunities that are being presented to them today, in terms of the capacity to borrow money. I remember the days when the Barbados Mortgage Finance Co. Ltd., had a number of applications but simply could not have afforded to lend out those funds because there was a great unprecedented risk of defaulters. Sir, we have come out of those times and, therefore, I see what is happening today in our housing market to be a significant achievement, and one which we have to support. I have mentioned the fact that the National Housing Corporation is working as a partner with the Barbados Mortgage Finance Co. Ltd., and as the National Housing Corporation attempts to target another category of Barbadians, this amendment will become more important.

Mr. Speaker, traditionally we have seen the National Housing Corporation as the agency that has been set up by Government to look after the poor and disenfranchised and that remains its core activity. Sir, the fact also is that more and more Barbadians are approaching the National Housing Corporation for housing solutions at somewhat higher levels. Therefore, the Corporation has seized on this approach as an opportunity to earn, by doing developments that are going to bring money in for that money to be ploughed back into providing housing solutions for the poor and less able of our brothers and sisters. Therefore, part of this partnership will see the National Housing Corporation doing housing developments. I believe we are looking to doing low to middle income housing developments in Barbados in a number of areas, and this is important. It is going to provide funding to allow the Corporation to do its other work, but that is part of the kind of innovation for which this Government is known.

Mr. Speaker, there are private developers who are taking advantage of the market, and are selling house lots for \$10 or \$15 per square foot. These developers in turn are making significant returns on those investments. Therefore, why should the National Housing Corporation not aim some of its developments at that market, so as to be able to provide funding to do its core function? There is no mystery to it.

Mr. D. St. E. KELLMAN: Mr. Speaker, on a point of order. The Honourable Member is misleading this House by giving the impression that what he is speaking about is

something new. Sir, since 1990, the National Housing Corporation has always had two different strategies towards house and land ownership in Barbados. Those two strategies are that since 1990, the National Housing Corporation has used particular lands, especially in the Husbands area, to sell off at commercial rates, so as to subsidise the cost of low income housing. Therefore, the impression being created here today that this is a new policy is, in fact, not a new policy.

Hon. D. D. MARSHALL: Mr. Speaker, it is true that they had two policies, one was little housing and the other was no housing. Certainly the empirical evidence does not support the position being canvassed by the Honourable Member for St. Lucy.

Sir, I accept the fact that the Honourable Member for St. Lucy, perhaps speaking on the behalf of all of his colleagues, supports the idea that the National Housing Corporation is able to get a return on some of its real estate, so that it could plough those funds into its low-income housing. I am glad that the Honourable Member for St. Lucy and all the Honourable Members of Her Majesty's Opposition support that.

Mr. Speaker, as the National Housing Corporation targets a somewhat higher income bracket, its mortgage partner has to come along with it. It has to try to be in a position where it can provide funding for such projects as those in Deane Town and in other areas. Sir, this amendment cannot be seen in isolation, it also has to be taken in the context of the work of the Government in intentionally targeting a somewhat more affluent Barbadian, who is eager to purchase at that end of the market.

Mr. Speaker, we are justly proud of the fact that we come here today to amend the Mortgage Insurance Bill, 2005, so that Barbadians would be able to access a higher level of funding from that company. Sir, we see this as something which is praiseworthy. It is a recognition of the fact that more and more Barbadians are earning higher levels of income and are able to acquire properties of a somewhat higher value, which all contribute to maintaining the fabric of the Barbadian society.

I think we would also have to recognise that this class of Barbadian has also provided significant opportunities for work. Sir, many persons have gotten into the housing market in terms of construction because more and more Barbadians are building. It is true that along the way there have been some charlatans who have seized on some Barbadians and have fleeced them of some of their savings, *et cetera*, but those are happily in the minority. Sir, a lot of

the employment opportunities are provided, not only in the bigger projects like that of the Sandy Land Expansion Project, but also small contractors who are building some of these homes for Barbadians. Therefore, the spill-off into the economy has been significant.

Mr. Speaker, in conclusion, I commend this amendment to this Honourable House. It represents a continuation of a process because as was said, in 2002, we have increased the limit from \$250 000 to \$300 000.

11.00 a.m.

A mere three years later, we are seeking to increase it again, not in response to skyrocketing cost but in response to a request from the Barbados Mortgage Finance Company Limited, which said that more and more Barbadians are trying to access in excess of \$300 000 from them. They want to be able to service this market as well so that people can benefit from the opportunities to pay a lower rate of interest if they are first-time homeowners, to benefit from 100 per cent of the acquisition cost, the contribution of legal fees and so on.

Mr. Speaker, as I have said before, this is in response to an overwhelming request which is being made. We see it as part of our continuing obligation to house all Barbadians as more and more Barbadians are going beyond some of the parameters that we felt they were bound by as many of them seek to own properties \$300 000, \$400 000 and more. Sir, it is a salutary achievement and helps to contribute to the value of our society.

Mr. Speaker, with those words, I look forward to the support of all Members of this Honourable House in this amendment.

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

Mr. C. A. MASCOLL: Mr. Speaker, I rise to join this debate. Sir, even after the presentation from the Honourable Member for St. Joseph, I am no less convinced about the need for the amendment to the legislation. In fact, he tried desperately to avoid the fact that rising prices must be responsible for the adjustment to the mortgage limit at the Barbados Mortgage Finance Company Limited to move from \$300 000 to \$400 000.

Mr. Speaker, the amendment confirms that housing costs are rising way beyond the reaches of the average Barbadian. The amendment seems to me to be at variance with the policy being espoused by the National Housing Corporation where so much emphasis was placed on trying to fulfill the needs of low income earners. Sir, we had a parade of what a low cost house should be in Barbados and

a public relations exercise with respect to making such houses available to the average Barbadian.

Mr. Speaker, to qualify for a mortgage of \$400 000 would require incomes way beyond \$7 000 or \$8 000 per month. In fact, in many instances, individuals would have to come together to be able to afford the repayment of a mortgage of \$400 000. I want to put this into context because you do not qualify for a mortgage on the basis of your gross income. You qualify on the basis of your net income after deductions are made for income taxes which is your take-home pay. The financial institution then looks at your existing bills such as rent, food cost, housing, clothing and maintenance on a monthly basis such that in Barbados over the last six months or so, we would have seen a dramatic decline in the net incomes of persons going forward for any kind of mortgage.

Mr. Speaker, in the last six to seven months in Barbados, we have seen increases in electricity bills which would be deducted from the disposable income to qualify for any mortgage whatsoever. At the beginning of this year, we saw a dramatic rise in water rates for the very persons targeted by this amendment. It cannot be disputed that Barbadians in the middle-income bracket had to pay in some cases, 60 per cent and 70 per cent for water rates at the start of this year 2005.

Mr. Speaker, in addition, we have seen in recent times increases in the cost of insurance to all Barbadians. Again, that would have to be deducted and considered in determining the net income of any potential mortgage owner. We have seen in recent weeks substantial increases in fuel and gas costs. I think we have all seen in our recent visits to gas stations that we have to look for an additional \$25 to \$30 to fill our tanks which will also go towards the question of qualification for mortgage at any institution because it is not just your gross income that determines whether or not you qualify for a mortgage but your net income is even more critical. Mr. Speaker, in recent times we have seen growth and increase in interest rates which would mean that mortgage interest rates have gone up and those which have not yet gone up, will go up. In actual fact, in the last six months in Barbados, Barbadians have experienced substantial increases in the cost of living not only with respect to food costs but with respect to several other inputs into their daily living. There is no doubt that in terms of qualifying for a mortgage that Barbadians would have experienced substantial increases in prices over the last six to seven months in this country.

The amendment, therefore, has to be put in context. Mr. Speaker, it is not an amendment to allow persons to earn bigger homes of their dreams. It is simply that ordinary three-bedroom houses that ten or twelve years ago might have cost \$175 000 now ten years later under this

Administration, the Barbados Labour Party, cost double what they cost in the early 1990s. The important point which has to be made in this debate is that it has nothing to do with any desire to make any Barbadian own a house of his or her dream but has to do with the reality that prices have skyrocketed to the extent that ordinary houses have now been able to fetch substantial prices across the length and breadth of Barbados.

Mr. Speaker, perhaps we need to analyse why this has happened. Why is it that in ten short years under this Administration that we have seen a doubling of land values and house values in Barbados. Sir, the first reason for it is that this Government permitted an amendment to the property transfer tax that made properties in Barbados available to foreign investors at the same rates that they were available to Barbadians, that is, the Property Transfer Tax was amended in such a way as to equalise it regardless to whether or not the purchaser is a Barbadian or a foreign investor.

Sir, I know that the Property Transfer Tax is applied to the vendor but I also know that it is passed on to the purchaser.

Sir, it cannot be said that the doubling of the property transfer tax has not been burdensome on Barbadians and has not contributed to the high cost of housing we have seen, especially along the west coast of Barbados.
11.10 a.m.

Mr. Speaker, we have seen in the country a major hotel property, not being renovated because its value appreciates fourfold, without any investment being made. As a result of the spiraling land and property values on the west coast of Barbados. This has happened to the former Paradise Beach Hotel which was purchased for a mere \$6 million but marketed 7 to 8 years later for as much as \$24 million. Sir, it has nothing to do with the quality of the property as a hotel entity but the quality of the property as real estate. That is a fact that cannot be disputed.

Mr. Speaker, it is also a fact that because of the spiraling cost of land and housing on the west coast, land values across the entire Barbados, central, eastern, northern and southern areas, have skyrocketed in value, as a result predominantly of the interest expressed by foreign individuals in investing in Barbados.

Sir, it gets deeper than that because we know that measures have been taken over the years to increase the cost of building, in spite of the fact that Government suggested, it would not. We also know that the value of the Value Added Tax has, in fact, contributed in no small way to the

increasing cost of building in Barbados. This is something that should have been properly evaluated but it was never evaluated to the extent that would have given a greater opportunity for Barbadians to own their homes under this Administration that never occurred.

Sir, the Honourable Member for St. Joseph sought to suggest that the National Housing Corporation had expressed a policy of delivering low income housing for Barbadians. There is no doubt that he would have been very privy to that position because at that time he was Chairman of the National Housing Corporation. He would have been Chairman of the National Housing Corporation when \$50 million were raised precisely to build low-income houses for Barbados. Instead of that money being invested in low income houses, \$30 million of it went towards the building of a Value Added Tax office at Warrens.

Sir, when it was queried, it was suggested by the National Housing Corporation that it would make sense, first of all, to invest the proceeds that were raised precisely for low income housing into the building of commercial property for the purpose of rentals, the proceeds from which should be invested in low-income houses. That is what was suggested by this Administration.

Hon. G. A. CLARKE: On a point of order. The Honourable Member is misleading this Honourable House. Sir, when the National Housing Corporation borrowed the \$50 million on a Bond Issue it was specifically for low income housing. It was to be put into housing for low and middle income housing. The Honourable Member is really misleading this Honourable House.

Mr. C. A. MASCOLL: Mr. Speaker, I certainly am because no houses were built either for low income or middle income persons. That is a fact. The Honourable Member for St. George North cannot point to any property or estate that has been built out of the proceeds of the \$50 million borrowed in 1999.

Asides.

Mr. C. A. MASCOLL: Sir, the extent to which such property would have been built could be questioned because a \$50 million bond is not \$5 million.

Hon. G. A. CLARKE: On a point of order. Sir, again, the Honourable Member is misleading the Honourable House. Mr. Speaker, London Bourne Towers were built, and houses in Bush Hall, Flat Rock, St. George and Orange Hill. Lands were provided for the middle income as well. The Honourable Member is misleading this Honourable House.

Mr. C. A. MASCOLL: Mr. Speaker, I said that out of that \$50 million bond, \$30 million were allocated to the

building of the Value Added Tax office at Warrens. Not only that, in fact, there were substantial cost overruns at the Warrens office and to this day it has not been occupied. In fact, that property is now 6 to 7 years overstated.

Mr. SPEAKER: Honourable Member, you are really going far and wide now. At least I would like you to relate, as you were doing earlier, some of what you are saying to the Bill, please.

Mr. C. A. MASCOLL: Sir, since you cannot seem to appreciate that this debate has to do with an amendment of mortgages at the Barbados Mortgage Finance, which would offer individuals an opportunity to be able to build houses and it is part of the policy framework within which the Government was supposed to deliver on the promise of the provision of houses, since, Mr. Speaker, you cannot seem to appreciate, as far as I am concerned, that constitutes part of an overall policy framework, then you must accept that having not delivered on the \$50 million bond in providing low and middle income houses, the Government would have failed initially to give persons access to such housing. Therefore, I am suggesting that now that we are making an amendment for the Barbados Mortgage Finance to raise the limit of borrowing, it is not going to redound to the benefit of average Barbadians because average Barbadians cannot borrow \$400 000. I am suggesting that it cannot fulfill the mandate established by the Government in providing houses to Barbadians. Therefore, it constitutes part of a failed policy on the part of this Administration when it should have delivered low income houses with a \$50-million bond and make available at the same time the supply of funds to fulfill the expectations of average Barbadians who are looking for homes and in this overall mix, this policy will not go anywhere towards meeting the housing needs of Barbadians.

Sir, I said at the start of this debate that a \$400 000 mortgage would require income in excess of \$8 000 a month, not on the behalf of any individual but it would have to be the income of a household, a joint mortgage between couples or husbands and wives. This cannot benefit any average Barbadian. I will continue to outline why it will not.

Mr. Speaker, again, this Government has been trying to suggest to Barbadians that when you look at mortgages in the commercial banks, the growth in the mortgages suggest that Government has been delivering in the area of house provision. I am saying again that the growth in mortgages at the commercial bank is a direct result of the substantial rise in the cost of housing and land in Barbados and it is not in real terms any significant number of people who have been able to have any substantial access to the mortgage market. Sir, I will argue that point until I die, because I know the truth that Barbadians are not able to access the kinds of

mortgages that they desire and you only need to go into the communities to understand.

11.20 a.m.

Mr. Speaker, let me also address another policy of this Administration and that is the so-called 100 per cent mortgages. I will say this repeatedly that a 100 per cent mortgage puts even more burdens on the individual to get a mortgage.

The tradition of Barbadians saving towards a mortgage, is one that we should continue to pursue, because where you were required to have 90 per cent of the value of the mortgage, even if you grant a 10 per cent or a 100 per cent mortgage, you have immediately increased the size of a mortgage to the individual and you have also increased the burden on that individual, as a result of the higher mortgage payments during the course of the month.

Sir, I recognise that there is no harm in allowing Barbadians to save towards the provision of a mortgage because it gives them a wicket on which they can prepare to look at their own finances and objectives, in terms of investing into the future. There is no harm in having potential homeowners look to save over the course of their initial working life towards a mortgage, which they can put in place at some point in their later years.

I therefore am not a proponent of 100 per cent mortgages because I understand the implications of a 100 per cent mortgage as a burden that will come immediately, as opposed to catering towards such a major investment over the course of your early years of earning income.

I have stated before that I recognise what it is intended to do but I feel the alternative path of allowing persons to save towards mortgages, is a preferred strategy. It reduces the overall insurance cost at the time of the mortgage. It reduces the overall legal cost at the time of the mortgage. It reduces the overall cost of stamp duty and other such duties that they will pay on the mortgage. Therefore, to my mind, it is a preferred strategy not to offer 100 per cent mortgages.

In addition, Mr. Speaker, if you give a mortgage to every ten persons who may access a \$100 000 mortgage, and if that person were to provide 90 per cent of it, another person has a chance of a mortgage, so a 10 per cent pay towards a mortgage, the eleventh person gets an opportunity to have a mortgage, because you do not have to lend \$100 000, you can lend \$90 000.

Mr. Speaker, as a policy, I see it as a preferred strategy to have a greater pool of financial resources to offer to a wider cross section of Barbadians, rather than to pretend that adjusting the mortgage limit from \$300 000 to \$400 000 is a mark of the desire of the Government to

provide housing. It is really a reflection of the increase cost of housing in Barbados over the last ten to fifteen years.

Those who are into construction, can bear me out on this that whereas ten years ago, it might have been \$50 or \$60 per square foot to build, it is now in excess of \$100 per square foot to build in Barbados and that has to be the point we have to look at, Sir.

Mr. Speaker, it is traditional for Barbadians to look to buy land first and then use land as security towards a mortgage. Sir, given what is happening now in Barbados, it is extremely difficult at \$10 and \$12 per square foot for an average Barbadian to even get access to 4 000 square feet of land, because of the overall cost. I am suggesting, therefore, that it is a deterrent towards acquiring a mortgage and it was used initially.

Mr. Speaker, most of us who would have gone to school in the 1970s would have seen our first target as acquiring a piece of land and paying towards it, in the hope that it would appreciate in value – and then in the hope that it would so appreciate – that it could be used as security. This is no longer happening because there is no proper relationship between the cost of land and salaries.

Ten years ago, a graduate teacher in the educational system who earned approximately \$2 000 could have acquired a mortgage for a three-bedroom home that was affordable and perhaps was available. Now, a graduate teacher who earns just over \$3 000 ten years later, is no longer able to acquire a mortgage because the increase in land values and property values, have so escalated as to push that individual out of the reach of the mortgage.

Sir, whereas his or her salary might have increased by only 20 per cent over the last ten years, the actual building of a home that previously cost \$150 000 is now way beyond \$200 000 in Barbados. Therefore there is no relationship between a graduate teacher's salary any longer, and the ability to acquire a three-bedroom home, that was affordable in today's Barbados, ten short years later.

In fact, the ratio has moved from a \$2 500 which would translate to about \$30 000 per annum and you could have acquired a mortgage. The ratio has now gone five times the salary of the graduate teacher in Barbados in simply ten to twelve years. This is pushing that individual out of the reach of an adequate home in this country.

Sir, you cannot begin to play around with this matter because, outside of a job, the ability to acquire a home is perhaps the greatest desire or objective of the average Barbadian, and in the last ten years that has slipped in terms

of Barbadians being able to access mortgages and, consequently, being able to have land and housing.

This is really a very bothersome area because, in spite of all that has been available to Government, the Government has not really done well in the area of provision of housing. Do not mind the talk about Bank Hall.

Sir, for several years, I walked from Deacons Road to Combermere and I took the road passing Howard Supermarket. I know that area very well. In fact, that mango tree lives with me forever because, as a little boy walking to Combermere, I could not get access to the ripe mangoes that were available there on mornings. It hurt my heart, Mr. Speaker, and I now know that the simple ten units that were squeezed into the area, I suspect that might have done a good for St. Michael Central, but it cannot be used as an example of the \$50 million bond that was available for house provision. It was simply an afterthought and a desire to squeeze ten units into a piece of land that I know extremely well.

Mr. R. D. MARSHALL: Mr. Speaker, on a point of order. I am sorry to interrupt the Honourable Member but it is not fair to say that, Sir. I know the MP for the area worked very hard with the Ministry of Housing to make sure that those ten units were built there for the people.

Asides.

Mr. C. A. MASCOLL: Mr. Speaker, if there is one good thing, the Honourable Member for St. Michael West Central knows how to represent you and he does it very well.

The reality is that the few houses which are built at Bank Hall, St. Michael and Flat Rock, St. George cannot be used to justify the \$50 million bond that was raised in the latter part of the 1990s. Therefore, I see this amendment in its context.

11.30 a.m.

The other thing that we need to raise in this debate is the impact the sale of the Barbados National Bank had on the Barbados Mortgage Finance Company Limited because we were told that the Barbados Mortgage Finance Company Limited used to be a subsidiary of the Barbados National Bank. Therefore, to the extent that the Barbados National Bank is now predominantly owned by Republic Bank Limited (RBL), has it had any implications at all for the ability of the Barbados Mortgage Finance Company Limited to deliver. Sir, as a Government entity, Government could have used its power to influence the Barbados Mortgage Finance Company Limited and deliver on the provision of mortgages without necessarily taking all into consideration with respect to market forces. To that extent, is this amendment more to do with allowing RBL to be able to

reposition the Barbados Mortgage Finance Company Limited to take advantage of the mortgage market not in the lower income category but in the higher income category.

Mr. Speaker, I am well aware that it is now in the interest of financial institutions across Barbados to go for mortgages. I am also aware that it is now in the interest of financial institutions, commercial banks and credit unions, to diversify their investment portfolio because of the existing low interest rates that are going to adjust upwards and also because there is a lack of availability of alternative assets into which they can invest. That is why we had certain amendments being made in the last year.

Mr. Speaker, perhaps, this amendment has little to do with the Government's policy and more to do with the fact that the Barbados National Bank is no longer fully in charge of the Barbados Mortgage Finance Company Limited because a private commercial bank is now a major shareholder of the Barbados National Bank and therefore is seeking to penetrate, not the low income market to which Government was seeking to cater, but the upper middle income market where there may be a greater demand for mortgages. Therefore, this amendment cannot be because it is at variance with all that we have heard from the Minister of Housing, Lands and the Environment about providing low income houses and also with the whole discussion that we heard about bringing down the cost of housing to Barbadians.

Mr. Speaker, this is not an amendment for the average Barbadian. This is a \$400 000 limit. It is not a \$100 000 limit, it is not a limit that could be reached by the average Barbadian. This is not a limit that even a Member of Parliament can reach without assistance from another individual, and that is a fact of life. This amendment has nothing to do with any allowance, it has to do with your statutory income. Even Members of Parliament, I am not talking about Ministers, cannot qualify for a \$400 000 mortgage on the basis of their existing incomes.

Asides.

Mr. C. A. MASCOLL: That is exactly the point I am making. A Member of Parliament with an income that is above the average income of Barbados cannot on his own qualify for a \$400 000 mortgage, and that point has to be made. It is a fact of life. Therefore, when I heard the Minister talking as if this amendment is to satisfy the needs of the average Barbadian, I was surprised because not even a Member of Parliament can reach this limit on their existing income.

Mr. SPEAKER: You have to get a partner.

Mr. C. A. MASCOLL: You better believe it, and be in love too because it not only requires a partner.

Asides.

Mr. C. A. MASCOLL: It is not only about a partner because this is an investment for life, therefore it is an investment that will go on until the end of the journey.

Therefore, Mr. Speaker, it has to be put in context. This amendment was never explained by the Honourable Member for St. Joseph. In fact after one hour I was not certain why the amendment was being made because he gave no compelling argument for why the limit is being moved from \$300 000 to \$400 000.

Mr. Speaker, this amendment is at variance with broadening the base of inclusion because if one individual can now get \$100 000 more it gives less to others who may be seeking a mortgage for more affordable rates, so I do not understand why we are making this amendment. In fact, what ought to be done is that Government look at adjusting the cost of building in Barbados. You cannot simply adjust the supply side of this equation by giving more mortgages to solve the problems that confront us in housing. The more important issue here is to adjust the cost of building, look to see what could be done in terms of material inputs and to see whether we can address the issue of VAT on the inputs into housing.

The other thing that we need to look at is the whole question of the overall cost, legal fees associated with mortgages. This is not to prevent any lawyer from getting his or her due, it is simply that if you bring down the cost of building, it reduces the mortgage size and put less emphasis or pressure on the person seeking a mortgage.

Mr. Speaker, why is Government able to cream off in excess of \$10 000 in stamp duties on mortgages? If Government is really serious about reducing the cost of housing to Barbadians or giving access to mortgages, then Government has, within its grasp, to look at the overall cost associated with getting assets to mortgages. There is no reason for it. The Government has already overtaxed Barbadians, income tax, VAT and everything else, to the extent now that there is no real need for Government to even wonder or worry about its fiscal position.

Mr. Speaker, it is now being admitted that 40 cents out of the dollar is being taxed in Barbados, it was being denied before. Government does not need any more revenue, what Government needs to do is to reallocate the resources it has in the interest of those it is seeking to serve. One area for certain is housing provision.

The other obvious area which is contrary to what is being espoused by the institution to our right in the midst of all the increases, fuel cost, water rates, electricity cost, interest cost, insurance and food, is that the Governor of the Central Bank is preaching that there should be no increases in wages and salaries this year.

Mr. Speaker, this is absolutely ridiculous. When there were times of crisis, the workers were asked to restrain, and now in times of plenty when you have unprecedented reserves, a fiscal position that is strong and growth in the economy the workers are being told that they should not expect any increase in wages and salaries. Mr. Speaker, how could they expect such individuals to qualify for mortgages when their salaries are being suppressed?

Therefore, everything is at variance. There is contradiction in the policy directives of the Government. There is certainly ignorance in the Governor's suggestion that in the face of such rises in prices that you should not have wages and salaries increases in Barbados this year. Now you cannot get any worse than that. Mr. Speaker, that institution needs to be addressed because it is now becoming an alternative arm of Government.

Asides.

Mr. C. A. MASCOLL: It appears to me that rather than create policy directives that can influence the mortgage market and tell Government how to proceed with this kind of legislation, the emphasis of the institution is on suppressing further, workers income in times of plenty. Mr. Speaker, it is a rather bothering thing for me, that while Barbados has apparently made strides in the economy, the workers in Barbados, who are the main participants – and not the employers or Government – have been the ones who continue to struggle to achieve these objectives. Sir, this has to be carefully studied because in an economy that has reserves, in an economy where there is fiscal discipline, it cannot be justified why a worker, who, after ten or twelve years of sacrifice, can no longer dream of owning his or her own home.

11.40 a.m.

Sir, this is all contrary to what was said by the Honourable Member for St. Joseph and is inconsistent with the reality of life on the ground in Barbados. All that the Honourable Member for St. Joseph has said with respect to home ownership is at variance with what is the reality of life in Barbados as we speak. Sir, I do not know from where the Honourable Member has gathered his information on this matter, nor why he can speak with such authority about Barbadians now being able to own their dream homes. Sir, which Barbadians are the Honourable Member speaking about?

Sir, there is also a very serious gap, and what we are failing to recognise is that we are not providing low income housing for Barbadians through Government projects. We are not providing an environment in which middle income Barbadians can own their own homes. Instead, there are some very wealthy people who are doing extremely well in Barbados, along the south and west coasts. Therefore, we are confusing building at the highest level in this economy with the so-called provision of housing for the average Barbadian.

Mr. Speaker, as one visits the west coast, one would see a number of constructions going up, but these would be all condominiums that are being built, not to be owned by Barbadians, but to be purchased by foreign persons for them to be able to live in Barbados. That is what is happening and, therefore, that is the area of housing which the Government is boasting about. Government is boasting about the ten different construction sites between St. Lucy and Paradise Beach on the west coast. Sir, Coconut Creek hotel has been destroyed to build condominiums; there are condominiums next to Carambola Restaurant; further down by Holders Hill, there are condominiums; further down the coast, there are condominiums. Sir, this is all about housing, but for whom? This is not about housing where a Barbadian can go and qualify at the Barbados Mortgage Finance Co. Ltd., for a \$400 000 loan, to purchase a condominium, because a condominium on the west coast will be beyond a \$400 000 price tag. In fact, that will be designated in United States dollars for Barbadians to begin looking for.

Asides.

Mr. C. A. MASCOLL: Mr. Speaker, it has to be a concern, but what we are seeing on the west coast is about building houses or condominiums for foreign persons to invest. Sir, this morning we are having an amendment that bears no relation at all to what is happening on the ground in Barbados.

Mr. Speaker, I have serious concerns with respect to why this amendment is being made because these concerns were not justified by the Honourable Member for St. Joseph. I have concerns about the ability of Barbadians, in the current economic state, to afford mortgages in the first place. Sir, as I have outlined within the last six months in Barbados, that rather than being able to go to commercial banks and credit unions and be more comfortable that they can access a mortgage, Barbadians have experienced increases in such commodities as fuel, food, water, electricity, interest rates, insurance, and all the other associated costs.

Sir, these price increases are just the first round of effects because fuel cost will affect businesses and transportation; electricity cost will affect businesses; interest cost will affect businesses; and insurance cost will affect

businesses. Therefore, as has been happening, businesses will be affected by these increases and eventually will have to pass on these costs in terms of higher prices in the provision of goods and services to Barbadians. Therefore, there will be a second round of effects in terms of the price effects that we are seeing on Barbadians.

Mr. Speaker, in addition, I want to issue a warning to the trade unions because this matter relates to that sector. Sir, to what extent can workers be granted increases that will allow them to qualify for the mortgages that are being put on the market? Sir, if, as has been stated, the trade unions are waiting for these increases in prices to be reflected in the official price index, they will wait forever. These increases are not going to be reflected in the official price index as currently designed, because it is not designed to capture the impact of prices in services on the overall cost of living in Barbados. Therefore, the National Union of Public Workers (NUPW) cannot wait to put pressure on Government, based on what the official price index says because it will not, in anyway, capture the increases that we are seeing within the last six years in Barbados. Sir, I want to tell the trade unions that now is the time to attack Government with respect to wage increases in Barbados.

Sir, in addition, the official price index is archaic and obsolete. In addition, one would have noticed what recently happened, where the Fair Trading Commission has allowed Cable and Wireless to get a 7 per cent per annum increase on domestic calls. Sir, this is also going to affect the ability of persons to access mortgages.

Mr. SPEAKER: Please, Honourable Member.

Mr. C. A. MASCOLL: Mr. Speaker, it will affect the impact on mortgages, and I am willing to demonstrate that point. Sir, as I have said from the outset, a person's net income determines his or her ability to access a mortgage. Therefore, as is the case now being suggested, if one increases domestic rates for telephone by 22.5 per cent over the next two years, it will further increase the cost of living to all Barbadians. That is what this so-called price cap model has done, it has recommended 7 per cent per annum increase.

Asides.

Hon. D. D. MARSHALL: On a point of order. I would like to suggest that the Honourable Member has veered too far away from the matter.

Asides.

Mr. C. A. MASCOLL: Mr. Speaker, I want to make the point that to access a mortgage, it is not about one's gross

income only. It is about a person's disposable income, minus the expenses of running that person's home, things such as electricity bills, water bills, fuel costs, food costs, cost of providing for the children. *et cetera*. Therefore, I am suggesting that a 7 per cent per annum increase in the domestic calls for Barbadians will, in fact, affect disposable income to the extent that it constitutes a 22.5 per cent increase in domestic calls over a two-year period and will have implications for any Barbadian who goes to any financial institution to access a mortgage. In addition, it was the alternative way, after a six month's long hearing at the Fair Trading Commission, to introduce behind the backdoor, a rebalancing between domestic rates and international rates. Therefore, the Government has still succeeded in increasing the burden on the average Barbadian by increasing the domestic calls by 7 per cent per annum, and when compounded, it will be 22.5 per cent over the next two years.

Sir, there will be a dramatic increase, coupled with a 27 per cent increase in fuel costs, coupled with a 60 per cent increase in water rates, in addition to increases in interest costs, increases on insurance and food cost, *et cetera*.
11.50 a.m.

Sir, this Administration is masking all of this under World Cup 2007, a discussion about the Republic and getting people to concentrate on the Caribbean Court of Justice...

Mr. SPEAKER: Honourable Member, you have really taken it a bit too far. You were going well but now you are relating everything to the Bill. As you continue, I want you to relate what you are saying to the Bill.

Mr. C. A. MASCOLL: Mr. Speaker, I will do that but I am suggesting to you that this amendment which seeks to provide opportunities for Barbadians to access mortgages must be put in context. You cannot talk about increasing the limits of mortgages without talking about the impact of life in general on the capacity of individuals to access mortgages. Therefore, in light of all the increases which have been happening around Barbadians which they have not been recognising, in light of the fact that the decisions of Government pertaining to telephone costs would have been introduced at the time of cricket and when there was a discussion about the Caribbean Court of Justice, Barbadians have not yet been sensitised to the full impact of increased fuel costs on their lives, they have not yet been sensitised to the impact of electricity bills or the full impact of what the domestic rate increase for telephone would do when they start in August of this year. Sir, it is my duty to allow them to understand, as the Opposition has done before, what the potential impact of these types of policies would be on their lives.

Mr. Speaker, I hope that Barbadians wake up and smell the coffee. It is time that Barbadians wake up and recognise individuals who are not catering to their needs but who can hide the impact of policies on their lives under the mask of cricket or the Caribbean Court of Justice that they must be fully evaluated. Therefore, we cannot allow these things to continue to happen without trying to expose them to the average Barbadian because it has not been happening.

Mr. Speaker, I see a lot in this amendment because I understand the gravity of the policies and the impact of them on Barbadians for the last six months. I hope now that there is a confluence of these events on the Barbadian way of life that they would begin to appreciate that this Administration is, in fact, retarding the progress of the average Barbadian and not advancing their causes.

Sir, this Administration has been skillful in their public relations exercises and skillful to introduce measures at times when Barbadians would be less suspecting of the measures. It has been skillful all along but now when it begins to hurt, Barbadians must stand up and recognise how these policies are going to impact on them because it would be severe. We cannot talk about a mortgage for \$400 000 and feel happy that it is being introduced when the policy of the Government is supposed to be about low-income houses.

Sir, they imminently argue about how they can provide a house for \$50 000 even though it has not yet been provided and Barbadians are suffering at the hands of the National Housing Corporation. In fact, many people have been calling to say that while they have entered into the contract with the National Housing Corporation that they have not been delivering.

Mr. SPEAKER: Honourable Member, please do not go there.

Mr. C. A. MASCOLL: Mr. Speaker, I am suggesting that even in the delivering of the housing provision that there have been delivery of public relations but there has not been the concomitant delivery of the necessary policies and framework within which to hang their hopes. Sir, that has not happened to Barbadians.

We have seen all the rhetoric and talk about middle income Barbadians when at the start of the year they were pressured into submission which was justified on the basis that you do not want to harm the low-income man. The Government kept water rates at \$20 and then said that Peter must pay for Paul.

Mr. Speaker, the Peters of whom they speak are the middle income and upper income Barbadians who are the same persons on whom fuel cost was imposed. They are the same persons on whom interest costs and insurance costs

were imposed. Sir, they are the same persons you are seeking to provide with mortgages who cannot afford to access because their actual net incomes have been substantially eroded by the policies of this Administration.

Mr. Speaker, this cannot work. I hope that Barbadians are at last listening to the gospel according to the Democratic Labour Party.

Mr. SPEAKER: The Honourable Member from St. Michael West Central.

Mr. R. D. MARSHALL: Mr. Speaker, I rise to support this amendment brought by the Honourable Minister. I listened to the Honourable Member for St. Michael North West and I would say that he seized the opportunity to be very political. Sir, he was sent here in his capacity to represent the people as the Leader of the Opposition and that he has to do.

He mentioned two things with which I am in agreement, that the next important thing to a person after having a job is to own a house. He also mentioned 100 per cent mortgages but I will comment on that later in this debate. Sir, the Mortgage Insurance Act does not pertain to low-income Barbadians or to people in higher income brackets.

Mr. Speaker, this Government was elected on three occasions to represent the interest of all Barbadians irrespective of their economic position. I cannot say that what was said this morning by the Minister relates to one set of persons and not to the other because the Mortgage Insurance Act relates to all Barbadians. When a house is purchased by way of a mortgage, all of us have to pay interest on it.

Mr. Speaker, as I said, this is not a debate on low-income housing. The Leader of the Opposition spoke about investment on the west coast from St. Lucy to Paradise Beach Hotel. This is much needed investment and without it there would be no jobs, and without jobs, food cannot be put on the table for the family.

Mr. Speaker, the Leader of the Opposition also spoke about condominiums. I have seen the construction of these condominiums on the south coast, the west coast and inland Barbados. I agree with him that these condominiums should not replace hotels because there are not many jobs in these condominiums.

Mr. Speaker, over the years Barbados was a chattel-owning society and people who earn salaries now find themselves in the position where they can buy homes. Sir,

from urban to rural Barbados, over the years people have lived in tenancies but because of income and education people can qualify for mortgages to buy land and house.

12.00 noon

Mr. Speaker, during their lifetime most persons have the opportunity to own a house. Through hard work and determination, people are able to own a house. I believe that when young people get a job they should try to acquire a roof over their heads. The younger you are, the more time you have to pay for your house. For example, if a person is 25 years old and gets a mortgage for 30 years, when that person reaches age 55 that person would have repaid their mortgage.

In addition to repaying their mortgage, the person has to pay utility bills, educate and maintain their children, so, it is important that people decide early in life to own a house.

Sir, there are very few people who find themselves in a position to own commercial property. A property that you own and you are not living in it, but you are renting, is termed commercial property or an income producing property. Sir, there are persons who are able to benefit from that.

I believe this Barbados Mortgage Finance Bill speaks to persons who are investing in the country and borrowing money. If you borrow money you are operating under the Barbados Mortgage Finance Act because you have to repay the money borrowed. Sir, when you borrow money to invest, more persons have an opportunity to benefit because the more investment in the country more jobs become available. Money that a bank, insurance company or trust company lends becomes an investment and dividends are paid to shareholders, thus, creating more jobs for people.

Mr. Speaker, I am going to refer to the 100 per cent mortgages. The Honourable Member for St. Michael North West said that he is not a proponent of a 100 per cent mortgage. Sir, being a former employee of the insurance industry, when I heard the talk about 100 per cent mortgages by the insurance and trust companies, initially, I did not support them because I believe that if one were to acquire a mortgage and that person does not have to look for any equity to put into the property, that person does not have the same amount of interest in his property as a person who would have put in a 10 or 20 per cent equity. Sir, it happened in Jamaica and other parts of the Caribbean, where people who had 100 per cent mortgages and when experiencing hard times, packed their suitcases and left the country because they had nothing to lose. Sir, that is the way I feel about 100 per cent mortgages.

Sir, persons who have a 100 per cent mortgages are going to pay their mortgage repayment every month. Sir,

when they look at what they were paying for rent and they had to forego a month's mortgage repayment, they liken it to paying rent, so, one or two years income means little to lose and they leave the country. Sir, I do not support 100 per cent mortgages. It is not from a political standpoint. It is my personal view. If I were working for a lending institution or looking at it as a business person I would say that I do not support 100 per cent mortgages. In addition, I always tell people that it is better to own a property than to rent a property.

Sir, some people are of the opinion that if they rent a property they do not have to worry about property taxes, mortgage, insurance or repairs to the house but I see it differently. I believe that if you own a house you cannot just think about today. You have to think about tomorrow and your old age when you are not in a position to pay a mortgage any longer.

Sir, while you are working, your income increases but when you are retired your pension cannot be the same. Sir, some people say that it is cheaper to rent than to pay a mortgage but I would encourage Barbadians to start at a young age to acquire a mortgage and repay it so that in your old age you would not suffer any hardship.

Sir, to acquire a mortgage is not difficult. The most important thing is to be able to repay that mortgage on a monthly basis. Sir, when some people hear about a mortgage, they believe that it is something technical but the National Housing Corporation has been educating the public through town hall meetings and encouraging persons to own homes. As I said earlier, this debate is not about low income housing or the National Housing Corporation. This is a debate about mortgages in Barbados and it does not matter whether you are in the lower, middle or upper income bracket.

Mr. Speaker, when a person acquires a mortgage, a fixed monthly repayment is worked out over a period of 20, 25 or 30 years. Within the early years of the mortgage the majority of the repayment goes towards interest and the balance towards the principal. As the mortgage declines, there is a reverse where the majority of the payment goes towards principal and a smaller amount towards the interest. Sir, it might appear that the repayment period is long, but persons should see it as beneficial to them in the future.

Mr. Speaker, having a mortgage and making the repayments over the years, you are building equity in your property. For example, if you bought a house for \$90 000, over the years the value of your house would increase depending on the market conditions.

12.10 p.m.

Sir, if you have equity in your house, that is the amount of money you have and, if your house had to be sold, what you would get back is known as your equity. This is the money you have invested and that same equity could be used to borrow money from the same lending institution or some other institution. Mr. Speaker, you can take that money and use it to add to your house, repair your house, educate your children or do anything you want to enhance your standard of living.

If you were renting a property, Sir, and you are just paying that rent every month, there is nothing to come back out of that house for you. The only thing you could expect at some time coming from the owner, is a notice to quit and you have to go and rent some other place or look for some place to buy. In which time, Sir, you would find that things would be more expensive and if you had bought earlier, or built earlier, you would be in a better position.

Mr. Speaker, recently I heard the new President, I think, of the NUPW, talking about how people should have access to their gratuity payments earlier in life. I think it is quite laudable but what I want to say from a standpoint of insurance is that there are people who, over the years, accumulate money in insurance policies, pension plans, retirement savings plans and all kinds of vehicles to savings.

I am saying that an opportunity should be given to these same persons to approach these insurance companies and be able, Sir, as first-time homeowners to withdraw one lump sum paying from the pension plan or the registered retirement savings plan, to be put into some kind of housing programme.

Therefore, if you are a young person, 35 or 40 years old and you have monies in your pension plan, especially if you have a private plan, and you have 100 per cent vested in your pension plan, whereas you have access, not only to your contribution but also to the contribution of the employer by way of interest. Sir, you have access to a certain amount of money that you should be given the opportunity to withdraw that lump sum, be it \$30 000 or \$40 000 and put that money into housing for yourself. I believe it would go a long way in helping young people to be able to be in a position to have that deposit for their first house.

Mr. Speaker, I am obliged to you.

Mr. SPEAKER: The Honourable Member for St. Lucy.

Mr. D. St. E. KELLMAN: Mr. Speaker, I rise to speak in this debate and to say from the outset that I have witnessed, within the last two years, a dramatic change in the housing policy of this Government.

Prior to this morning, it was clear to me that this Government's focus was on chattel houses, and also on what I would call, a 'canned' housing programme, where you are able to get house and land. After hearing the Honourable Member for St. Joseph speak, it is clear that the new policy and mandate given to the Honourable Member for St. Joseph to deliver to this House this morning, is that the Government is not interested in the housing plan, which has been declared by the Minister of Housing but that Government understands the point made by the Opposition that it is better to provide housing lots than to provide, a 'canned' housing programme.

It is not by accident, Sir, that the Minister of the National Housing Corporation is in her seat and this debate, which happens to be more of a housing debate is led by somebody far distanced from housing who knows nothing about housing, and delivered in the presence of the Minister of Housing who has the ability to dictate policy on housing in this House.

I am saying, Sir, that the others may take it by accident but I am not because this is a very serious matter.

Mr. SPEAKER: The Honourable Member is aware of the rules of the House and no insinuations, please. The Honourable Member to whom you refer, was once a Chairman of the National Housing Corporation.

Mr. D. St. E. KELLMAN: Sir, that is the point, Chairman, a politically appointed person in the Ministry of Housing and Lands.

Hon. Mrs. H. E. THOMPSON-McDOWALD: Mr. Speaker, on a point of order. The Honourable Member is misleading the House, if he seeks to suggest that the debate is being led by the Honourable Member for St. Joseph out of some mystery or mischief, however he chooses to describe it, Sir.

The reality is that I was travelling on Government Business and came back yesterday, unwell and late, so I came late this morning and the Honourable Member led the debate in my absence because it was not clear that I would be here. There is nothing more to it than that, Sir. There is nothing sinister.

Mr. D. St. E. KELLMAN: Mr. Speaker, I would like to accept that particular point from my dear friend and comrade. The Honourable Member knows that I would normally respect her opinion. If I look at Order 4 of the Paper, I would not see the Honourable Member's name as the person to lead this debate.

If we were to call for the Records of this House, they would indicate that this is about the third time this particular matter came to this House, and it was never under the heading of the Ministry of Finance. It was always led by the Minister of Housing. The last time it was done by the Honourable Member for St. George North and prior to him, Sir, it was done by the Honourable Member for St. Andrew. I was in here long enough to know that, Sir.

Asides.

Hon. G. A. CLARKE: Mr. Speaker, on a point of order. The Honourable Member is misleading the House. On the last occasion, even though I did the Second Reading Speech, it was always under the Ministry of Finance because it is a financial matter and even now, it is under the Ministry of Finance.

Mr. SPEAKER: But you did the First Reading?

Hon. G. A. CLARKE: Yes. I did the First Reading.

Mr. D. St. E. KELLMAN: Thank you very much, Sir, for what he acknowledged.

I want to say, Sir, that no amount of game playing can remove me from the point that I have made. I have been in here long enough and I have been in politics long enough to recognise when the ball is swinging and swaying out of favour of certain Ministers.

Hon. Mrs. H. E. THOMPSON-McDOWALD: Mr. Speaker, on a point of order. The Honourable Member for St. Lucy is misleading the House. I wish to help the Honourable Member, which may not be possible, I conceive.

The Honourable Member for St. Lucy and other Honourable Members might recall that previously, when the ownership of Barbados National Bank (BNB) and the Barbados Mortgage Finance Company Limited (BMFCL) were with Government, the Barbados Mortgage Finance Co. Ltd. fell under the Ministry of Housing. This would explain why the Honourable Member for St. George or any Minister of Housing would have led the debate, and more so than now where the Barbados Mortgage Finance Co. Ltd. no longer has a Chairman appointed by the Minister of Housing.

Mr. D. St. E. KELLMAN: Mr. Speaker, the best thing in this House is that I have been able to listen, and I have listened to the Honourable Member for St. James South and agreed with her, Sir. Sometimes, we have to ask ourselves if we really have the authority to come to this House any longer and put policy on behalf of the Barbados Mortgage Finance Co. Ltd.

It is clear to me, Sir, that with the selling of the Barbados Mortgage Finance Co. Ltd., the Minister of Finance would have consulted his superiors now in the Barbados National Bank to get instructions for information to come here to decide what policy can be carried out, as it relates to mortgage insurance.

Hon. R. R. FARLEY: Mr. Speaker, on a point of order. The Honourable Member is misleading the House. The Honourable Member has been farfetched and far-flung in this House in the past, but even he would realise that you cannot so blatantly disregard, either the rules of the House, convention or good public behaviour by suggesting that a Minister of Finance has to consult his superiors in the Barbados National Bank. Sir, in terms of our system of Government, that is not possible under law, practice, convention or commonsense. It is also contrary to the rules of this House because it attempts to hold an Honourable Member of this House into public disapprobation. Therefore, I would urge him to withdraw that remark and carry on as merrily as he may choose, but within the rules of the House, Sir.
12.20 p.m.

Mr. SPEAKER: Yes, please, you are contravening the rules of the House, and so would you withdraw it please.

Mr. D. St. E. KELLMAN: I withdraw the word 'superior', Sir.

Sir, what I am saying is that the Barbados National Bank now commands superior ownership in the Barbados Mortgage Finance Company Limited and that the Government's role is not as significant as it was, so you would have to consult with the senior shareholder for the policy. All of us who understand public and private financing would understand that particular point. Therefore, I cannot understand how the Honourable Member who worked previously in the Ministry of Finance could get up to make a point like that when he understands what is meant by controlling interest and dominating interest.

Asides.

Mr. SPEAKER: Move on, move on.

Mr. D. St. E. KELLMAN: This is not the Louis Lynch School, Sir.

Mr. SPEAKER: You move on.

Mr. D. St. E. KELLMAN: Mr. Speaker, I want to make the point that the 100 per cent mortgages in Barbados now by this Government is being treated like hire purchase. Sir, when one looks and recognises what is happening in the land market and the housing market of Barbados, one has to

seriously ask whether Government is following the right policy when they are going toward 100 per cent mortgages. It is like someone going to one of the furniture dealers and picking up an appliance for a period of time.

What is interesting, Sir, is that the piece of furniture devalues as soon as it is purchased but when the 'canned' programme is purchased there can be an appreciation, so you can understand now why banks would want to provide 100 per cent mortgages because as soon as payments are made the mortgage is reduced but the value of the property appreciates. They also know that whenever the purchaser delays in paying or makes a default that they can then go back and pick up a better product than before. Those in the lending institutions who we would now call the hire purchase providers understand quite well that it is in their interest to encourage people to come for the 100 per cent mortgages because when they are ready they are getting something of a much higher value.

Mr. Speaker, this thing about Government going and providing 100 per cent mortgages is not to the benefit of the masses of people of Barbados, and I will tell you why.

Hon. A. P. WOOD: On a point of order. The Honourable Member, without even realising it, is misleading the House because he is suggesting that because the 100 per cent mortgage is available that those who preside over these matters, whether it is the Barbados Mortgage Finance Company Limited or any other financial institution, would just disregard the guidelines, the procedures and the policies that are in place just because it is a 100 per cent mortgage.

Sir, I am submitting that whether it is a 100 per cent or a 90 per cent mortgage that there is a particular policy in place which governs this activity, so for the Honourable Member to suggest that people are saying come and you could get a mortgage just because it is a 100 per cent is not true because the same things that they look for, whether it is 50 or 60 per cent mortgages, they look for in the 100 per cent mortgages.

Mr. D. St. E. KELLMAN: Mr. Speaker, let me say this to you and let me educate the Honourable Member for St. Philip South, who has a way of making statements that are serious when he is putting punishment on the masses and smiling, but he is not going to smile with me today when he tries to discredit my contribution. I am saying to you, Sir, that previously when the bank asked you to put in 10 per cent that most persons went, put in a value which the bank would call 10 per cent but when the valuation was done, it was over 25 per cent.

Mr. SPEAKER: This is after a period of time?

Mr. D. St. E. KELLMAN: No. Once you do it on your own with your own 10 per cent, what they would call 10 per cent, when it is valued it has a higher value than what the bank really requested, so in truth and in fact the contribution from the person is much higher than what the bank requested. I am saying that there is an interest for the public to remain in this type of arrangement because when they go into the 100 per cent they are depriving that person from getting that benefit where the input, when it is valued, is much higher than the actual input. Sir, you would understand that because I know that as thrifty as you are that you would not go for a 100 per cent mortgage that you would allow people to build for you, then get a valuation and then move on.

Sir, in this debate we have to call a spade a spade. It is clear to me that these mortgages cannot be done on a commercial basis but when the money is lent to the first time homeowners and they default this money can then be given to whoever they want to.

Sir, what we are seeing in Barbados is that the masses of people are being used to get the first mortgages and when they cannot repay them, those who want commercial buildings can then get the commercial buildings because most of the people that have the money are the ones that have the first house already and then they come and buy these properties. Sir, all that is happening is that they are preparing a wicket for people to get commercial properties to rent out for 2007 under the disguise that low income housing is being provided. That is what this is all about. You give them access to first mortgages of 100 per cent and when they default, people could then buy the properties and then rent them out for 2007.

Sir, where is the evidence? We started off with \$150 000 because we said that we were providing housing for the masses, then it went to \$250 000, then \$300 000 and now it is \$400 000. Sir, whenever you look at a survey of the housing needs you are still finding a case where the masses of people are not getting housing even though every Government Minister that came to this House said that they were increasing it to accommodate the masses.

Sir, I said in here before that this is to accommodate the persons who normally went to Broad Street for loans. Sir, the limit is up and the interest is down.

Sir, if you had money and you wanted a house why would you go to another bank when the value is up and the interest is down. Therefore, those persons who previously could go and borrow are not going in the same direction as previously and they are now going to the Barbados Mortgage Finance Company Limited. Sir, the real trick now is that it is not Government anymore that they are coming

to, what they are actually doing is using this Parliament to give advantage to one bank over all the other banks in Barbados and using legislation to substantiate it.

Sir, because the Barbados National Bank is no longer the Government bank, we are now using Parliament to give advantage to a private sector bank. Sir, I hope you understand the point I am making. Sir, up to the last amendment you could have said that we are doing it in the interest of the National Housing Corporation, the Government and the masses, but not anymore. We are now using this Parliament to finalise the sale of the Barbados National Bank to a private sector bank. That is exactly what is happening. Therefore, we have to ask if this is why the housing policy of the Minister is not being used anymore but the housing policy of somebody else or some other person is being used.
12.30 p.m.

Mr. Speaker, even though the Honourable Member got up this morning and tried to defend her integrity, we are still seeing a situation where Government, being accustomed to fast bowling, has produced a googly that has clean-bowled one of its Ministers.

Mr. Speaker, all this is happening at a time when we are supposed to be in a credit squeeze. Therefore, the question must be asked is housing part of that credit squeeze? Sir, when it is looked at, it means that through its policies, Government has recognised that and is blaming the masses of Barbados for the outflows of foreign exchange. Government has decided that the best way to do it, would be to increase the limit, so that the amount of money available by the Barbados Mortgage Finance Co. Ltd., would be snapped up by those in the \$400 000 range, and that there would be no money left for the smaller loans to be dispensed. This would mean that those persons who normally would be seen as foreign exchange users, would not be able to borrow the money to impact on the foreign reserves of the country. Sir, it has been very cleverly done.

Mr. Speaker, what is also interesting about this is that Government is telling workers that they should not be getting increases in wages but at the same time, every utility bill has increased, under the Honourable Member for St. Philip South. Sir, neither did the Honourable Member dissociate himself from the amenities fee that were put on at the University of the West Indies, but yet the masses are supposed to do everything and are expected to be productive at the same time, while undergoing such pressures.

Mr. Speaker, the only conclusion that I can come to would be that this Government, without announcing to the people of Barbados since All Fools' Day, have fooled the people by putting on a credit squeeze.

Mr. SPEAKER: Honourable Member, please.

Mr. D. St. E. KELLMAN: Mr. Speaker, I will withdraw the word fool. It only happened because it was on All Fools' Day that all the prices in Barbados went up, in agreement with the private sector. That is why I said fool, more in association with the day and the action of the Government.

Sir, these prices were increased prior to the oil increase, so that when Barbadians start to look for the impact of the oil increases on prices, they would not see them because the prices would have already been there. In other words, the other increases were done upfront, while the oil prices came afterwards and, therefore, when one is looking for the other increases, these increases are not going to come. In this way, the Government could say that the only increase would be that of oil and nothing more, not even housing.

Mr. SPEAKER: Honourable Member, what has this got to do with the Mortgage Insurance (Amendment) Bill?

Mr. D. St. E. KELLMAN: Sir, it means that we come to this Parliament under the pretence that we are here to represent the interest of the masses, that they should be given houses, and that they are in need, yet whenever we come to Parliament, we do so by looking after the middle class and every other class except that of the poor.

Mr. Speaker, the amendment to increase the limit to \$400 000 cannot be for the poor masses. Sir, when this amendment is passed, I will still hear the masses begging and lining up at National Housing Corporation every Tuesday and Thursday, begging for a house. Sir, what worries me is that Government is supposed to have a housing plan for the poor masses. Government has a housing limit for \$400 000, yet claims to be providing houses which cost \$50 000 for the poor people. What Government now needs is to set up a new institution where the maximum limit is \$50 000, so that the poor people would know that it is only for them, as this \$400 000 limit cannot be for them.

Mr. Speaker, if Government is saying to poor people that they can access loans of \$50 000, but that they are providing loans up to \$400 000, am I to believe that poor people can borrow the \$400 000, can buy a \$50 000 house, make an investment or can buy a Mercedes? Is Government saying that people can bring all their families together to qualify for a loan of \$400 000 but that having accessed that \$400 000, would only buy a \$50 000 house? This is a conflict.

Asides.

Mr. D. St. E. KELLMAN: Mr. Speaker, we have to be very careful. We have to understand that we have destroyed the social fabric of the masses and have created a climate in this country which I do not like. Sir, we have a situation where previously the carpenter in the neighbourhood was the one who would have serviced that neighbourhood. What we have now is a system where we are selling 'canned' houses and, therefore, when a problem occurs with regards to those houses, the carpenters are saying that they cannot work on those houses because they have not built them in the first place. Sir, the same thing happens when simple problems such as plumbing and changing windows, *et cetera*, where carpenters are ignoring these homeowners. Sir, one cannot blame them because they were accustomed to doing these things in the hope of getting the bigger jobs. Sir, since carpenters are not getting the bigger jobs, they have now stopped working for themselves and have gone to work for construction companies. Therefore, poor people are now suffering because of a programme that is supposed to look after the interest of poor.

Mr. Speaker, this Government is very smart. Sir, between 1990 and 1991, this Government accused the Democratic Labour Party of building two housing units at Gall Hill, and I think the Honourable Member for St. John would remember that. Sir, because of bad accounting policies that can be found in the Government service, there was only one project going on, where the full cost was allocated to that particular project. This Government then went across Barbados accusing the Democratic Labour Party of building two housing units for \$1 million, when, instead it was the total cost of the National Housing Corporation's project. I have now witnessed the same thing happening at the National Conservation Commission, where it has built baths.

Asides.

Mr. D. St. E. KELLMAN: No, Sir, it is about building and the effect that it will have on the masses.

Mr. SPEAKER: Honourable Member, that is not what we are discussing. I am not going to allow you to do that. There is no need for that. You were going well.

Mr. D. St. E. KELLMAN: Sir, if that is your ruling, I will abide by it, but the point I am making is that we are now seeing Government doing everything in its power to substantiate the removal of work from the masses of artisans in Barbados, and allocating it outside the ambit of these workers. It, therefore, means that instead of the masses getting work within Government agencies, people who were previously self-employed or who had worked within agencies in Barbados, are now going to find themselves out of those agencies and working for a number of contractors.

Sir, we have to be very careful. We have to understand that if that has to happen, then Government needs to put a policy in place, and that the public needs to be informed. On the other hand, Government cannot have these policies, then change them, then blame the workers, when, in truth and in fact, it all relates to the accounting system which was in place at the time, and not the workers. Instead, Government has given the impression that the workers are not efficient when, in fact, it had nothing to do with efficiency or the final cost, but with allocation.

Sir, that is why I will continue making the point that we need more cost accountants in Barbados, so that we can get the true cost of the production of a particular item. That is why the whole focus of the way we do business in Barbados has to change. This country is not an investment-friendly country and, therefore, we have to understand that if this country is to go forward, then the workers and investors must be truly compensated.
12.40 p.m.

Sir, we have to understand that Government cannot continue to have the large share of everything and not turn it over to make it productive for the country. Government must give up that right to those who can take the investment, expand it and provide opportunity for Government. If we do not recognise this new insurance amendment, we are only inviting people to be landowners only on a temporary basis to pass the land over to those who can afford it.

Sir, land that previously could not be bought by a rich person from National Housing Corporation will now be bought by a poor person under the disguise of 100 per cent mortgages to provide an avenue for someone who has money to get it later on in life.

Mr. Speaker, we have to watch that policy because it is a dangerous one. Sir, when those persons end up not having that property, it will create social unrest in this country. Mr. Speaker, you or I do not want this to happen in this country. We have to be careful what we are doing with the housing policy.

Sir, land is an issue. I said eight years ago that land would create social unrest in this country even though I do not want to continue to say so. We have to understand that the opportunity of giving house lots to people is the best housing policy. They should be allowed to continue to build on their lots and to continue with the social relationship they have developed within their community with the available funds in the market.

Sir, in life it is not what is offered but what is refused. This is why I want to tell the masses of people that it is not what is being offered by National Housing Corporation but

Sir, all of the small houses that the Honourable Member for St. Lucy spoke of in the first term, he is the one who got up in here a few years ago and said that they were matchbox houses and one person could not stand up in a house in St. Peter. The same houses that he called, 'matchbox' houses, the owners are now expanding them.

I have a situation in my constituency, Mr. Deputy Speaker, where people had a loan for \$3 000 three years ago, and because of this progressive Government, where we give persons an increase in income every year and we have not cut people's salaries...

Asides.

Hon. G. A. CLARKE: Yes. Every year the civil servants get an increase in salary and they are turning that increase into property.

Asides.

Hon. G. A. CLARKE: Mr. Deputy Speaker, I heard the Leader of the Opposition say that he does not support the 100 per cent mortgages or the 6 per cent interest on mortgages. Therefore, the Leader of the Opposition and the Democratic Labour Party must state today if they support the 100 per cent mortgages or the decreasing interest at the lower income level.

Mr. Deputy Speaker, we supported this since 1998 and the Democratic Labour Party, under a different leadership supported the 6 per cent interest. I want to find out if the Democratic Labour Party is saying to us today that they are against the 100 per cent mortgages which we support in this Parliament.

I am saying that when we came to office, we found a situation where people put in their equity. It is true that people can put in equity, at the time when some banks were giving 90 per cent loans.

Sir, 100 per cent mortgages are nothing new. This has been given in North America well in the 1980s. People go to get loans, especially the persons in top income groups, and for years they have been getting 100 per cent mortgages and 100 per cent loans, and I do not think, according to the Honourable Member for St. Lucy, that it is a type of higher purchase.

There are many people in my constituency, and I am speaking for rural people, who are able to repay the loans but cannot find the initial down payment. Therefore, a 100 per cent loan is a means of helping people to get pass that initial payment. This would be the legal fees, commitment fees, and all the other charges that we found. I recall how we put

the policy to the country and said that we are giving 100 per cent mortgages.

I must say that over the years, from 1990 we have seen an increase in mortgage rates. The mortgage interest rates have been lowered. More people have been getting mortgages. We had a situation where between 1994 and 1998, the BMFCL gave 103 mortgages and by 2003 that figure had jumped to 301, and it is climbing. They are giving more loans to low and middle income earners and it will increase as time goes on.

This Amendment, Mr. Deputy Speaker, is only to provide the BMFCL with the opportunity to compete with the insurance companies and with the other lending institutions that now can lend \$400 000.

Mr. Deputy Speaker, I would want to use this opportunity to say that this Government has put a number of programmes in place for low income earners. Do you know that persons who own property valued at \$125 000 and less, do not pay any taxes? I am sure that members in St. John are enjoying the benefits where all of the housing development that is taking place in Gall Hill, persons with properties valued just under \$125 000 do not pay any taxes.

Asides.

Hon. G. A. CLARKE: The point is that we have a situation in this country where more and more people are asking for mortgages and they would be provided. We have to state, Mr. Deputy Speaker, that in this Amendment, we have to look at other instruments for helping the mortgage process because the demand is so great.

I believe that a mortgage is a long-term instrument and sometimes you will find that some institutions do not have enough money to lend all the applicants they get. Therefore, I think that there is a need for a secondary mortgage market.

I thought that is what the Leader of the Opposition would say when he spoke. He stopped short of calling for a secondary mortgage market, which would help to offset the institution that we now have, in providing additional funds for those institutions that are now holding mortgages for 25 and 30 years.

2.00 p.m.

Sir, under this Administration a Housing Credit Fund was established in 1985 with \$10 million USAID fund to on-lend to Barbadians earning less than \$2 500 per month. In other words, if the credit union lends money to an individual who is working for less than \$25 000 in any one year, then the Housing Credit Fund would top up that institution. This happens in a secondary mortgage market

Sir, all of the small houses that the Honourable Member for St. Lucy spoke of in the first term, he is the one who got up in here a few years ago and said that they were matchbox houses and one person could not stand up in a house in St. Peter. The same houses that he called, 'matchbox' houses, the owners are now expanding them.

I have a situation in my constituency, Mr. Deputy Speaker, where people had a loan for \$3 000 three years ago, and because of this progressive Government, where we give persons an increase in income every year and we have not cut people's salaries...

Asides.

Hon. G. A. CLARKE: Yes. Every year the civil servants get an increase in salary and they are turning that increase into property.

Asides.

Hon. G. A. CLARKE: Mr. Deputy Speaker, I heard the Leader of the Opposition say that he does not support the 100 per cent mortgages or the 6 per cent interest on mortgages. Therefore, the Leader of the Opposition and the Democratic Labour Party must state today if they support the 100 per cent mortgages or the decreasing interest at the lower income level.

Mr. Deputy Speaker, we supported this since 1998 and the Democratic Labour Party, under a different leadership supported the 6 per cent interest. I want to find out if the Democratic Labour Party is saying to us today that they are against the 100 per cent mortgages which we support in this Parliament.

I am saying that when we came to office, we found a situation where people put in their equity. It is true that people can put in equity, at the time when some banks were giving 90 per cent loans.

Sir, 100 per cent mortgages are nothing new. This has been given in North America well in the 1980s. People go to get loans, especially the persons in top income groups, and for years they have been getting 100 per cent mortgages and 100 per cent loans, and I do not think, according to the Honourable Member for St. Lucy, that it is a type of higher purchase.

There are many people in my constituency, and I am speaking for rural people, who are able to repay the loans but cannot find the initial down payment. Therefore, a 100 per cent loan is a means of helping people to get pass that initial payment. This would be the legal fees, commitment fees, and all the other charges that we found. I recall how we put

the policy to the country and said that we are giving 100 per cent mortgages.

I must say that over the years, from 1990 we have seen an increase in mortgage rates. The mortgage interest rates have been lowered. More people have been getting mortgages. We had a situation where between 1994 and 1998, the BMFCL gave 103 mortgages and by 2003 that figure had jumped to 301, and it is climbing. They are giving more loans to low and middle income earners and it will increase as time goes on.

This Amendment, Mr. Deputy Speaker, is only to provide the BMFCL with the opportunity to compete with the insurance companies and with the other lending institutions that now can lend \$400 000.

Mr. Deputy Speaker, I would want to use this opportunity to say that this Government has put a number of programmes in place for low income earners. Do you know that persons who own property valued at \$125 000 and less, do not pay any taxes? I am sure that members in St. John are enjoying the benefits where all of the housing development that is taking place in Gall Hill, persons with properties valued just under \$125 000 do not pay any taxes.

Asides.

Hon. G. A. CLARKE: The point is that we have a situation in this country where more and more people are asking for mortgages and they would be provided. We have to state, Mr. Deputy Speaker, that in this Amendment, we have to look at other instruments for helping the mortgage process because the demand is so great.

I believe that a mortgage is a long-term instrument and sometimes you will find that some institutions do not have enough money to lend all the applicants they get. Therefore, I think that there is a need for a secondary mortgage market.

I thought that is what the Leader of the Opposition would say when he spoke. He stopped short of calling for a secondary mortgage market, which would help to offset the institution that we now have, in providing additional funds for those institutions that are now holding mortgages for 25 and 30 years.
2.00 p.m.

Sir, under this Administration a Housing Credit Fund was established in 1985 with \$10 million USAID fund to on-lend to Barbadians earning less than \$2 500 per month. In other words, if the credit union lends money to an individual who is working for less than \$25 000 in any one year, then the Housing Credit Fund would top up that institution. This happens in a secondary mortgage market

Mr. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, the Honourable Member for St. George North is obviously misleading the House. Mr. Deputy Speaker, when you go for a mortgage you have to disclose your gross income, they subtract your tax and your insurance and get your disposable income and then they look at your ability to repay the mortgage which is based on your monthly commitments. Therefore, it is your net income that determines your capacity to get a mortgage.

Hon. G. A. CLARKE: Mr. Deputy Speaker, mortgages have been calculated from time immemorial on a quarter of your salary. You get your mortgages based on your gross salary. Of course, you have to show what deductions you have, but I am not sure that a mortgage is calculated on if you have to pay telephone rates and water bills. They always ask you to present your gross salary.

Mr. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, I do not know why this has become an issue because there are two concepts that are taken into consideration, horizontal equity and vertical equity. Mr. Deputy Speaker, in this case, there can be two households having exactly the same income but in actual fact, would have different commitments and, therefore, each household's capacity to pay will differ.
2.10 p.m.

Equally, there may be another household whose income is different from that of another, but because of that other household's commitments, may have a better capacity to pay. Therefore, even though the two households may have equal incomes, when one looks at their commitments, one would find that they may not have the same ability to access a mortgage and ultimately one's ability to access a mortgage would be determined by one's ability to repay that mortgage.

Mr. Deputy Speaker, that is the issue. The issue is not about the size of the mortgage to be accessed, which will be determined by the gross income. It is one's ability to repay, depending on the interest and depending on one's overall future capacity to earn.

Hon. G. A. CLARKE: Mr. Deputy Speaker, we agree that there are a number of commitments about which the mortgage company will ask but I am not sure that they are determinants in obtaining the mortgage, but we will continue to investigate.

Mr. Deputy Speaker, the other point I wish to make is that of the concept of valuation. One must understand that property appreciates in value. Therefore, the property that one purchases now at \$6 per square foot... Sir, I want to inform this Honourable House that people are still

purchasing land from the National Housing Corporation at \$6 per square foot and below. Therefore, it is not true to say that all land across Barbados is being sold at \$20 per square foot.

Mr. Deputy Speaker, I would want the Honourable Leader of the Opposition to travel through St. John and St. Philip, where he would see that a number of young people are building wooden homes on their own, having accessed loans to do so. Sir, at Gall Hill, one would see small homes are being built. All across Barbados people are accessing loans and mortgages to build homes and, therefore, these properties will appreciate in value. Sir, it has nothing to do with which Government is in power. It is also different from the hirer purchase to which the Honourable Member for St. Lucy is speaking.

Mr. Deputy Speaker, this amendment is a small one. This amendment is putting Barbados Mortgage Finance Co. Ltd., to be in a competitive position, where it can now lend loans up to \$400 000. Sir, according to the Honourable Member for St. Lucy, it does not mean that they will take the money for low income earners and lend it to the high-end earners. Sir, this is not true.

Mr. Deputy Speaker, I am obliged to you.

Mr. R. D. JONES: Mr. Deputy Speaker, it was not my intention to speak on this Mortgage Insurance (Amendment) Bill, 2005, because I believe that as outlined by the person who led off the debate, the Honourable Member for St. Joseph, that, at the end of the day, we are all concerned with the provision of housing or with mortgage loans, so that people can access housing in Barbados.

Sir, it is quite clear that there are some contradictions in the postures being adopted by the Government of Barbados. We have heard the high hue and cry relative to the provision of housing for low and middle income persons. To some extent, it is almost like a sneeze because regardless of what the Honourable Member for St. George North has said, there are still areas, even though previously identified and sites and services have been put in, that to date one cannot see anything else on them.

Mr. Deputy Speaker, Coverley, Christ Church, is one area that comes to mind, and there are others across the length and breadth of Barbados that are so similarly disposed. One can speak of Blackmans, St. Joseph, where various units were erected but there have been many complaints and much confusion from those persons who, through whatever mortgage facility that has been provided, cannot even after being promised their houses last year and early this year, be given a key as yet.

Mr. Deputy Speaker, there are obviously problems, maybe not problems related directly to the National

Mr. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, the Honourable Member for St. George North is obviously misleading the House. Mr. Deputy Speaker, when you go for a mortgage you have to disclose your gross income, they subtract your tax and your insurance and get your disposable income and then they look at your ability to repay the mortgage which is based on your monthly commitments. Therefore, it is your net income that determines your capacity to get a mortgage.

Hon. G. A. CLARKE: Mr. Deputy Speaker, mortgages have been calculated from time immemorial on a quarter of your salary. You get your mortgages based on your gross salary. Of course, you have to show what deductions you have, but I am not sure that a mortgage is calculated on if you have to pay telephone rates and water bills. They always ask you to present your gross salary.

Mr. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, I do not know why this has become an issue because there are two concepts that are taken into consideration, horizontal equity and vertical equity. Mr. Deputy Speaker, in this case, there can be two households having exactly the same income but in actual fact, would have different commitments and, therefore, each household's capacity to pay will differ.
2.10 p.m.

Equally, there may be another household whose income is different from that of another, but because of that other household's commitments, may have a better capacity to pay. Therefore, even though the two households may have equal incomes, when one looks at their commitments, one would find that they may not have the same ability to access a mortgage and ultimately one's ability to access a mortgage would be determined by one's ability to repay that mortgage.

Mr. Deputy Speaker, that is the issue. The issue is not about the size of the mortgage to be accessed, which will be determined by the gross income. It is one's ability to repay, depending on the interest and depending on one's overall future capacity to earn.

Hon. G. A. CLARKE: Mr. Deputy Speaker, we agree that there are a number of commitments about which the mortgage company will ask but I am not sure that they are determinants in obtaining the mortgage, but we will continue to investigate.

Mr. Deputy Speaker, the other point I wish to make is that of the concept of valuation. One must understand that property appreciates in value. Therefore, the property that one purchases now at \$6 per square foot... Sir, I want to inform this Honourable House that people are still

purchasing land from the National Housing Corporation at \$6 per square foot and below. Therefore, it is not true to say that all land across Barbados is being sold at \$20 per square foot.

Mr. Deputy Speaker, I would want the Honourable Leader of the Opposition to travel through St. John and St. Philip, where he would see that a number of young people are building wooden homes on their own, having accessed loans to do so. Sir, at Gall Hill, one would see small homes are being built. All across Barbados people are accessing loans and mortgages to build homes and, therefore, these properties will appreciate in value. Sir, it has nothing to do with which Government is in power. It is also different from the hirer purchase to which the Honourable Member for St. Lucy is speaking.

Mr. Deputy Speaker, this amendment is a small one. This amendment is putting Barbados Mortgage Finance Co. Ltd., to be in a competitive position, where it can now lend loans up to \$400 000. Sir, according to the Honourable Member for St. Lucy, it does not mean that they will take the money for low income earners and lend it to the high-end earners. Sir, this is not true.

Mr. Deputy Speaker, I am obliged to you.

Mr. R. D. JONES: Mr. Deputy Speaker, it was not my intention to speak on this Mortgage Insurance (Amendment) Bill, 2005, because I believe that as outlined by the person who led off the debate, the Honourable Member for St. Joseph, that, at the end of the day, we are all concerned with the provision of housing or with mortgage loans, so that people can access housing in Barbados.

Sir, it is quite clear that there are some contradictions in the postures being adopted by the Government of Barbados. We have heard the high hue and cry relative to the provision of housing for low and middle income persons. To some extent, it is almost like a sneeze because regardless of what the Honourable Member for St. George North has said, there are still areas, even though previously identified and sites and services have been put in, that to date one cannot see anything else on them.

Mr. Deputy Speaker, Coverley, Christ Church, is one area that comes to mind, and there are others across the length and breadth of Barbados that are so similarly disposed. One can speak of Blackmans, St. Joseph, where various units were erected but there have been many complaints and much confusion from those persons who, through whatever mortgage facility that has been provided, cannot even after being promised their houses last year and early this year, be given a key as yet.

Mr. Deputy Speaker, there are obviously problems, maybe not problems related directly to the National

Housing Corporation but to those persons who are in the habit of providing construction services to the poor and defenseless and to those who do not understand the whole notion of contracting and building. Sir, there are problems and difficulties which confront the ordinary citizen daily, as they seek to put shelter over their heads. I am not sure that with the kinds of pressures that persons face daily in trying to get shelter over their heads, that somebody might not 'chop' somebody in the near future, and those are things at which we have to look because of the substantial difficulties relative to that.

Mr. Deputy Speaker, the Honourable Member for St. Lucy is absolutely right and his point, either wittingly or unwittingly, was reinforced by the representative for St. George North, when he simply stated that the Barbados Mortgage Finance Co. Ltd., was being put in a competitive relationship with the other institutions which provide mortgages to Barbadian citizens, including the credit unions which have done an extremely good job in seeking to satisfy some of the housing demand among its members and among the citizens of Barbados. They should be applauded for utilising their own resources to help themselves to develop housing for Barbadians.

Mr. Deputy Speaker, we cannot deny the fact that this particular amendment being discussed today, speaks to the high-end of housing in Barbados. In truth and in fact, if one looks at the kind of resources which have already been explained by the Honourable Leader of the Opposition, one would see that we are talking about person or persons who would be earning over \$7 500 or more per month, in order to operate at that very high level, which would be for mortgages of \$400 000, at 6 per cent for 30 years, with monthly repayment of \$2 400. Therefore, if one is using that as a simple discussion, that represents some 40 per cent, which is the maximum being offered by many of these institutions as the gross income. This would, therefore, mean that we would be talking somewhere in the region of \$6 000 or \$7 000. Sir, it is well-established that there are not many Barbadians who are in gainful, meaningful and legitimate employment, who make that kind of money in this country.

Sir, nevertheless, I see it as a ceiling and, therefore, there could be a movement from previously identified figures of \$42 000 and \$52 000 for small or minute starter homes being advocated by the National Housing Corporation, for those who can live in 5-bedroom or 6-bedroom houses on the hills somewhere. Sir, I have no difficulty with any individual trying to self-actualise himself or herself, if that individual believes that his or her process of self-actualisation has to do with the achievement of a large house somewhere on a hill. Once that individual is able to support the acquisition of such, that is that person's right under a

democracy and, therefore, we should not put any hindrances in their way for them to access such.

2.20 p.m.

At the same time, we have to do everything possible to ensure those tens of thousands of average working people in Barbados who might work for between \$800 to \$1 000 a month would be able as well to have housing for which they are comfortable in their own mind. Therefore, we have to assist in propelling that movement for those persons.

Mr. Deputy Speaker, there is an issue which keeps coming back each and every time we speak on any issue relative to mortgages or housing solutions in Barbados and this has to do with the attitude of National Housing Corporation. I speak to the National Housing Corporation as a personification in that context rather than speak to persons who operate therein. Mr. Deputy Speaker, some time ago, I spoke about a house at 20F Wotton Terrace which was gutted by fire. In speaking to the Honourable Minister she told me that she had conversation with officials of the National Housing Corporation who told her that they did not know of what I spoke but, suffice it to say, the house was repaired and completed.

Mr. Deputy Speaker, you would be surprised to know that the persons who occupied this house with their children, who would have been faced with the trauma of trying to get shelter that the National Housing Corporation on April 20, 2005, served them with a notice to quit. Sir, these persons had to seek alternative accommodation because their house was burnt and direct payments were made every month to the National Housing Corporation.

Asides.

Mr. R. D. JONES: Mr. Deputy Speaker, I did not come in this Chamber to get angry or to fight anyone but to fight on behalf of those persons who cannot fight for themselves. Sir, it hurts immensely when persons seem to operate with the mentality of beasts to hurt other people. I am not talking out of my hat when I say that on 20th April, 2005, that notice was given to quit.

Sir, a moment ago I used the word beast but I do not apologise. This is why I say that some people deserve to be 'chopped', as we say in the village, but not with swords because in the village, we chop with stone. I do not advocate violence again but sometimes one has to get angry about this kind of behaviour.

Mr. Deputy Speaker, they had conversation on the 20th day of April, 2005, they were given notice to quit. Sir, I do not advocate violence but sometimes one has to get

angry about this kind of behaviour. It is part of the social agenda in this country that is so nonsensical that it is frightening.

Mr. Deputy Speaker, they had a conversation with a gentleman whose name I will not call who changed his tune, according to them, three or four times in the same space of 15 to 20 minutes as to why they were given a notice to quit.

Mr. Deputy Speaker, I want to quote from a letter sent from that constituent to myself. I will make it a document of the House. I will read only the last part, Sir.

"It is a sad day in the history of Barbados when an institution such as the National Housing Corporation which should be embracing and helping a family in need, considering my extensive loss recently. The National Housing Corporation is going the extra mile to permanently disenfranchise, deprive, discriminate against and to destroy the same family at their most vulnerable moment."

Sir, these people are in these circumstances because after ten years or more of residing at 20F Wotton, Christ Church, the persons found themselves through dint of hard work of academic exploits, to exist within the health sector of Barbados employed by the State. Sir, because of their so-called status they are found to be over there and the National Housing Corporation at this particular time can force them out.

Sir, you do not build societies by cleaning out a whole cadre of people and keeping one cadre buried and embedded among themselves. I do not understand what kind of sociological analysis could inform this type of behaviour. We have made claims in this House that many of our traditional villages in Barbados are in substantial trauma because there has been an exodus into the new plantations of Barbados. Yet the National Housing Corporation that should have sociological strength and understanding can today be sending to those individuals with three children this type of rubbish. Sir, I do not understand it and still we talk about providing for persons.

Asides.

Mr. R. D. JONES: Sir, as far as I am concerned, if one sheep goes astray, it should be looked after. I do not understand the aside coming from my good friend, the Honourable Member for St. Thomas. Mr. Deputy Speaker, I have already said that this matter has touched me very solidly in my heart and if the Honourable Member for St. Thomas listens, she might learn something from her friend.

Mr. Deputy Speaker, this is absolutely wrong. I do not know all the legal terms and I will have to consult with my attorney, the Honourable Member for St. George South on this particular issue. Sir, at this critical moment there is a contract between you and an individual but yet a notice to quit could be sent to them. I hope that those persons, in their sleeping moments, would withdraw this particular notice to a family traumatised by a fire and put the keys in their hands.

Mr. Deputy Speaker, being a decent youngster as I am, do not mind the grey hair, I kept the Minister informed by two pieces of correspondence notifying her that the house would be ready for occupancy by the end of April to be now told in this correspondence, signed by some underling, that you can no longer reside.

Mr. Deputy Speaker, I will speak to the Honourable Minister but I should not have to do that...

Asides.

Mr. R. D. JONES: I do not believe that I should have done that first. I should not have to go begging on my knees, Sir.
2.30 p.m.

Asides.

Mr. DEPUTY SPEAKER: Honourable Member, could you get back to the Bill?

Mr. R. D. JONES: Sir, this is a fundamental issue because...

Hon. Mrs. H. E. THOMPSON-McDOWALD: On a point of order. The Honourable Member is misleading the Honourable House when he seeks to suggest that the National Housing Corporation, in this matter, is being unfair to poor, deprived individuals. The circumstances are, and I would wish to detail them on a point of order so that the Honourable House can appreciate, the houses in housing areas are heavily subsidised by Government and rented for approximately \$30 a week. They are intended for poor people who do not earn large salaries. It is true that a fire took place at the particular unit but the reality is, the occupants of this unit are people whose salary scales would take them into \$9 000 a month salary income range, the husband being a senior medical officer of health and the wife being a civil servant. I hate to have to speak to this but the Honourable Member is raising it. Hence, a decision had to be taken by the National Housing Corporation whether to allow this unit to continue to be rented by people who are earning approximately \$9 000 a month or to allow it to go to a person who is genuinely poor.

The unit is still under repairs but I believe these people earn salaries that would allow them to rent from the

private sector or they could buy their own house. The house can go to somebody who genuinely deserves subsidised housing, who truly cannot afford to live anywhere else. It is not fair that these people should be allowed to occupy this unit when they have access to the kind of income, which would allow them to do much better.

Mr. R. D. JONES: I thought that I set out my case reasonably well. Sir, one always has to examine all of the parameters granted to particular circumstances. These are not persons who, all of a sudden, are claiming a home from the National Housing Corporation. They were in residence for 10 years.

Mr. Deputy Speaker, what would have been the posture of the National Housing Corporation if that house was not burnt? Were they not aware of these persons' existence? Sir, now that the house is burnt, the National Housing Corporation is now seeking to displace them. I am asking where is humanity. There has to be some process which says that if you have attained a particular salary quantum, some period of time given, that you should source residence in the so-called private sector rather than at this time of pain and agony, bring the heavy hand of the beast down on the necks of these persons.

Sir, of course, these units are for sale but I will not get into that because a hold has been put on the units at Wotton and I do not know why this was done.

Mr. DEPUTY SPEAKER: Honourable Member, I have given you a lot of latitude but you are beginning to turn this into a housing debate. Could you stick to the Bill?

Mr. R. D. JONES: I am following the directions in my notes as laid down by the Honourable Member who led the debate and I have the notes in front of me.

Sir, we talk about a better quality of life through housing for people. Those are not my words. Those words came from the Honourable Member for St. Joseph and if I am parroting or echoing something, there are his words. Therefore, this particular matter falls squarely within a better quality of life for those persons.

I believe that it should be questioned in the court of law. Sometimes we need to test some of these things to see whether persons can use the heavy hammer to destroy people in this way. Sir, we have to question these things. Mr. Deputy Speaker, we have to go on record as supporting Barbadians of every walk of life in their quest for adequate housing.

Sir, we sit here in this Honourable House and make the determination as though we know the commitment of persons with families. This is the kind of determination that we make. It is unfortunate and unfair to carry out these things in the context of seeking, as a Parliament, to provide housing for people.

I am sure that the Representatives for Christ Church West Central and St. Thomas, as well as myself, the Representative for Christ Church East Central, would have scores of written requests for housing for people who exist within the squeezed atmosphere of their existing houses. We can all speak of this heavy demand. Therefore, we have to come up with solutions, aided and abetted by the lending institutions for home improvement, mortgages and credit facilities to assist these persons.

Sir, what is our mandate? What is our role? Persons deserve a stake in this country. They deserve a right to live where they feel they are most comfortable. They might be comfortable in a particular area and that is their right. Therefore, if I can beg for some heart to be opened, that the burden which these persons now face, that there could be a more humane gesture at this most critical moment to consider this particular matter.

Mr. Deputy Speaker, the issue of the amendment to the Mortgage Insurance (Amendment) Bill is not one which we should fight about. I know that there are persons who believe that sometimes I should take a more pugnacious stance on some of these issues but that is not my role. It has never been my personality. Sir, I will give some support to many of these things when they come to this Honourable House, especially if at this critical time of my voice in the wilderness, I can get some support for those residents of Wotton.

Thank you very much, Sir.

Mr. DEPUTY SPEAKER: The Honourable Member for St. James South.

Hon. Mrs. H. E. THOMPSON-McDOWALD: Mr. Deputy Speaker, I do not intend to speak to the matter raised by the Honourable Member for Christ Church East Central, who just sat, having spoken to it by way of a point of order, but it speaks to an issue of policy. Is the National Housing Corporation to subsidise housing for the poorest and most vulnerable or should we make it available to everyone irrespective of their income level? For example, if you work for \$15 000 a month, in a situation where there are limited housing units, should you have access to a unit at approximately \$120 a month and deprive someone who is working for \$200 a week and who genuinely needs Government's subsidised housing? That is the reality where there is limited housing.

Mr. C. A. MASCOLL: On a point of order. The Honourable Minister is misleading this Honourable House. It cannot be the case that only your gross income determines your capacity to own a home. There are several persons in Barbados who are self-employed and from whom you cannot get an income statement but who have been able to build large houses across the length and breadth of Barbados and who continue to remain in National Housing Corporation housing to this day.

Sir, this policy will have to go beyond who is getting \$9 000 a month from the Government... Sir, this policy would have to go beyond looking at who is getting \$9 000 from the Government and determining those persons' incomes and what they have already acquired in large houses and upper-middle housing estates in Barbados and still occupy National Housing Corporation and the Minister knows only too well who they are, Sir.
2.40 p.m.

Mr. DEPUTY SPEAKER: Please proceed.

Hon. Mrs. H. E. THOMPSON-McDOWALD: Thank you very much, Sir.

I share the view of the Honourable Member who leads the Opposition in this case that if we know of situations where people have built houses and are still holding on to NHC units, they have to be made to give them up.

In fact, it is clear as a principle under the sale of the terrace units that persons who own other property cannot be allowed to purchase terrace units from the Government. It is clear policy that we are targeting those people who are truly poor and vulnerable and not those who can afford to do better.

I want to speak, however, to some of the wider issues raised here today and I want to start with the whole question of what the raise of the ceiling does because that is a question that was asked.

The impression has been given by the Honourable Member on the Other Side, that an increase in the ceiling somehow precludes people who want to borrow \$100 000 and under \$50 000 if they are buying a primary home from access to a loan. The raise to the ceiling does not do that, Sir. You can borrow a maximum of \$400 000 or a minimum of \$5 000 or lower, if that is what you want. It does not preclude people who want primary homes and it does not preclude people who want to borrow money to facilitate houses costing small sums of money.

Mr. C. A. MASCOLL: Mr. Deputy Speaker, on a point of order. The Honourable Member is misleading the

House. If you increase the mortgage limit from \$300 000 to \$400 000, you are in fact putting the Barbados Mortgage Finance in a much better position to make greater and more efficient use of its resources. Sir, to do a mortgage for one person for \$400 000 is far more efficient for an institution of that type, than to do 40 separate mortgages costing the same of \$10 000 each.

Therefore, I am suggesting that this Amendment is not about any Barbados Mortgage Finance Co. Ltd. granting low income people mortgages. This Amendment is to put the Barbados Mortgage Finance Co. Ltd. in a position where it can better in its interest, utilise the resources it has to make profit, but not to carry out any Government policy to give 40 persons \$10 000 each as opposed to one person \$400 000. It is not in that institution's interest to do it, given the cost of a mortgage and the processing of a mortgage, so because a mortgage is smaller, it does not make it any less difficult to do, Sir, and you are a lawyer and you would know what I mean.

Mr. DEPUTY SPEAKER: Proceed, Honourable Member.

Hon. Mrs. H. E. THOMPSON-McDOWALD: Thank you very much, Sir.

Similar arguments were advanced by the Opposition when we came to the House and raised the ceiling to \$300 000. In fact, when the ceiling was \$300 000, 80 per cent of the loans went for houses for \$125 000 and under. This demonstrates that the Honourable Member is not correct in his analysis.

While it is true that I cannot argue with the logic of it the reality is, however, that the Barbados Mortgage Finance Co. Ltd. specialises in the low income market, which has a default rate of 3 per cent on that market and as I said with a ceiling of \$300 000 was still lending 80 per cent of their loans to people of \$100 000 and under.

What in fact the raise of the ceiling does, is to allow the very same couple from Wotton to now go, given their joint salary level, to Barbados Mortgage Finance Company and get a loan. Two civil servants can easily access a loan, who are working and living together as husband and wife or in a common law union.

Mr. C. A. MASCOLL: Mr. Deputy Speaker, on a point of order. The Honourable Member is misleading the House again and I thought I would explain. Sir, to suggest that because this couple is earning jointly \$9 000 gross that they can afford a mortgage based on its gross income, I have to explain to the Minister once again, that even though your

gross income may appear to qualify you for a certain size mortgage, when you go to the institution, they are going to look at your commitments.

When they look at your commitments, they are not going to give you a mortgage on the basis of your gross income. You are given a mortgage on the basis of your ability to repay which will be determined by the commitments you have as a household, and not by the gross income that you are earning. Some persons of similar income, may over commit themselves in life, such as drive big Mercedes Benz and live very 'high on the hog', whereas another household may be more conservative in its approach. Therefore, even though they have equal incomes, one household may better be able to afford a larger mortgage because of its overall commitment. It is a simple thing to understand.

Hon. Mrs. H. E. THOMPSON-McDOWALD: In fact, what the raise of the ceiling does is allow more couples to access mortgages at the concessionary rates, given by the Barbados Mortgage Finance Co. Ltd. This is the reality, no matter what the Honourable Member who just sat, said.

Nobody can argue with the logic of what he is saying but it does not mean that if John Brown has over committed, that it stops Peter Bishop from accessing a loan. Therefore, the principle remains the same. He is drawing an individual example when I am speaking to a principle.

Mr. C. A. MASCOLL: Mr. Deputy Speaker, on a point of order. The Honourable Member is misleading the House, again. It therefore means that the National Housing Corporation cannot make a decision to withdraw that house from those individuals on the basis of their gross incomes which they happen to earn from the Government.

Therefore, the National Housing Corporation would have to enter into a greater set of analysis to determine whether or not this couple, in spite of earning \$9 000 is in fact able to go outside of the National Housing Corporation market and access a home. As I said before, the Minister does not know, and the National Housing Corporation does not know the extent to which this couple is committed. Therefore, you cannot make the decision, based on gross income alone.

Mr. DEPUTY SPEAKER: Please proceed, Honourable Member.

Hon. Mrs. H. E. THOMPSON-McDOWALD: Thank you very much, Sir.

Sir, what the Honourable Member is telling us, let everybody overspend and still let them access concessionary Government financing.

Mr. C. A. MASCOLL: Mr. Deputy Speaker, on a point of order. The Honourable Member is misleading the House again, I never said that, in fact, my argument is completely opposed to that, Sir. I am saying that the National Housing Corporation cannot look at the fact that the couple is earning \$9 000 on the basis that they both work in Government and make the determination that they can afford to go elsewhere. I am saying precisely the opposite that since you do not know the commitment level of the couple, you cannot make the decision based on the gross income.

Similarly, you cannot make a decision to give somebody a mortgage, based on their gross income. You have to look at the extent to which those individuals are already committed, and their circumstances will differ.

Mr. DEPUTY SPEAKER: You have made your point. Proceed, Honourable Member.

Hon. Mrs. H. E. THOMPSON-McDOWALD: Thank you, Sir.

Mr. Deputy Speaker, since the change in ownership from being a Government entity to a private sector entity, the Barbados Mortgage Finance Company Limited has continued to demonstrate a willingness to lend to that cohort of the population that would be described as low income. They have developed a practice and a specialty in this particular market and have done well in it given the low default rate that they experienced on their mortgage portfolio, so there is not an issue as to whether they are going to continue in this market. They aggressively pursued us to be involved in the primary homes programme simply because they wanted to continue to lend in the low income sector of the market. Hence, the analysis and statements of the Honourable Member for St. Michael North West, though logical, are not necessarily accurate and valid within the context of this discussion.

2.50 p.m.

Sir, in 1993, the last full year that the Other Side was in Government, the Barbados Mortgage Finance Company Limited lent \$8 101 000, but by the end of 2004 the same Barbados Mortgage Finance Company Limited, under this Administration with the measures we have in place for housing and the increase and growth and development of the construction industry and so on, lent some \$42 300 000 in mortgages with 80 per cent going for financing houses worth \$120 000.

Equally, in 1993, the last year under the Democratic Labour Party Government, the cumulative mortgage market in Barbados stood at \$31.8 million. At the end of March 2004 – I do not have current figures and I apologise, I must update them – the residential mortgage market in the private banking sector stood at \$479.1 million.

Mr. C. A. MASCOLL: On a point of order. Mr. Deputy Speaker, again the Minister is misleading the House. I do not know, I have not seen the figures, but that \$31 million would have to be new mortgages and not existing mortgages. Therefore, if you compare \$31 million with over \$400 million and conclude that there has been a substantial change in the mortgage market, then the Minister would have to provide this Chamber with the correct information and the correct comparison. By the way, there is no one in Barbados that can deny that even during those years of crisis that building was being done in Barbados. In fact, the commercial banks were making profit on top of profit. Commercial banks made profits on loans and they continue, even during those periods, to make loans for mortgages.

Mr. DEPUTY SPEAKER: Proceed Honourable Member.

Hon. Mrs. H. E. THOMPSON-McDOWALD: I move to the Housing Credit Fund. In 1991/92, \$1 052 000 was lent under that Administration. In 2001/2002, \$15 641 796 was lent under this Administration. During the period 1986-1994, the General Workers' Loan Scheme loaned \$13 939 823.68 and in 1994-2004, \$47 980 692.64. The figures tell a tale of growth and development for private individuals; of growth in the construction sector; of growth in the mortgage market; the repair of homes; the construction and development of new homes and the redevelopment of existing properties is a tribute to this Administration's management in the housing sector. Those figures are taken from the Central Bank reports and from the institutions themselves. These are not bogus figures. This is not the convoluted gymnastic logic of the Honourable Member for St. Michael North West. These are the stark statistics that speak to what has been happening in the sector.

Mr. Deputy Speaker, the Honourable Member for St. Michael North West, during the course of his debate, made the point that years ago people would buy land and pay for their land and build some time after. Interest rates are low at this time. On land loans you always pay very high rates because the loan period is a short period. Therefore, it is more prudent in the current market where rates are low for people not to buy land and hold it because while they are paying for that land they still have all of their daily living expenses to meet including paying existing rent, so it can create a hardship. If persons make the mistake of building incrementally on that property while paying for it with their resources, they can end up losing it. Therefore, it is better in the present market, given the low interest rates, to buy a property one time or to have a whole property, house and land, financed rather than to keep paying for land months after months and still have all of one's expenses including rents.

Mr. Deputy Speaker, what we are seeing is a housing demand that has no relationship to population growth but a housing demand that bears a relationship to economic growth because the growth and demand for housing has risen commensurate with the large number of people who are now employed. Those 100 per cent mortgages allow people to own property at a far younger age than previously because once a person is working in a steady job they can access the 100 per cent mortgage facility and therefore own a home, so people are owning properties younger than my parents or when the Honourable Member for St. Michael North West came to property ownership.

Mr. Deputy Speaker, many people in their early 20s who are in stable employment are applying to own houses under the primary homes programme at the National Housing Corporation because it represents for them the first property which they would access with 100 per cent financing. Sir, I am sorry that I do not have here with me the number of people within that particular age group who have applied.

Equally, there is at this time in the Government's loan market increased financing available for housing construction, redevelopment and repair, which provide the opportunity for people to access funding at this time and therefore for property ownership or property repairs.

Sir, property repairs is a significant component of what happens with the General Workers' Loan Scheme because these are the people who are looking to convert from wood to wall. Sir, you know how they do it. You see them start at the back and then come on or they build the wall houses around the old wooden house and then they dismantle the old one and take it away. Alternatively, they will increase the number of rooms and may put on a verandah to change the facade of the chattel house. Therefore, when you look at what is happening in the market you see that people's housing circumstances are improving and that the housing stock generally is improving, although I concede that there is a cohort of the market that is not building houses of good quality.
3.00 p.m.

Mr. Deputy Speaker, the Honourable Member for St. George South was correct when he spoke to the fact that the National Housing Corporation is still offering land at \$2.50 per square foot and so too is the Urban Development Commission, in particular circumstances. Equally, land under the Primary Homes Project is being sold at between \$6 and \$7 per square foot.

Sir, in the last ten years, the National Housing Corporation has sold land in one or two developments, that was in excess of \$7 per square foot, but all of the National

Housing Corporation's land has come within that \$7 ceiling. Therefore, for poor people, middle class Barbadians and for a large number of civil servants, the National Housing Corporation still remains the viable alternative and best choice to facilitate an opportunity for housing. Equally, with the new ceiling for the Barbados Mortgage Finance Co. Ltd., a large number of postmen, teachers, policemen, nurses, young doctors, junior civil servants, clerks, *et cetera*, who join with their partners, would now be able to access financing from the Barbados Mortgage Finance Co. Ltd. This is something they could not have previously done.

Mr. Deputy Speaker, I want to raise a concern which relates to the requirement by finance institutions for mortgage indemnity insurance, where a prospective homeowner is either borrowing a large sum or a significant sum of the capital for building the property. Sir, I believe that given the very high financing charges already inherent in the construction of the property or in the loan process, that this constitutes a hardship for people to have to pay mortgage indemnity insurance.

Mr. Deputy Speaker, it is, in my view, an unnecessary imposition on the prospective builder or homeowner, the reason being that the bank would already be holding the security of that property, the value of which would appreciate. There is a former Honourable Member who is well-known to the Other Side, who is familiar with land valuations, property and realty, *et cetera*, who has said that over the last twelve to fifteen years, property prices in Barbados have been appreciating at the rate of 6 per cent to 8 per cent per annum. Therefore, when one purchases a house or property, every year the value of that property appreciates. Sir, the reality is that it will be closer to 8 per cent, but depending on the location of the property, it can appreciate as high as 10 per cent. Sir, for example, those persons who may live at St. Silas Heights or at Deane Town, will get their land at \$12 or \$15 per square foot, which will be next door to land that is being sold at \$30 per square foot, and located at the edge of a polo field. Hence, one knows that the value of that property will appreciate beyond the value of \$6 or \$8, which may be the value, for instance, of a property in the Bay Land or the Orleans.

Mr. Deputy Speaker, since the mortgage company is already holding that prospective homeowner's property as security, the value of which appreciates, and since under the terms of the mortgage, that prospective homeowner is mandated to keep that property insured, should he default on the mortgage, bearing in mind that even in the low income sector, the default rate is only 3 per cent, the mortgage company has the right to sell that property, as that is set out in the mortgage contract. Hence, to further insist that a homeowner has to insure the mortgage sum with a further insurance policy is, in my view, an unnecessary hardship

and, therefore, I would like to see this practice come to an end, especially as I indicated where these mortgage companies are holding homeowners properties, which they have the right to sell should homeowners default, along with the fact that the property appreciates in value, which would result in the fact that these companies would not lose if they were to sell any property.

Mr. Deputy Speaker, I want to speak to the companies that are insuring and mortgaging primarily low income houses. When one looks at the mortgage market, the figures show that the Barbados Mortgage Finance Co. Ltd. portfolio is 80 per cent, while CLICO has a 65 per cent low income rate, and in both agencies and across the market in Barbados, the default rate on property is 2 per cent to 3 per cent. Therefore, it is shown that our people understand the value of property ownership. In fact, the two aspirations of Barbadians from their earliest childhood are to become well-educated, so that they can enjoy some degree of upward social mobility consequential upon achieving their education and secondly, to own a piece of the rock and ultimately to own their own home.

Sir, this massive housing loss that the Honourable Member for St. Lucy was speaking to, was a reflection of his memory of what happened between 1991 and 1994. Sir, I would concede that there is always somebody who would lose a property by factors such as loss of job and the inability to negotiate the mortgage, or where man/woman or husband/wife relationship breaks down and they cannot agree on the settlement of the property, where one has to pay out the other, or where the property has to be sold for the money to be divided. These are the two circumstances, particularly the latter, in which there are defaults in mortgages in Barbados, most commonly in the low income sector.

Mr. Deputy Speaker, that is an aspiration that has been facilitated by the policies of this Administration. I have given figures which show the increase in the mortgage market. Sir, you know that the terraced units are under sale for those who want to buy, and in relation to the joint venture programme – which I have heard is not going anywhere.

In fact, there are some problems being experienced at Blackmans, St. Joseph, I admit, but the majority of the houses there are now completed. At old Deane Town, the roads have been cut and construction will start shortly. At Hoyte's Village, I believe they are about to do the allocations but the roads and infrastructural developments are being put in. At Coverley, I believe the allocations there should now be completed and again, roads and other infrastructure are being put in. At Rices, St. Philip, work is again underway. At Bulkeley Meadows, St. George, progress has been made and construction will start there shortly.

The joint venture programme with the Barbados Mortgage Finance Co. Ltd., at Husbands and at Green Wood Park, is completed and has been advertised for sale, with keen interest in the property being demonstrated by persons. At Lancaster, we are delayed by the completion of the Environmental Impact Assessment Study but the reality is that significant construction is underway. For the Primary Homes Programme, we have handed over some of the early units and are in the process of awarding contracts for the construction of Primary Homes at several sites across the country, beginning in St. Lucy.

3.10 p.m.

It is amusing to hear Honourable Members speak about how poor the programme is because they also call and ask for houses and ask that they be not forgotten. Sir, they speak with forked tongues, they tell you one thing with one side of their mouths and on the other side they tell you another thing.

Mr. Deputy Speaker, I am being asked a question about the mortgage indemnity insurance. I must apologise that I do not have the information here with me because I would like the House to be aware of these things. Sir, I have taken as my base, a property worth \$100 000. If you borrow \$100 000 from the bank, you would pay a negotiation fee of approximately \$600. The fees vary from institution to institution so at institution A, you may pay \$400 but at institution B, you may pay \$700. You pay a further \$500 in a commitment fee and you are then asked for a valuation which could cost in the range of \$800. You are asked to provide an indemnity insurance, a life policy or term policy which will be held as security in addition to the property. Sir, you need three insurance policies, either life or term insurance and insurance for the property. Meanwhile, they hold the property as security and you are also asked in some circumstances to buy mortgage indemnity insurance which carries an extremely high premium. Mr. Deputy Speaker, you end up paying three insurances on the same property and, invariably, nobody discusses with you in advance what it is going to cost you to finance and access the loan to build your property.

Mr. Deputy Speaker, the mortgage indemnity could work out to \$1 200 a year and on \$100 000, property insurance could cost you in the region of \$500 yearly. Stamp Duty will be \$600 on the transaction, VAT for lawyers fee will be \$1 875.00 and the lawyer of the bank or finance institution will be paid a fee, including VAT of approximately \$2 500 on the transaction.

Mr. DEPUTY SPEAKER: Honourable Member, please wind up.

Hon. Miss H. E. THOMPSON-McDOWALD: Mr. Deputy Speaker, then you pay a bridging loan to the bank while the property is under construction. Sir, the cost of financing a loan is what makes it extremely prohibitive to the average individual. If we are looking at increasing the ceiling limit to Barbados Mortgage Finance Company Limited, in the context of the broader discussion of the mortgage market, we have to come to grip with what it is costing people to build property and to access loans to build properties.

Sir, it is my judgement that the cumulative fees are far too high and since finance institutions make a profit on the mortgage itself, they should consider how these charges can be reduced particularly in the lower end of the market.

Mr. Deputy Speaker, I close on this point. Government is the only agency which eases people. Sir, people will get a reversed tax credit from Government and they would not pay income tax or land taxes. All the concessions have been provided by the Government but the private sector is reaping all the benefits while Government is doing its utmost to facilitate property ownership to the lower end of the market.

Sir, I am much obliged to you and strongly support the raising of the ceiling because I know how many people and couples this would help in Barbados.

Mr. C. A. MASCOLL: Mr. Deputy Speaker, on a point of elucidation. First of all in my passion, which I must confess that I enjoyed, in this debate I used the word idiot in an aside. It was not intended to address any particular person but was part of the going-ons. Sir, I do apologise for it and hope that the public would recognise that.

Sir, on the question of elucidation, the Minister in her earlier demonstration indicated that during the reign of the Democratic Labour Party that only \$34.6 million in mortgages would have been distributed in 1994 at commercial banks. Over the period, there would have been trust companies, insurance companies and the Barbados Mortgage Finance Company Limited which would have offered residential mortgages. Sir, in 1994, the outstanding long-term residential mortgages reached almost \$600 million. They are now just under \$1 200 million.

Mr. Deputy Speaker, I wish to make the point that while commercial banks have increased their mortgage portfolio, insurance companies have stopped lending for mortgage purposes and trust companies are not lending as many mortgages. Therefore, we have seen a shift in mortgage lending to the commercial system for particular reasons which would be explained some time down the road.

Mr. Deputy Speaker, based on the admission of the Honourable Minister, they are only able to provide a fraction of the required services but before they concentrate on increasing that systematically, they are dabbling in high mortgages and investing in properties *et cetera*. Sir, something is very wrong.

Mr. Deputy Speaker, if this Administration, in speaking to the provision of low income housing, when it is mentioned in this Honourable House about the land bank and that the National Housing Corporation represents probably the cheapest source of land in Barbados, so that low and middle income persons would have an opportunity to own land, that speaks volumes in Barbados. Sir, if every Barbadian, after leaving school, is reduced to a point where middle and lower income Barbadians have lost the right to choose where to live because of the astronomical increase in the cost of land and construction in Barbados for the last ten years, then something is fundamentally wrong.

Sir, one cannot argue, based on the information given in this Honourable House today, that what I am saying could be wrong because the National Housing Corporation has a land bank and they said that they set the policy and they are selling land less than \$7 per square foot, which is the cheapest in Barbados.

The only way that a lower or middle income person can get land in Barbados is to go to the National Housing Corporation so, your choices have now been removed. The question is, where is the land?

Mr. Deputy Speaker, I represent a rural constituency and it bothers me that in many of the tenancies where there are already sites and services there is no move to fully cultivate and develop those existing tenancies. This Government seems to believe that the answer is new development and construction. I am not convinced that can be the way forward in solving this particular problem.

Sir, if this Administration was serious about low income housing in Barbados, I want to know why it did not see it fit to compulsorily acquire at least two of the plantations that were indebted to the Barbados Agriculture Credit Trust. Sir, all we required was 600 acres of land and if you multiply that by two thousand square feet per acre and then subdivide that by five thousand square feet, you would see how many house spots we would have in Barbados. There would be enough house spots to make sure that everybody in Barbados who wants a house can find one, so I do not buy the illogical postulate that the problem is land. The problem is the political will to acquire land and make it available to Barbadians, at a price that they can afford.
3.30 p.m.

Mr. Deputy Speaker, those who would want not to use their brains, that is their business but Barbadians will understand that, if this Government was serious, about containing the cost of land and construction in Barbados, why would the Government not look at revisiting the VAT on construction material to help poor people. Why it is that all these businesses in Barbados, which are in the business of construction can claim their VAT on their income tax. It cannot be serious. They are making sport.

If you have a mandate to protect the interest of the people, then I believe that the poor people who are struggling and want to build a home, you should provide for them the same type of capacity to deduct the VAT and other cost inputs, as you give to a business in Barbados. This is reasonable so I do not mind all the rhetoric.

I will say, Mr. Deputy Speaker, if this Administration acquired only three plantations, they can provide close to 8 000 house spots in Barbados. When I hear the talk about a problem with land, it is not a problem. As I said, it is the political will, and that capacity to understand that you serve the people and not to believe that you own the Ministry for other purposes.

Asides.

Dr. D. C. ESTWICK: Sir, nobody can tell me how to talk in here. I am duly elected. Let me tell you something again. Mr. Deputy Speaker, one of the problems that exists in Barbados is because there are people in here who believe that when they became a Minister that they own the Ministry. They also believe that as an Opposition politician, or the Opposition that we are supposed to come and beg for services.

Let me say in here today that I am not begging for anything. I am a duly elected member and as a result, Mr. Deputy Speaker, I am saying that the services which are needed by the people in St. Philip West, St. Michael West, and St. Michael South are services that they need and they should get because they are Barbadians who pay taxes.

Asides.

Dr. D. C. ESTWICK: Mr. Deputy Speaker, I will say, Sir, that I have a problem with this whole concept of a borrower paying the Attorney's cost for a lending institution. It must be wrong. You are a poor individual scrounging and saving to go and get a mortgage, and you are going to tell me that a bank with millions of dollars in profit per year, should ask the borrower who is scrounging to pay the lawyer for the bank, as well as their own. No. I am not going to say that it is right when it is wrong.

Mr. Deputy Speaker, based on the admission of the Honourable Minister, they are only able to provide a fraction of the required services but before they concentrate on increasing that systematically, they are dabbling in high mortgages and investing in properties *et cetera*. Sir, something is very wrong.

Mr. Deputy Speaker, if this Administration, in speaking to the provision of low income housing, when it is mentioned in this Honourable House about the land bank and that the National Housing Corporation represents probably the cheapest source of land in Barbados, so that low and middle income persons would have an opportunity to own land, that speaks volumes in Barbados. Sir, if every Barbadian, after leaving school, is reduced to a point where middle and lower income Barbadians have lost the right to choose where to live because of the astronomical increase in the cost of land and construction in Barbados for the last ten years, then something is fundamentally wrong.

Sir, one cannot argue, based on the information given in this Honourable House today, that what I am saying could be wrong because the National Housing Corporation has a land bank and they said that they set the policy and they are selling land less than \$7 per square foot, which is the cheapest in Barbados.

The only way that a lower or middle income person can get land in Barbados is to go to the National Housing Corporation so, your choices have now been removed. The question is, where is the land?

Mr. Deputy Speaker, I represent a rural constituency and it bothers me that in many of the tenancies where there are already sites and services there is no move to fully cultivate and develop those existing tenancies. This Government seems to believe that the answer is new development and construction. I am not convinced that can be the way forward in solving this particular problem.

Sir, if this Administration was serious about low income housing in Barbados, I want to know why it did not see it fit to compulsorily acquire at least two of the plantations that were indebted to the Barbados Agriculture Credit Trust. Sir, all we required was 600 acres of land and if you multiply that by two thousand square feet per acre and then subdivide that by five thousand square feet, you would see how many house spots we would have in Barbados. There would be enough house spots to make sure that everybody in Barbados who wants a house can find one, so I do not buy the illogical postulate that the problem is land. The problem is the political will to acquire land and make it available to Barbadians, at a price that they can afford.
3.30 p.m.

Mr. Deputy Speaker, those who would want not to use their brains, that is their business but Barbadians will understand that, if this Government was serious, about containing the cost of land and construction in Barbados, why would the Government not look at revisiting the VAT on construction material to help poor people. Why it is that all these businesses in Barbados, which are in the business of construction can claim their VAT on their income tax. It cannot be serious. They are making sport.

If you have a mandate to protect the interest of the people, then I believe that the poor people who are struggling and want to build a home, you should provide for them the same type of capacity to deduct the VAT and other cost inputs, as you give to a business in Barbados. This is reasonable so I do not mind all the rhetoric.

I will say, Mr. Deputy Speaker, if this Administration acquired only three plantations, they can provide close to 8 000 house spots in Barbados. When I hear the talk about a problem with land, it is not a problem. As I said, it is the political will, and that capacity to understand that you serve the people and not to believe that you own the Ministry for other purposes.

Asides.

Dr. D. C. ESTWICK: Sir, nobody can tell me how to talk in here. I am duly elected. Let me tell you something again. Mr. Deputy Speaker, one of the problems that exists in Barbados is because there are people in here who believe that when they became a Minister that they own the Ministry. They also believe that as an Opposition politician, or the Opposition that we are supposed to come and beg for services.

Let me say in here today that I am not begging for anything. I am a duly elected member and as a result, Mr. Deputy Speaker, I am saying that the services which are needed by the people in St. Philip West, St. Michael West, and St. Michael South are services that they need and they should get because they are Barbadians who pay taxes.

Asides.

Dr. D. C. ESTWICK: Mr. Deputy Speaker, I will say, Sir, that I have a problem with this whole concept of a borrower paying the Attorney's cost for a lending institution. It must be wrong. You are a poor individual scrounging and saving to go and get a mortgage, and you are going to tell me that a bank with millions of dollars in profit per year, should ask the borrower who is scrounging to pay the lawyer for the bank, as well as their own. No. I am not going to say that it is right when it is wrong.

I believe very strongly that the bank or institution which is lending the money should pay their own lawyer for the work done by their lawyer.

Mr. R. D. MARSHALL: Mr. Deputy Speaker, on a point of order. The Honourable Member is misleading the House. I just want to explain to the Honourable Member that a bank or lending institution is in the business of making money. They lend the depositors money and they have to make some kind of money from it, Sir.

Dr. D. C. ESTWICK: The bank is in the business of making money and I am in the business of protecting the interest of poor people and my constituents.

Asides.

Dr. D. C. ESTWICK: Sir, that is my responsibility so it bothers me immensely to hear a backbencher of Government indicating that a business is there to make money, so it means however they make the money is right.

Sir, when Hitler ordered many of the generals, physicians and so on to gas the Jews and kill them, some of them said they were following orders. They removed their inner capacity to do what is right, based on what is moral and decent because it is what is considered to be right at the time.

This is the reason why there are many entities worldwide, who may pollute rivers with all sorts of mercury and other things and it is right because it saves a dollar bill. If that is the thinking in here, not of Dr. Estwick, the Honourable Member for St. Philip West.

Sir, let me make the point that 80 per cent of the mortgages by the Barbados Mortgage Finance Company, were with respect to low income earners. I believe that if this is the position then what they should do is expand that capacity and their mandate more meaningfully in their responsibility for the people. I think if this is done, we would be a lot better off.

Sir, in winding up, I want to speak to one last issue. I heard rhetoric in this Honourable Chamber about certain types of lands that should be sold at certain prices, because of where they are located. If it is up on a cliff or a ridge that is too good to give to poor people, so you must sell it at a high end.

I know of scenarios where such properties were sold by the National Housing Corporation in recent times, one acre and up for large sums, when one of those acres could have supplied ten lots at 4 000 square feet. Where is the mandate?

Asides.

Dr. D. C. ESTWICK: Mr. Deputy Speaker, I am not going to get caught up in that, Sir, anybody with commonsense would understand that we are talking about averages.

I will reiterate my point. If the NHC, was interested in executing the mandate that it should execute, the NHC should not be looking to sell off lots at one and two acres. I do not care where it is, if it is on a cliff or under the cliff. It should be subdivided and used to provide for low income housing in Barbados.

Sir, the mandate is also marginalised by getting into investment property, and further marginalised now that I am hearing that we are going into high-end mortgages, while all of this is happening, everyday tons and tons of young men and women are going down to the NHC looking for homes, looking for land, looking for houses and land and cannot get on the register. Sir, somebody would have to explain to me what all of this means with respect to whether this administration would ever get an understanding of the housing problems in Barbados or whether this Administration would appreciate that its policy-making machinery can make a difference with respect to how it looks at its taxation policies and its fiscal measures.
3.40 p.m.

Hon. Mrs. H. E. THOMPSON-McDOWALD: On a point of order. The Honourable Member is misleading the House if he is suggesting that the National Housing Corporation is currently in the process of selling off one-acre residential lots. The National Housing Corporation has sold large commercial lots in an area that was designated commercial under the Town Planning regulations. Those lands had to be sold as commercial lands, so we could not cut them up and sell them for residential purposes. Part of our policy which the Honourable Members on the Other Side have criticised is that we have sold some middle income land to subsidize low income housing and low income lands, but we have not sold any residential lands of that size that could have gone into housing. As you know, Sir, where there is a designation of lands as commercial from the Town Planning Department, so you can only sell it for commercial purposes.

Dr. D. C. ESTWICK: Mr. Deputy Speaker, I stand by my statements because I know that what I said occurred in Barbados. It may not have occur under this present Minister but it did occur. As a result, I will not withdraw my statement. I will close by saying that the fiscal policy that this Administration could use, could be used effectively to bring down the cost of construction in Barbados. This Administration's use of even the transfer tax dimensions could be further amended to deal with some of the problems. This Administration could also look at the value added tax impact upon construction. This Administration could look

more closely at the type of concessions that could be utilised as an annual deduction with respect to allowing greater liquidity and allowing Barbadians to have a greater chance of securing a mortgage.

Mr. Deputy Speaker, that is what it is all about. It is about administrations using their policies. Any administration that seems to always believe that because they are in government they are right and that they would be in government forever, is doomed to fail. Sir, we have in front of us a group of omnipotent elements that reside in this hallowed Chamber.

Mr. DEPUTY SPEAKER: Honourable Member could you take back that statement?

Dr. D. C. ESTWICK: Okay, I withdraw it, Sir. Mr. Deputy Speaker, any time any administration gets to that point, that is the seed for their own undoing. People in glass houses should not throw stones. Many of these Honourable Members live in glass chambers and they are the first to throw stones in here. Sir, all I am interested in, as an elected Honourable Member, is to continue to fight against policies and programmes that I and the Democratic Labour Party consider to be unjust. Sir, as long as that perception exists and that view from analysis and deduction is there, you can rest assure that I will continue to say what I have to say fearlessly, without lent and not be concerned with what any other Honourable Member on the Other Side has to say because when elections time come they will all be in St. Philip cursing, Dr. Estwick, this Honourable Member.

Mr. Deputy Speaker, I am very well aware of the politics and my responsibilities and I will live or die by my concept and understanding of this thing called politics. It is not going to happen.

I thank you, very much.

Hon. D. D. MARSHALL: Mr. Deputy Speaker, it is with some amusement that Honourable Members of the House on This Side listened to the various contributions of the Opposition. We are grateful that they participated in the debate, but it is almost if they are so anxious to argue on behalf of one set of their constituents that they forget that Barbados has a burgeoning middle class, and that is what this amendment is about today. It does not in any way reflect callousness on the part of this Administration in respect of the matters of the poorer class of this nation because the National Housing Corporation has done a sterling job in looking after the interest of the poorer class in this country.

In 1999 when this Government introduced the 100 per cent mortgages and the six per cent interest rates, the lowest available anywhere, it was not introduced at the behest of the

middle class but to ensure that the poorer members of our society were able to satisfy their aspiration to own a home. So vast numbers of Barbadians who bought houses in places like Apes Hill and other districts across Barbados, the poorer people in this society, have benefitted from these measures. Mr. Deputy Speaker, we have to remember that it is in satisfaction of the increase need that this amendment is being made.

The Members of the Opposition want to pretend that there is no middle class in Barbados. The Barbados Mortgage Finance Company Limited was not established solely for the poor members of this society, it was also established to settle and to deal with the housing mortgage needs of both the lower class and the middle class and they have done an outstanding job.

The Members of the Opposition talked about the increase in construction cost and so on, and I would like to point out to the Leader of the Opposition that in 1981 the mortgage limit was \$100 000 and in April of 1994 in circumstances where Bajans had suffered the eight per cent cut and were losing their homes, the Democratic Labour Party had the temerity to increase the limit to \$175 000. Therefore, the argument that we are increasing the limit because of increased cost of this and increased cost of that and the fact that housing is not affordable for Barbadians is one that could well have been made when they increased the limit in 1994.

Mr. Deputy Speaker, then, as it is now, we have to accept that there are always increases in all of the components that will go into housing. Mr. Deputy Speaker, this is not something being surreptitiously done. At the beginning, I pointed out that there were many factors which were causing the increase in the cost of houses, and that we have conceded. It is also the case that hand-in-hand with the increase in the cost of land, including construction, that there is an element of the Barbadian middle class that continues to reach into a higher and higher bracket with regards to housing cost.

3.50 p.m.

Mr. Deputy Speaker, I intimated to this Honourable Chamber that the Barbados Mortgage Finance Co. Ltd., has been receiving many applications on a weekly basis from people who want to do a project beyond the existing \$400 000 limit. I understand that it is in the region of four applicants per month, and these would be first-time homeowners, who are also entitled to benefit from the 6 per cent interest rate.

Mr. Deputy Speaker, as of today until we pass this amendment and it becomes law, those people have to be turned away and be told that they have to approach a commercial bank which may be willing to lend them 75 per

cent of the total cost. Sir, let us think of it; a Barbadian couple, who is only able to access mortgage funding for a \$400 000 house in the amount equivalent to 75 per cent, is a Barbadian family that can only borrow \$300 000. Sir, which Barbadian family do we know of, who would have over \$100 000 sitting down waiting to put into their product? Sir, there would hardly be any, because that is not the level of savings that a Barbadian family, with two or three children or with other commitments, is going to have.

Sir, when we are talking about increasing the limit to \$400 000, we are talking about making a practical change that will benefit an increased number of people, people who are every Honourable Member's constituents. It is not about establishing a preferential regime for the well offs or better-offs. It is nothing more than expanding the outer or upper limit of the kind of assistance that we, as a Government, can give to our citizens, in terms of accessing preferential interest rates, so that they can be able to satisfy their needs.

Mr. Deputy Speaker, the information which I have before me shows that in 1981, the limit was \$100 000. In 1994, it was increased to \$175 000. In 1999, this administration increased it to \$250 000, because there were vast numbers of Barbadians who were benefitting from an economy that was booming but who found themselves unable to access funding through the Barbados Mortgage Finance Co. Ltd. As a result of the increase demand, in 2002, it was increased to \$300 000. This is a response to the legitimate and fervent demands of a segment of the Barbadian working class that has to be also met. This is not Government's response to an issue or Government's response to trying to mitigate challenges. This is a response to a request from the Barbados Mortgage Finance Co. Ltd., which has said that four or five persons are approaching that company every week, but who have to be turned away.

Mr. Deputy Speaker, this particular response is one that is timely and no doubt over time Parliament may again be asked to increase the limit. Perhaps in 1981 we never thought that the time would have come when the demand in the economy would have been such that we would be looking at a \$400 000 limit, but the fact is that this is not a static environment and we, like the Barbadian citizens who want to build their homes or to purchase land, have had to respond to the change that is required.

Mr. Deputy Speaker, our commitment to the poor people of this country is one that cannot be doubted. The efforts that we are making to ensure that people who are renting the National Housing Corporation's units are able to buy, is a serious effort to enfranchise a segment of the Barbadian population who might not otherwise have had the opportunity.

Mr. Deputy Speaker, the work on the Primary Homes Project is something that is being done to assist Barbadians at the low end of the economic ladder. Therefore, the context in which this amendment is being made is not one which sees us only catering to the needs of the 'bigger ups' and the 'better offs' because a person who could have afforded a \$400 000 house in 1981 might have been seen in the eyes of the people as a millionaire but today a person who affords a \$400 000 house is an average Barbadian. There are members of the civil service, people who are working class individuals, who, through hard work and thrift, are able to acquire an asset of that value. In fact, Mr. Deputy Speaker, when you look across the length and breadth of Barbados, I am sure you will see homes, some lavish, some not so lavish, but the fact of the matter is that the values that are being given to these pieces of real estate are significant and represent an important investment and a source of equity for these individuals.

Mr. Deputy Speaker, I, therefore, want to commend this amendment to the Mortgage Insurance Bill to the Honourable Members of this House. I believe it is a far-ranging measure. Its impact is going to be felt at a segment of our population that is currently not so enfranchised. It is a measure that I believe that many of our middle class Barbadians who work hard and who are entitled to get some of the beneficence of any Government will be grateful for. There are members of the civil service who would be glad for the opportunity to access a loan from the Barbados Mortgage Finance Co. Ltd., but are today told that because of the fact that the house costs more than \$300 000, that person would not be able to access that loan. Sir, therefore, in order to access this funding, people would be forced to change their housing plans by deleting plans for the garage or by making the house smaller.

Mr. Deputy Speaker, we would be behaving in a reprehensible way if we did not put a framework in place, such as would enable those people to meet their legitimate aspirations and their legitimate demands. Therefore, the time when people would have had to change their housing plan is no longer with us. People can and will benefit from this amendment.

Mr. Deputy Speaker, the other thing we have to remember is that \$300 000 today will not have the same purchasing power as \$300 000 in five or six years' time, and so it is important for us to be proactive and to increase the limit in such a way so as to enable the Barbados Mortgage Finance Co. Ltd., not only to meet today's needs and today's requests but to meet the needs and the requests of those Barbadians four or five years later, who want to get into the first-time housing market.

4.00 p.m.

Mr. Deputy Speaker, I look forward to seeing many of my constituents benefitting from them as I am sure that all Honourable Members in this Chamber do. Sir, notwithstanding the fact that members of the Opposition have bellyached about a variety of things in the House today, I feel that in their heart of hearts they too recognise that they have constituents who have a legitimate claim to receive assistance from the Barbados Mortgage Finance Company Limited. In fact, I would be most surprised to hear Honourable Members on That Side say that you cannot only look at your gross income to determine qualification for a mortgage if they would agree that you could look only at the value of the property you want to build.

Mr. Deputy Speaker, with those few words, I commend this Bill to this Honourable House and beg to move that it be read a second time.

Mr. R. St. C. TOPPIN: I beg to second that, Sir.

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

On the motion of Hon. D. D. MARSHALL, seconded by Mr. R. St. C. TOPPIN, the House resolved into Committee, Mr. R. D. MARSHALL, Chairman of Committees, in the Chair.

COMMITTEE

Mr. R. D. MARSHALL: This House is in Committee.

Clause 1 was called and passed.

Clause 2 was called.

Hon. D. D. MARSHALL: Mr. Chairman, I wish to propose an amendment to Clause 2 by deleting the word “is” appearing in the first line after the words “Mortgage Insurance Act”.

I beg to move that Clause 2, as amended, stand part.

Hon. Mrs. H. E. THOMPSON-McDOWALD: I beg to second that, Sir.

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

Clause 3 was called.

Hon. D. D. MARSHALL: I wish to propose an amendment to Clause 3. In subsection 2 of what would be the new Section 4A, delete the number “(4)” appearing in the first line after the word “subsection” and substitute the number “(1)”. It would now read “An Order made under subsection (1).”

I beg to move that Clause 3, as amended, stand part.

Hon. Mrs. H. E. THOMPSON-McDOWALD: I beg to second that, Sir.

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

Clauses 4 and 5 were called and passed.

On the motion of Hon. D. D. MARSHALL, seconded by Hon. Mrs. H. E. THOMPSON-McDOWALD, Mr. CHAIRMAN reported to His HONOUR, the DEPUTY SPEAKER, the passing of one Bill in Committee and Mr. DEPUTY SPEAKER resumed the Chair and reported accordingly.

On the separate motions of Hon. D. D. MARSHALL, seconded by Hon. Mrs. H. E. THOMPSON-McDOWALD, the Bill was read a third time, passed and cited as the Mortgage Insurance (Amendment) Act, 2005.

ADJOURNMENT

Hon. Miss M. A. MOTTLEY: Mr. Deputy Speaker, this concludes Government Business for today. I beg to move that this House be adjourned until Tuesday, May 3, 2005.

Mr. R. St. C. TOPPIN: I beg to second that, Sir.

The question that the House be adjourned until Tuesday, May 3, 2005 at 10.00 a.m. was put and resolved in the affirmative without division and Mr. DEPUTY SPEAKER adjourned the House accordingly.
4.10 p.m.

CONTENTS

MINUTES

Hon. Miss M. A. MOTTLEY: 1

*Confirmation of Minutes of the meeting of
Tuesday, April 12, 2005.*

PAPERS

Hon. Miss M. A. MOTTLEY: 2

*Duties, Taxes and Other Payments (Exemption)
(FirstCaribbean International Bank Limited)
Order, 2005.*

FIRST READING OF BILLS

Hon. R. C. EASTMOND 2

Safety and Health at Work Bill, 2005.

SUSPENSION OF CERTAIN
STANDING ORDERS

*Standing Orders Nos. 6, 16, 18, 20, 42(5), 43
and 44 were suspended for the remainder of the
Sitting.*

Hon. R. C. EASTMOND 2

GOVERNMENT BUSINESS

ORDER NO. 4 – BILL ENTITLED AN ACT
TO AMEND THE MORTGAGE INSURANCE
ACT 2

*Hon. D. D. Marshall, 2, 36; Mr. C. A. Mascoll,
7; Mr. R. D. Marshall, 14; Mr. D. St. E. Kellman,
16; Hon. G. A. Clarke, 21; Mr. R. D. Jones, 24;
Hon. Mrs. H. E. Thompson-McDowald, 27; Dr.
D. C. Estwick, 33.*

SUSPENSION 21

ADJOURNMENT 38

Hon. Miss M. A. Mottley, 38.

SPEAKERS IN THIS ISSUE

CLARKE, Hon. G. A. (St. George North)
**EDGHILL, His Honour J. M. (Christ Church West
Central)**
ESTWICK, Dr. D. C. (St. Philip West)
JONES, Mr. R. D. (Christ Church East Central)
KELLMAN, Mr. D. St. E. (St. Lucy)
MARSHALL, Hon. D. D. (St Joseph)
MARSHALL, Mr. R. D. (St. Michael West Central)
MASCOLL, Mr. C. A. (St. Michael North West)
MOTTLEY, Hon. Miss M. A. (St. Michael North East)
ROETT, His Honour I. A. (St. Michael Central)
**THOMPSON-McDOWALD, Hon. Mrs. H. E. (St. James
South)**